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Strategic Supremacy of Business Organizations in Developing Countries in the Context of Neocolonialism

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Abstract
This study explores the concept of strategic supremacy for business organizations in developing countries and argues that achieving true economic independence is impossible without dismantling neocolonial structures. Neocolonialism continues to manifest through economic dependency, corporate dominance, and geopolitical control, keeping developing nations subordinate to global economic powers. Multinational corporations (MNCs), international financial institutions, and unfair trade policies reinforce economic hierarchies, preventing developing economies from achieving self-sufficiency. By integrating Dependency Theory, World-Systems Theory, and Sustainable Development Theory, this research highlights the mechanisms through which neocolonialism persists and provides a strategic framework for breaking free from these constraints. It advocates for reducing reliance on foreign capital and technology, fostering regional cooperation, diversifying economies, and investing in local innovation as essential steps toward economic sovereignty. Additionally, good governance, institutional reforms, and corporate social responsibility (CSR) are identified as critical factors in ensuring long-term sustainable development. Case studies from Malaysia, Vietnam, Kenya, illustrate successful efforts toward economic diversification and technological advancement, offering valuable insights for developing nations seeking to break free from external control. However, the study concludes that strategic supremacy cannot be fully achieved without actively resisting and dismantling neocolonialism. To establish a self-sustaining economic order, developing nations must challenge exploitative financial systems, reform global trade structures, and build strong regional alliances. Only through true economic liberation can developing countries secure their place as independent, competitive forces in the global economy.

Keywords: Strategic Supremacy, Neocolonialism, Economic Dependency, Multinational Corporations (MNCs), Globalization

Introduction

In recent decades, the global economy has undergone profound transformations driven by rapid technological advancements, communication tools, and trade, leading to an increasingly interconnected world. While these changes have created opportunities for growth, they have also imposed growing challenges on the supremacy of local and regional organizations. Among these challenges, neocolonialism and globalization emerge as two primary forces shaping business practices and decision-making processes. Global interdependence has led to the dominance of multinational corporations (MNCs) over economies, allowing them to play a significant role in shaping public policies and reshaping cultural and social frameworks. In this context, neoliberalism has restructured economic systems by promoting deregulation, privatization, and the reduction of state intervention. This shift has bolstered market freedom but has also dismantled social safety nets and widened income and wealth gaps, concentrating economic power in the hands of elites at the expense of societal well-being (Harvey, 2005; Schiller, 2011).

According to Wheelen et al. (2018), globalization has transformed how businesses operate, enabling the rapid movement of capital, knowledge, and jobs across borders. Friedman (2005), in his book *The World Is Flat*, highlighted how innovations like the internet and container shipping enhanced global connectivity, allowing companies like Nike and IBM to capitalize on cost and skill advantages in countries such as India and China. Additionally, trade agreements like the European Union (EU), NAFTA, and ASEAN have facilitated commerce and corporate mergers, exemplified by alliances.

Globalization has contributed to significant economic integration, allowing multinational corporations to penetrate the markets of developing countries and expand global supply chains (Stiglitz, 2002). While globalization provides emerging markets with new opportunities to access international markets and advanced technologies, it also allows foreign entities to dominate local markets. As a result, local companies may become dependent on global markets, often marginalizing domestic economic sectors.

In the context of neocolonialism, the concept of Strategic Supremacy serves as a framework for understanding the power and control exercised by these organizations, particularly as powerful nations and multinational corporations maintain dominance over weaker states through economic and strategic means rather than direct political control. Strategic supremacy refers to an organization's ability to dominate the market by leveraging competitive advantage, innovation, and leadership. It focuses on surpassing competitors and achieving market leadership, as highlighted by Kotze (2003), who explained that strategic supremacy, requires excellence in highly competitive environments. As these organizations expand across borders, they often become entangled in the sovereignty of host states, leading to complex interactions between national governance and corporate power.

Simultaneously, neocolonialism represents a modern form of dominance that does not rely on direct political control but instead leverages economic dependency, corporate dominance, and cultural influence (Nkrumah, 1965; Robinson, 2004). Developing countries often face the exploitation of natural resources or manipulation of domestic policies in favor of wealthier nations.

Business organizations in developing economies exhibit diverse structures, ranging from small and medium-sized enterprises (SMEs), which form the backbone of local economies but face challenges such as limited financing and technology access (Beck et al., 2005). Many developing countries adopt export-led growth strategies to integrate into global markets, yet this exposes local businesses to economic volatility and external shocks that can undermine long-term stability (Rodrik, 2008). Additionally, businesses in these economies often have limited technological capabilities, restricting their ability to innovate and compete in high-value industries, thereby increasing reliance on foreign expertise (Freeman, 1995). While participation in global value chains (GVCs) enables firms to access larger markets and advanced technologies, it also fosters dependency on foreign buyers and exposes businesses to exploitative trade practices, such as low wages and unfavorable contracts (Gereffi et al., 2005). These structural challenges highlight the ongoing struggle of developing economies to achieve strategic autonomy in the global economic landscape.

This paper aims to analyze the concept of strategic supremacy in business organizations, particularly within developing economies. It explores how neocolonialism and globalization pose challenges to local businesses and examines how companies can implement internal strategies to maintain or regain their independence. Additionally, the study investigates mechanisms for achieving strategic supremacy, such as market control, technological innovation, and political influence, while assessing the broader implications of this supremacy for developing nations.

This study is driven by the urgent and ongoing economic challenges that developing countries face in their pursuit of genuine independence from neocolonial influence. While globalization and economic development have been widely discussed in academic literature, the strategic pathways that empower business organizations in these nations to overcome external domination remain underexplored. By introducing a comprehensive theoretical framework this research sheds new light on how business organizations in developing countries can assert strategic supremacy. The study offers valuable, actionable insights for policymakers, scholars, and business leaders committed to advancing economic sovereignty, fostering innovation, and building resilient, self-sustaining economies.

Theoretical Framework

Theoretical Foundations: Strategic Supremacy, Neocolonialism, and Globalization

This section presents the theoretical foundations that contextualize the relationship between strategic supremacy, neocolonialism, and globalization. It explores three key theories—Dependency Theory, World-Systems Theory, and Sustainable Development Theory—to provide valuable insights into the challenges and opportunities faced by business organizations in developing economies, see figure 1.

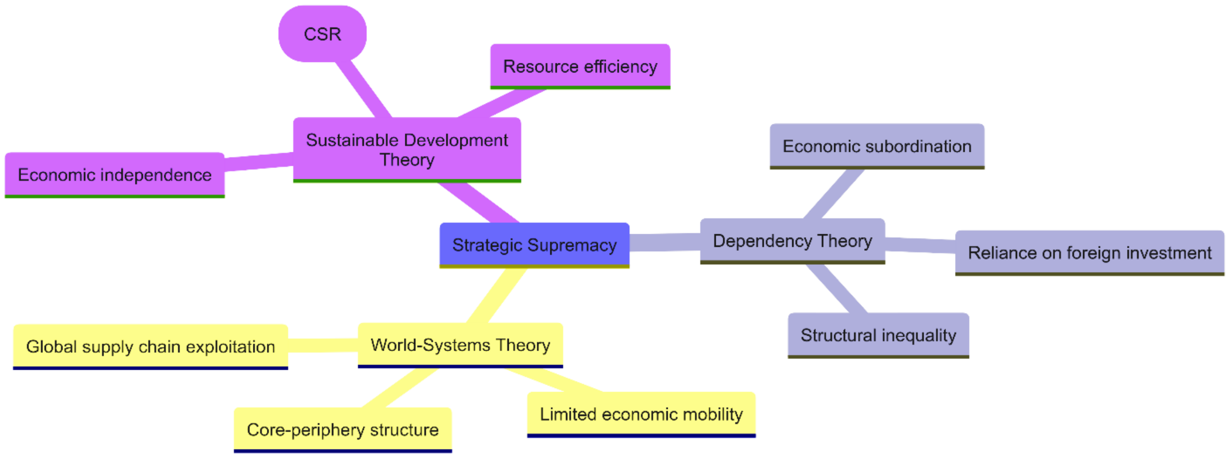

Figure 1: Integration of Dependency Theory, World-Systems Theory, and Sustainable Development Theory in Achieving Strategic Supremacy.

Dependency Theory: The theory posits that the economic development of countries in the Global South, which includes regions such as Latin America, Africa, Asia, and the Caribbean, is structurally dependent on the economies of developed nations (Santos, 1970). It highlights the persistent economic inequalities rooted in colonialism and maintained through neocolonial mechanisms such as foreign aid, multinational corporations (MNCs), and global financial systems. From the perspective of strategic supremacy, the theory emphasizes how developing countries are often confined to roles centered on exporting raw materials while relying on imports for manufactured goods. This dependency constrains their ability to cultivate independent business sectors and limits local companies' capacity for innovation and global competitiveness.

One of the key insights of Dependency Theory is the economic subordination of developing nations, as they frequently rely on foreign investment and technology, which undermines local control over strategic decision-making (Frank, 1969). Additionally, the global economic system entrenches structural inequality, making it increasingly difficult for businesses in developing economies to escape cycles of dependency and achieve sustainable growth (Cardoso & Faletto, 1979). Multinational corporations frequently exploit natural resources and cheap labor in developing nations without significant reinvestment in local economies, reinforcing economic dependency.

World-Systems Theory: proposed by Immanuel Wallerstein (1974) categorizes the global economy into core, semi-periphery, and periphery regions. Core countries, primarily developed nations, dominate the global economy through advanced industries and capital-intensive production, while peripheral countries, mostly developing nations, are marginalized, specializing in labor-intensive, low-value industries. This theory highlights how globalization perpetuates systemic inequalities, making it difficult for peripheral economies to achieve autonomy. From a business perspective, companies in peripheral regions face significant challenges, including limited economic mobility due to entrenched structural barriers (Arrighi, 1990) and exploitation in global supply chains, where they often function as price-takers rather than price-setters under unequal trade conditions (Gereffi et al., 2005). Wallerstein's framework helps explain why achieving strategic supremacy is particularly difficult for businesses in peripheral economies. To overcome these barriers, companies must prioritize innovation, local value creation, and regional integration to enhance their competitiveness and reduce dependence on external economic forces.

Sustainable Development Theory: provides a framework for balancing economic growth, environmental preservation, and social equity, emphasizing that long-term economic independence and strategic supremacy can only be achieved through inclusive and sustainable practices (Brundtland Commission, 1987). This theory outlines practical strategies for businesses in developing economies to enhance their competitiveness and reduce dependency. One key approach is achieving economic independence through innovation, where companies can minimize reliance on foreign technologies and markets by investing in local research and development (Freeman, 1995). Additionally, corporate social responsibility (CSR) plays a crucial role, as aligning business practices with community needs helps build trust and strengthen long-term resilience (Carroll, 1991). Another essential aspect is the efficient use of resources and the adoption of Circular Economy practices (a model that aims to minimize waste and maximize resource utilization through reuse, recycling, and repair), which enhances environmental and economic sustainability by reducing dependence on external resources (Stahel, 2016).

Sustainable Development Theory underscores the importance of collaboration between businesses, governments, and civil society to create environments that support sustainable practices. A notable example is the development of eco-industrial parks in developing countries, which demonstrate how cooperative efforts can drive both economic growth and environmental performance (Geng et al., 2012).

Integrating the Theories

Integrating these three theories provides a comprehensive framework for analyzing strategic supremacy in the context of globalization and neocolonialism. Dependency Theory explains the historical roots of economic subordination, illustrating how developing nations have been structurally dependent on more developed economies. World-Systems Theory highlights the persistent structural inequalities within the global capitalist system, demonstrating how core nations maintain dominance while peripheral nations remain marginalized. Meanwhile, Sustainable Development Theory offers practical pathways for achieving economic independence through sustainable and inclusive practices. By synthesizing these theoretical perspectives, business organizations in developing economies can gain a deeper understanding of the complex challenges they face and develop more effective strategies to enhance their strategic supremacy in an increasingly globalized world.

Research Methodology

This study adopts a qualitative and exploratory approach, combining theoretical analysis and case studies to examine the impact of neocolonialism, globalization, and strategic supremacy on developing economies. The research is grounded in the theoretical framework of Dependency Theory, World-Systems Theory, and Sustainable Development Theory, aiming to assess economic dependency and analyze possible strategies for achieving economic sovereignty. Through this approach, the study seeks to provide a deeper understanding of how developing economies can formulate independent and sustainable developmental strategies that enhance financial independence and mitigate the effects of neocolonialism.

Conceptual Framework for Understanding Strategic Supremacy in Business Organizations

The conceptual framework for understanding **strategic supremacy** in business organizations relies on the interaction between **external influences**—such as **neocolonialism** and **globalization**—and **internal strategies** like **capacity building**, **regional cooperation**, **economic independence**, and **good governance**. The ultimate goal of this framework is to achieve **decision-making autonomy**, foster **local economic growth**, empower communities, and promote **sustainable innovation**. By adopting these strategies, businesses in developing economies can withstand external pressures and achieve independence, contributing to sustainable economic growth, community empowerment, and long-term innovation, see figure 2.

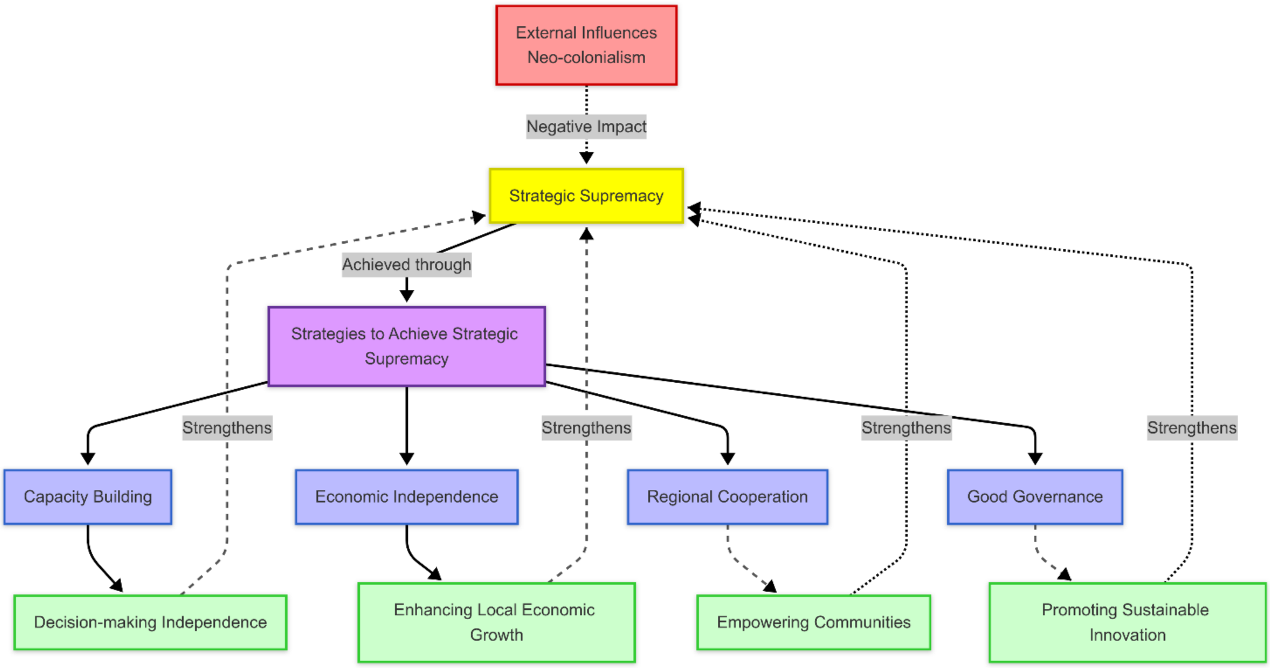

Figure 2: Conceptual framework illustrating the pathways to achieving strategic supremacy in developing countries under the influence of neocolonialism

External Influences

In the context of business supremacy, external influences refer to factors that challenge the autonomy of local businesses, primarily driven by neocolonialism and globalization. These forces significantly shape the business environment in developing countries, often manifesting through the dominance of multinational corporations (MNCs), imbalanced trade relations, dependence on foreign investments and technologies, and the cultural and economic influence exerted by global powers. Such external dynamics can hinder the ability of local businesses to make independent decisions, ultimately stifling innovation and sustainable growth (Chang, 2003; Nkrumah, 1965; Haevey, 2005; Stiglitz, 2006).

Internal Strategies

To counter these external pressures, businesses in developing economies must adopt internal strategies that enhance their resilience and strategic autonomy. One essential approach is **capacity building**, which involves developing local skills, infrastructure, and technological capabilities while investing in education, research, and workforce development to reduce dependency on foreign expertise. Another crucial strategy is **regional cooperation**, where businesses form alliances and partnerships within their regions to boost economic integration and minimize reliance on global powers, leveraging regional markets for trade, investment, and innovation. Additionally, **economic independence** plays a vital role in diversifying income sources and reducing reliance on external capital and markets by encouraging local entrepreneurship and supporting domestic industries. Furthermore, **good governance** is essential, ensuring that businesses operate with transparency, accountability, and ethical practices while aligning corporate objectives with social and environmental responsibilities. (Freeman, 1995; UNECA, 2020; Amsden, 2001; World Bank, 1994).

Outcomes

The ultimate objective of these internal strategies is to achieve key outcomes that support the long-term sustainability and growth of local businesses and economies. One of the most significant outcomes is **decision-making autonomy**, where businesses minimize foreign influence and make strategic choices aligned with their core values and the needs of local communities, rather than conforming to the agendas of multinational corporations or international financial institutions. Additionally, **local economic growth** is a crucial outcome, as focusing on local production, entrepreneurship, and investment stimulates the economy, leading to job creation, increased wealth, and poverty reduction, fostering a more resilient and self-sufficient economic environment. Moreover, **community empowerment** is achieved by strengthening local businesses and promoting regional cooperation, expanding access to resources and development opportunities while reducing social inequalities and enhancing social cohesion. Lastly, **sustainable innovation** emerges as a fundamental goal, where businesses, through capacity building and good governance, drive innovation that is both economically beneficial and environmentally sustainable. This ensures that companies contribute to long-term development without compromising the ability of future generations to meet their needs.

By focusing on both external influences and internal strategies, this framework offers a comprehensive approach to achieving **strategic supremacy**, enabling businesses in developing economies to thrive despite global pressures.

Strategic Supremacy in Business Organizations

Strategic supremacy in business requires organizations to exercise multiple forms of power, allowing them to shape the systems, rules, and frameworks under which they—and others—operate. Recognizing these diverse forms of power is essential for analyzing global governance, globalization, and neocolonialism, as well as understanding their impact on organizational strategic supremacy. According to Barnett and Duvall (2005), power manifests in four key forms: **Coercive power** involves direct control through force or coercion, compelling others to act in specific ways. **Institutional power** operates indirectly by shaping rules and norms within institutions, influencing behaviors and decision-making processes. **Structural power** defines and maintains social structures by shaping social capacities and interests through established systems, determining roles and relationships within society. **Productive power** influences identities, norms, and beliefs through pervasive social relations and discourses, shaping perceptions and collective consciousness. These forms of power interact to establish and maintain supremacy by controlling behavior, shaping institutional contexts, defining social roles, and influencing perceptions and beliefs. Understanding strategic supremacy through these dimensions of power highlights how multinational corporations (MNCs) achieve and sustain dominance, particularly in developing countries, where economic dependencies and weak institutions often leave local organizations vulnerable to external control and influence.

Strategic Supremacy in Competitive Markets
According to D'Aveni et al. (2001), strategic supremacy refers to the power that enables a company to define its own territory within the competitive landscape while influencing the positioning and maneuvers of competitors. This concept involves setting the playing field by establishing clear boundaries around the company's domain and that of its competitors, thereby creating a distinct "sphere of influence." Through strategic supremacy, a company can navigate market complexities, shape a favorable environment, and secure its leadership and long-term success within the industry. A well-defined sphere of influence consists of several key components, including **core markets**, which are essential for the company's growth and stability, **vital interests**, which safeguard long-term sustainability, and **buffer zones**, which provide protection against competitive threats. Additionally, **critical zones** represent high-stakes markets that can determine competitive advantage, while **frontline positions** are areas where the company directly engages with competitors to defend or expand its market share.

Strategic Supremacy in the 21st Century
Kotze (2003) emphasizes that achieving strategic supremacy in the 21st century requires organizations to develop and maintain a sustainable competitive advantage. This is accomplished by identifying and exploiting **unique strategic positions** in the market, as well as building and refining **core competencies** to strengthen organizational capabilities. Companies must also manage **strategic alignment** across various functions and stakeholders to ensure consistency in decision-making. Additionally, balancing **traditional and emerging business strategies** is crucial for maintaining relevance and competitiveness in an evolving global market. A **culture of strategic thinking and continuous learning** is fundamental to enhancing innovation and adaptability, allowing organizations to stay ahead of industry trends. Furthermore, companies must prioritize **flexibility and resilience**, enabling them to respond rapidly to market changes while leveraging **knowledge and intellectual capital** to drive innovation and create lasting value. By mastering these strategies, businesses can effectively adapt to market dynamics, sustain value creation, and establish long-term strategic supremacy in competitive markets.

The Importance of Strategic Supremacy in the Context of Neocolonialism
In today's global economy, companies—especially in developing countries—face significant challenges arising from **multinational corporations (MNCs)** and international economic systems under the framework of **neocolonialism**. Strategic supremacy becomes critical in this context as it empowers organizations to:

Maintain Autonomy: Strategic supremacy enables organizations to define and pursue their strategic goals independently, free from external interests. By securing their core markets and vital interests, companies can protect themselves from competitors and ensure long-term profitability. Additionally, strategic supremacy fosters periods of dynamic stability, allowing companies to shape industry structures and maintain leadership amid rapid changes and intense competition (D'Aveni et al., 2001). In the context of neocolonialism, developing nations continue to struggle with economic dependency on advanced economies for stability, resources, and growth (Nkrumah, 1965). This dependency is often exacerbated by the influence of multinational corporations (MNCs), which frequently prioritize profit maximization over the long-term needs and development of local economies.

A striking example of MNC influence can be seen in **Iraq**, where oil giants such as Shell extract vast amounts of oil, often facing criticism over wealth distribution and environmental pollution (Al-Rubaie, 2024; Qardaghi, 2023). In **Egypt**, beverage corporations like Coca-Cola and Pepsi dominate the local market, significantly depleting water resources in a country already facing severe water scarcity (Bhaumik et al., 2023). Similarly, in the **Gulf States**, the rapid spread of fast food chains such as McDonald's has weakened local eateries and contributed to rising health issues linked to poor dietary habits (Alsaadi et al., 2023). In **Saudi Arabia and the UAE**, local businesses struggle to compete with global tech giants like Amazon, which dominate the e-commerce landscape, limiting opportunities for domestic enterprises. In **Morocco**, international mining companies exploit phosphate resources, yet the local population, particularly the Sahrawis, sees minimal benefits. Despite the sector's economic significance, only 30% of locals are employed in the industry, with a mere 5% occupying technical roles (Al-Mahjoubi, 2016). On a **global scale**, fashion giants such as Zara and H&M have disrupted local textile industries in developing nations, undermining traditional businesses and shifting wealth toward multinational supply chains (Tancredi, 2023).

These cases highlight the importance of strategic supremacy in countering economic dependency and enabling local businesses to maintain autonomy, sustain growth, and compete effectively in an increasingly globalized market.

Strengthen Economic Independence: Reliance on foreign aid, debt, trade agreements, or global supply chains can significantly limit the autonomy of local businesses. Strategic supremacy encourages companies to reduce this dependency by building local capacities, diversifying markets, and investing in domestic innovation (Nkrumah, 1965). By strengthening economic independence, nations and businesses can mitigate external pressures and enhance their ability to shape their own economic destinies.

Several examples illustrate the challenges posed by economic dependency. In **Egypt**, foreign companies such as Chevron and ExxonMobil, restricting the government's ability to independently manage its natural resources (Arabic News, 2023), heavily influence the oil and gas sectors. Similarly, **Nigeria** faces significant economic vulnerabilities due to the dominance of oil giants like Chevron and Royal Dutch Shell. This dependency makes the country highly susceptible to global oil price fluctuations, while persistent issues such as oil theft further weaken the economy and necessitate stricter government intervention (Al Jazeera, 2023; Qiraat African Center, 2024).

In **Yemen, Syria, and Jordan**, heavy reliance on foreign humanitarian aid limits the ability of these governments to implement independent economic policies, as donor countries often impose conditions that influence domestic decision-making. This dependency constrains economic development, leaving these nations vulnerable to external political and economic pressures.

Addressing these challenges requires deliberate efforts to strengthen domestic industries, promote local entrepreneurship, and develop alternative economic models that reduce reliance on foreign entities. By fostering strategic supremacy, businesses and governments in developing nations can take greater control over their economic future, ensuring long-term sustainability and resilience.

Enhance Resilience: By establishing a strong sphere of influence, companies can set standards for quality, pricing, and performance, positioning themselves as market leaders. Strategic supremacy enables firms to exploit market gaps and critical areas for future growth and leadership (D'Aveni et al., 2001). Organizations that prioritize local resources and independently managed knowledge systems are better equipped to withstand external shocks, including economic sanctions, trade restrictions, and market volatility.

Several examples illustrate how countries have adapted to external economic pressures by enhancing resilience. Iran, facing international sanctions targeting oil exports and financial transactions, was compelled to develop alternative economic strategies, including expanding domestic industries and forging economic partnerships outside Western-controlled financial systems (World Bank, 2022; Phenomenal World, 2024). Similarly, Syria has endured severe sanctions from the US and EU, including bans on oil trade and financial transactions (European Council, 2025). While these measures have exacerbated economic difficulties, they have also pushed the country to explore new economic pathways and strengthen local industries to some extent (Security in Context, 2024).

These cases demonstrate that resilience in the face of external pressures requires strategic planning, investment in self-sufficiency, and a commitment to reducing dependency on external economic forces. By reinforcing economic sovereignty, businesses and nations can navigate challenges more effectively while maintaining long-term stability and growth.

Promote Sustainable Innovation: Strategic supremacy provides the necessary resources, market influence, and motivation to foster continuous innovation, ensuring long-term industry leadership (D'Aveni et al., 2001). Companies that maintain strategic control can focus on long-term goals and community needs rather than being driven solely by short-term profits dictated by external pressures (Chomsky, 1999). By prioritizing sustainable innovation, businesses can enhance their competitiveness while fostering economic and technological self-sufficiency.

A key example of how multinational corporations (MNCs) leverage local expertise through strategic acquisitions is seen in the **Arab world**. **Uber's acquisition of Careem** and **Amazon's purchase of Souq.com** illustrate how MNCs capitalize on the innovations of local startups (Alshaar, 2024). While these deals provide substantial financial benefits to entrepreneurs, they also raise concerns about local control and the potential exploitation of homegrown businesses. When foreign corporations absorb promising local companies, decision-making authority and profit distribution often shift away from the local economy, reinforcing economic dependency.

Developing countries that attain economic and technological strategic supremacy are better positioned to manage their resources effectively, drive innovation, and compete in global markets. However, globalization and neocolonialism continue to pose significant challenges, often exploiting local talent and innovation for the benefit of large multinational corporations.

Neocolonialism: A Modern Form of Domination

Neocolonialism is characterized by controlling a country's economy and political policy by foreign actors, despite the country having formal independence and sovereignty. This control is primarily exerted through economic or financial instruments such as financial dependence, foreign control of exchange rate policy, and monopolistic trade structures. Neocolonialism leads to the exploitation of less developed regions and a growing disparity between rich and poor countries. The term highlights the continuation of colonial-like power dynamics in the global economy, where foreign actors, including multinational corporations and international financial institutions, exert significant influence over the economic policies of independent states (Ziai, 2020).

Key Features of Neocolonialism

Economic Dependency: Developing countries often rely on exporting raw materials at low prices while importing high-cost manufactured goods, leading to persistent trade imbalances (Rodney, 1972). Structural adjustment programs from institutions like the International Monetary Fund (IMF) and World Bank further entrench this dependency by imposing economic policies that prioritize foreign interests over local development (Ziai, 2020). For instance, African nations such as the Democratic Republic of Congo and Ghana export valuable resources like cobalt, gold, and cocoa at minimal prices, while importing expensive manufactured goods, reinforcing economic subjugation (Rodney, 1972). Similarly, Gulf States, including Saudi Arabia and the UAE, heavily depend on oil exports, making their economies highly vulnerable to global price fluctuations. Despite their vast oil wealth, this reliance complicates long-term economic diversification and sustainability (IMF, 2015).

Corporate Dominance: Multinational corporations (MNCs) play a significant role in neocolonialism by exploiting local resources, labor, and markets while repatriating profits to parent countries, exacerbating economic inequalities. For instance, in China, Apple's supplier Foxconn has been criticized for poor labor conditions and exploitative wages, displaying how global production chains exploit cheap labor (Chan et al., 2013). In several countries, MNCs have been involved in the promotion of breastmilk substitutes through the distribution of free samples, a practice that has been found to undermine breastfeeding and contradict the International Code of Marketing of Breast-milk Substitutes (WHO, 1998). Multinational corporations (MNCs) in the oil industry have been implicated in corruption and fraud, including the privatization of public office, misappropriation of oil revenues, bribery for contracts, and illicit oil-for-arms deals. These practices deepen income inequality, divert resources from development, and privatize national wealth for elite interests. Countries with significant issues include Nigeria, Angola, Equatorial Guinea, Kazakhstan, Sudan, Colombia, and Caspian Basin nations like Azerbaijan, where corruption, environmental negligence, and human rights violations are prevalent, often with the involvement of MNCs (Watts, 2005). These cases illustrate how MNCs perpetuate economic dependency and social injustices, reinforcing neocolonial power structures (Harvey, 2005).

Political Influence: Foreign powers and corporations exert significant control over developing nations through debt traps, conditional aid, and political lobbying, leading to policies that prioritize foreign investors over local economic and social development (Chomsky, 1999; Harvey, 2005). For example, Egypt and Jordan faced deep economic crises in the 1980s and 1990s, forcing them to adopt neoliberal policies such as privatization and deregulation under pressure from international financial institutions. While these policies benefited foreign corporations, they weakened local industries and widened economic inequalities (Abdel Aal, n.d.; Al Rai, 2013). Similarly, in Latin America, countries such as Chile, Brazil, and Mexico underwent extensive privatization under neoliberal economic policies, often concentrating wealth among elites while undermining local economic autonomy (Chomsky, 1999).

Cultural Hegemony: Cultural imperialism reinforces neocolonialism by promoting Western values and lifestyles through media, education, and consumer culture, gradually eroding local traditions and indigenous knowledge systems (Said, 1978; Harvey, 2005). One key concept in this dynamic is Orientalism, as discussed by Edward Said, which highlights how Western portrayals of the East as exotic and inferior perpetuate stereotypes that justify economic and political dominance. Additionally, global corporations, through consumer culture and mass media, have successfully promoted Western lifestyles, leading to the marginalization of local cultural practices and traditional economies (Harvey, 2005).

Environmental Degradation: MNCs frequently exploit natural resources in developing countries without regard for environmental consequences, leading to widespread deforestation, pollution, and biodiversity loss (Beder, 2000). One prominent example is Shell in Nigeria, where massive oil extraction has led to severe environmental degradation, particularly in the Niger Delta, disrupting local livelihoods and contributing to social unrest (Al-Araby TV, 2023). Similarly, Freeport-McMoRan's mining operations in Indonesia's Grasberg mine have resulted in widespread deforestation and water pollution, significantly harming local populations (ICP, 2020; Perlez & Bonner, 2005). In Angola, the diamond mining industry, particularly controlled by De Beers, has led to deforestation, soil erosion, and biodiversity loss, further displacing local communities and exacerbating environmental challenges (Frank, 2021).

Neocolonial practices are not limited to former colonial powers; emerging economies also engage in such practices, as countries like China, Saudi Arabia, UAE, and India acquire vast agricultural lands in the Global South, displacing local communities. They also engage in agricultural investments, prioritizing food and biofuel production for export, often at the expense of local farmers. Unlike traditional colonial powers, these nations have become key players in neocolonial practices, reflecting a shift in global economic dynamics. Their involvement underscores the persistence of neocolonialism in the 21st century, with new actors exploiting and controlling resources in less developed countries (Ziai, 2020).

Neocolonialism continues to shape global economic and political relations, reinforcing economic dependency, corporate dominance, political control, cultural imperialism, and environmental exploitation. By understanding these mechanisms, developing nations can work toward strategic supremacy, economic self-sufficiency, and sustainable development, reducing their vulnerability to external control and influence.

Key Strategies for Achieving Strategic Supremacy for Business Organizations in Developing Countries

Building Local Capacities and Enhancing Innovation: Developing local capacities is the foundation for achieving strategic supremacy, as it requires investment in infrastructure, human resources, technical capabilities, and innovation. A key aspect of this strategy is **self-centered development**, which prioritizes self-reliance and focuses on meeting essential needs such as food, healthcare, and education while reducing dependence on the global economy (Amin, 1974). Additionally, **investment in research and development (R&D) and workforce training** plays a crucial role in strengthening local expertise and minimizing reliance on imported technologies (Freeman, 1995). **Fostering innovation** is equally vital, with local companies benefiting from adopting cost-effective and tailored solutions that address the unique needs of their markets. The concept of **frugal innovation**, as highlighted by Radjou et al. (2012), is particularly relevant in developing economies where businesses must optimize resources to remain competitive. Furthermore, **strengthening local supply chains** is essential to ensuring economic independence. By forging strong partnerships with local suppliers and improving the quality of domestic inputs, businesses can reduce reliance on foreign resources and enhance their market resilience (Gereffi & Lee, 2012). A successful example of these strategies is **Vietnam**, which has effectively integrated local social and cultural contexts into its development process, leading to sustainable and inclusive growth.

Regional Cooperation and Economic Integration: Regional cooperation is a crucial strategy for reducing reliance on global economic powers and fostering economic integration among developing countries. By engaging in regional trade agreements and forming economic alliances, businesses can expand market access and enhance their competitive positioning. The **African Continental Free Trade Area (AfCFTA)** serves as a prime example, as it provides African nations with a unified platform to strengthen regional trade, enhance economic cooperation, and reduce dependency on external markets (UNECA, 2020). Similarly, **the Association of Southeast Asian Nations (ASEAN)** has played a significant role in boosting trade and regional integration; helping countries such as Malaysia improve economic performance while reducing reliance on global markets. Additionally, **industrial clusters**, as emphasized by Porter (1998), create economic hubs where businesses, suppliers, and institutions collaborate to enhance productivity and drive industry-wide innovation. These clusters allow local businesses to remain competitive by sharing knowledge, reducing costs, and collectively strengthening regional markets.

Economic Independence through Diversification and Entrepreneurship: Economic diversification is a critical factor in reducing dependency on a single industry or market, ensuring long-term resilience and strategic autonomy. **Diversifying income sources** is an essential strategy, as highlighted by Harvey (2005), who argues that overdependence on any specific sector or foreign investment increases economic vulnerability. By expanding into multiple industries and fostering alternative revenue streams, businesses can mitigate risks and stabilize economic growth. Equally important is **promoting local entrepreneurship**, which serves as a driving force for economic independence. Amsden (2001) emphasizes that small and medium-sized enterprises (SMEs) play a vital role in enhancing economic resilience by reducing reliance on imported goods and foreign investments. A notable example of successful economic diversification is **Malaysia**, which transitioned from heavy dependence on raw materials, such as oil, to the development of advanced sectors, including palm oil production and electronic chip manufacturing (Al-Manawer & Shaheen, 2017). By supporting entrepreneurship and diversifying industries, developing countries can reduce economic dependency and build self-sufficient economies.

Good Governance and Corporate Social Responsibility (CSR): Good governance is a fundamental pillar in ensuring business sustainability, transparency, and long-term success. **Strengthening governance structures** enhances accountability and promotes sustainable decision-making, ultimately contributing to economic development (World Bank, 1994). Transparent and ethical leadership ensures that businesses operate efficiently, reducing corruption risks and creating a stable environment for economic growth. Furthermore, **corporate social responsibility (CSR)** plays a significant role in fostering positive relationships between businesses and local communities. Carroll & Shabana (2010) argue that CSR aligns corporate activities with social and environmental goals, improving corporate reputation and stakeholder trust while contributing to the broader objectives of sustainable development. Additionally, companies that **adapt to economic and political changes** through sound governance structures are better equipped to navigate uncertainties, maintain stability, and ensure long-term sustainability. Good governance and CSR initiatives are critical for reinforcing the legitimacy of businesses, fostering public trust, and creating socially responsible corporate practices that benefit both the economy and society.

Successful Business Strategies in Developing Countries

Several business organizations in developing nations have successfully implemented these strategic approaches, demonstrating their effectiveness in overcoming neocolonial challenges and achieving economic independence. **Kenya's "Silicon Savannah"** stands as a testament to the power of investing in technology and innovation. By prioritizing digital infrastructure and education, Kenya has reduced its dependence on foreign tech companies and created a thriving local startup ecosystem. Similarly, **India's IT sector** showcases how a strong focus on skill development and innovation can lead to global competitiveness, allowing local firms to establish themselves as major players in the digital economy (Gereffi & Lee, 2012). **Brazil has focused on industrial development** through state-supported programs, enhancing its domestic manufacturing capabilities. Meanwhile, **Vietnam has attracted significant foreign direct investment (FDI) while simultaneously boosting local manufacturing**, demonstrating a balanced approach to economic growth and independence (Gereffi & Lee, 2012). These examples illustrate how strategic investments in innovation, governance, and diversification can enable developing nations to assert economic independence and compete effectively in the global economy.

In the Arab world, economic initiatives such as Saudi Arabia's Vision 2030 and technology projects in the United Arab Emirates are promoted as steps toward economic diversification and independence from oil. Vision 2030 focuses on investment in tourism, entertainment, and technology, while the UAE seeks to establish itself as a regional hub for finance and technology through initiatives like Dubai Internet City and Hub71 in Abu Dhabi, providing infrastructure and support for startups and multinational corporations (Stiglitz, 2002; Schiller, 2011).

However, rather than representing genuine liberation from neocolonial economic structures, these projects deepen integration into the global neoliberal system. Despite efforts to reduce oil dependency, they remain reliant on foreign investments and partnerships with multinational corporations, reinforcing economic dependency rather than reducing it. For example, the UAE attracts global companies such as Amazon, Microsoft, and Google, strengthening Western influence in strategic sectors like technology and big data. Likewise, Saudi Arabia's Vision 2030 depends on Western partnerships in key sectors, making economic development tied to external interests rather than driven by local production.

Moreover, these economic strategies do not challenge the structure of the global capitalist economy but rather reinforce the region's integration into it. Investments are directed toward sectors that support consumption and services instead of focusing on manufacturing and local technological development. This model turns these countries into tools serving global capital rather than independent economic entities, meaning that economic transformation remains subject to the agendas of neocolonialism rather than breaking away from it.

Recommendations

Achieving **strategic supremacy** in developing economies is impossible without **dismantling neocolonial structures and achieving true economic sovereignty**. Governments, businesses, and civil society must **collaborate to resist foreign exploitation, build independent economies, and implement sustainable development models**. Through **regional cooperation, technological investment, economic diversification, and governance reforms**, developing nations can establish **resilient, self-sufficient economies that operate on their own terms**. Only through **economic liberation and strategic autonomy,** can developing countries **break free from external control and secure their rightful place in the global economy**.

Future Research Directions

Future research should focus on **alternative economic models** such as Islamic finance, barter trade, and regional currencies to reduce dependency on Western financial institutions. Studies should explore **the role of technology**, including artificial intelligence, blockchain, and fintech, in fostering economic independence. Additionally, research on **policy frameworks** that support local industries, SMEs, and governance reforms can provide strategies for sustainable economic sovereignty. The feasibility of **regional economic integration and de-dollarization** should be examined, particularly through alliances like BRICS and AfCFTA. Investigating **the balance between globalization and protectionism** will help developing economies navigate international trade while safeguarding national interests. Further studies on **the political economy of neocolonialism** should analyze the evolving role of multinational corporations, financial institutions, and digital colonialism. Lastly, strengthening **local innovation and knowledge economies** through R&D investment, intellectual property policies, and innovation hubs will be crucial for long-term strategic supremacy. These research directions will provide actionable insights to help developing nations **resist neocolonial pressures, leverage globalization wisely, and achieve economic sovereignty** in an increasingly competitive world.

Conclusion

This study highlights that strategic supremacy in developing countries is unattainable without dismantling neocolonial structures that sustain economic dependency, corporate dominance, and external political and cultural control. Globalization and neoliberal policies have reinforced economic hierarchies, keeping developing economies constrained. Achieving true strategic autonomy requires reducing reliance on foreign capital, technology, and markets, strengthening regional cooperation through trade alliances, and investing in local innovation, economic diversification, and self-reliant industries. Good governance, institutional reforms, and corporate social responsibility (CSR) are crucial for sustainable growth.

However, strategic supremacy is not just an economic issue but also a geopolitical struggle. Developing nations must challenge unfair trade practices, resist exploitative financial systems, and advocate for a new, fair economic order by reforming global institutions, renegotiating trade agreements, and limiting the influence of multinational corporations. Ultimately, strategic supremacy depends on political will, financial resilience, and collective action to create a self-sustaining economic system. Without these fundamental transformations, developing nations will remain dependent, and true strategic supremacy will remain elusive. Only through economic liberation and strategic autonomy can they secure their place as independent and competitive forces in the global economy.

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