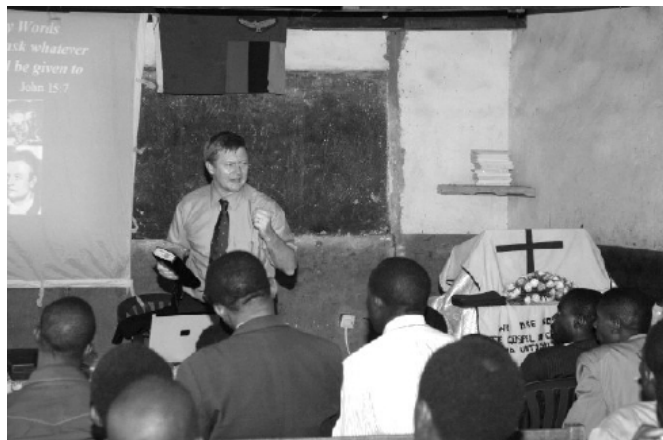


CHALLENGES CONFRONTING AFRICA

One out of every five Africans lives in a country afflicted by war. Over 90% of the casualties are civilians. 19 million Africans are refugees and there are an estimated 20 million landmines lurking beneath African soil. 30 million Africans are infected with HIV. Three quarters of the world's AIDS deaths occur in Africa. Life expectancy has dramatically fallen in much of Africa over the last decades.

Africa is the poorest continent on earth, and the only one that has actually grown poorer over the last 30 years. Despite Africa having 10% of the world's population, Africa only accounts for less than 2% of the world's production. Every year Africa loses 23,000 professionals to immigration.

(The above facts come from *The Shackled Continent – Africa's Past, Present and Future* by Robert Guest, the African Editor of *The Economist*.)



Since independence, Africa has received far more foreign aid than any other region in the world, more than \$300 billion of western aid has been sunk into Africa, yet most states are effectively bankrupt, weighed down by debt, and failing to provide even minimum public services. Most African countries have lower per capitar incomes now, than they had at independence. Half of Africa's 880 million people live on less than \$1 a day. The entire economic output of Africa is under \$420 billion, that is just 1.3% of the world GDP. Less than the GDP of Mexico.

Africa's contribution to world trade is less than 1.6%. It is the only region where school enrolment is falling and where illiteracy is still common. Over 40% of Africans are illiterate. **Africa is also the only region in the world where life expectancy is falling.** According to the list drawn up by the United Nations Development Programme, all 25 countries that rank the lowest in terms of human development are in Africa. While Africa has just 10% of the world's population, it has estimated to have 70% of the world's HIV/AIDS cases.

A report prepared for the African Union estimated that **corruption costs Africa \$148 billion every year.** That is more than a quarter of the continent's entire Gross Domestic Product. The World Bank reports that 40% of Africa's private growth is held offshore.

The British High Commissioner in Kenya, Edward Clay, in a speech to business leaders in Nairobi, stated that the names of honest government officials would fit "on the back of a postage stamp".

(*The State of Africa* by Martin Meredith, of Oxford University)

How can one explain such a mineral rich continent, with such tremendous agricultural and tourist potential, literally growing poorer? Economist Robert Guest, explains: "For half a century now, the continent has been deluged with aid, but this aid has failed to make Africans any less poor... it has bankrolled tyrants...or idealists with hopeless economic policies...both types of aid have been wasted...Doing business in Africa can be tricky. Bad roads, punctuated by road blocks, manned by

bribe hungry policemen, make it slow and costly to move goods even short distances...local films, meanwhile, have been held back by arbitrary governments, dysfunctional legal systems and the difficulty, for those without political connections, of raising capital...If Africa was better governed, it would be richer."

The conclusion of *The Shackled Continent* is: ***"Africans are poor largely because they are not yet free. They live under predatory, incompetent governments which...impoverish them in many ways; through corruption, through bad economic policies, and sometimes, as in Zimbabwe, by creating an atmosphere of terror..."***

Guest notes that Zimbabwe had so much going for it: *"beautiful sun-soaked scenery, wildlife and waterfalls, a moderate climate, tremendous agricultural potential and mineral wealth, a good infrastructure, and yet Zimbabwe is a mess two and half decades after independence, Zimbabweans are dramatically poorer and can expect to die decades younger."*

He quotes a young businessmen: *"The government are a bunch of thieves."* They grab *"half their wages and taxes and then erode the value of what was left by printing too much money and causing inflation."* Mugabe's anti-white racism, state sponsored terrorism and land invasions have resulted in a national suicide.

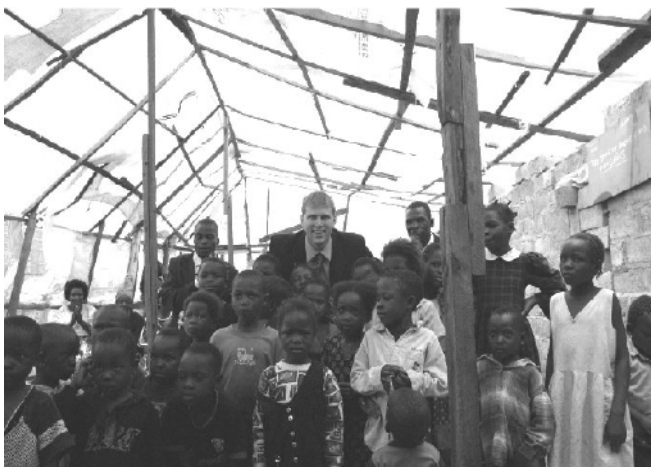
Mobutu Sese Seko of Zaire bluntly claimed that: *"Democracy is not for Africa."* That certainly seems to be Mugabe's sentiments as he rigs elections, terrorizes voters, controls the media, bans foreign journalists, threatens judges, and mercilessly persecutes the white minority in Zimbabwe.

Guest points out that 50 years ago, at independence, Ghana was as rich as South Korea. Today, South Korea is 20 times richer than Ghana. *"Taiwan, Hong Kong, Malaysia and Singapore – all ex-colonies – are all now affluent and peaceful. So are Ireland, Australia and Massachusetts..."*

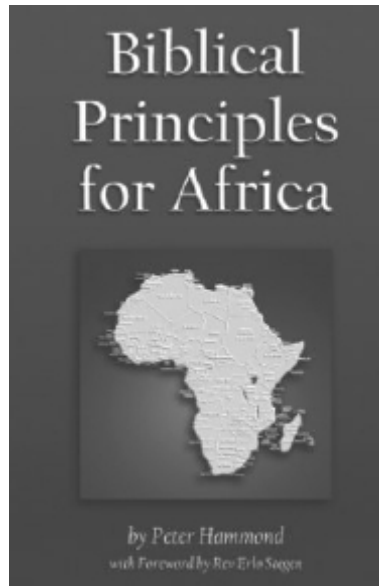
Guest asks: *"Why have the previous colonies in Asia prospered while previous colonies in Africa have been impoverished?"*

"African leaders sometimes talk of the need of a Marshal Plan for Africa... in fact, Africa has already received aid equivalent to 6 Marshal Plans. But whereas the original Marshal Plan (in Europe) was a triumph, aid to Africa has failed to alleviate the continent's poverty... corruption, incompetence and bad economic policies can always be relied on to squander any amount of donor cash."

Productive countries are *"fed up with bankrolling failure. If aid could be made to work, however, people in rich countries would surely be more generous..."*



Meredith observes: *“For the most part, Africa has suffered grievously at the hands of its Big Men and its ruling elites. Their preoccupation, above all, has been to hold power for the purpose of self-enrichment...They have...drained away a huge proportion of state resources...much of the wealth they have acquired has been squandered on luxury living or stashed away in foreign bank accounts and foreign investments... Its wars, its despotisms, its corruption, its droughts, its everyday violence – presents a crisis of such magnitude that it goes beyond the reach of foreseeable solutions. At the core of the crisis is the failure of African leaders to provide effective governments...after decades of mismanagement and corruption, most African states have become hollowed out... African governments and the vampire-like politicians who run them are regarded by the populations they rule as yet another burden they have to bear in the struggle for survival.”*



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