

WHY IS AFRICA POOR?

NOTES OF A READING OF "THE POLITICAL ECONOMY OF THE AFRICAN CRISIS" PUBLISHED IN 1988 BY BADE ONIMODE

"Africa" says Onimode* "is poor because she is rich."

He develops this paradoxical statement by showing the perverse logic of capitalism and imperialism as seen against mass poverty of Africa and the enormous wealth of the continent. African riches are impressive. In industrial diamonds, columbium, cobalt, chromium and beryllium, Africa either heads the list of the world's producers or is on the shortlist. It is a storehouse of tin, manganese and copper. Iron ore and bauxite reserves are aplenty. The Congo and South Africa have contributed to the atomic age with their uranium. The importance of Algeria was enhanced with the discovery of oil there. The USA, Western Europe and Japan depend on Africa's mineral wealth. Thus these countries depend on Africa for more than 50 percent of their imports of bauxite, natural gas, phosphate, cobalt, uranium ore, chromium and manganese.

Africa's agricultural resources – cocoa, coffee, tea, foodstuff, vegetable oil, cotton and pyrethrum are enviable.

This tremendous wealth is supplemented with an able-bodied population of approximately 492 million (in 1982) in 10 million square miles. Africa has excellent transport potential in numerous navigable rivers and highly accessible plains and lowlands.

In the backdrop of such an excellent resource base, why does Africa remain the poorest continent in the world? And, indeed, why is it wallowing in squalor and crises?

In the words of Bade Onimode, "The main reason for this is that, for centuries, Africa's huge wealth has been plundered for the benefit of non-Africans."

Also on page 5 Onimode refers to the UN survey in which it is stated that 21 out of 30 countries classified as "least developed" in the world are in Africa.

Although Africa is primarily an agricultural country the graph of production shows a permanent downward line, resulting in massive food imports.

In 1980 each African country had an average food bill of 102 million dollars for cereals and livestock. For non-oil producing African countries, the total food import bill rose from 1,9 billion dollars in 1973 to 6 billion in 1980.

The annual growth rate of manufacturing in 1973 was negative in 6 countries. In 1980 it was negative in 13 countries.

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Africa's foreign debts have also been piling up:

7 billion dollars in 1965

28 billion dollars in 1975

The consequences of all this manifest itself in inequalities in power, wealth, income and social opportunities with regard to education, health and related facilities.

Western writers will quote figures of the increase in wealth but they will not tell you that just as capitalism introduced more wealth than all previous modes of production, it has also generated more painful squalor than any previous period in history. Thus African multi-millionaires are present. Living cheek by jowl are the multi-millionaires – the Mobutus, the “mandarin” millionaires of Nigeria, on the one hand, and the millions languishing in misery, open starvation, malnutrition and unemployment, on the other hand.

The resultant human decay has its spin off in escalating crime, drug abuse and prostitution.

What Onimode says on page 18 of his book has a familiar ring in the South African scenario:

“With the development of neo-colonialism, colonial regimes everywhere carefully cultivated a domestic petty bourgeois class of comprador merchants, traditional rulers, feudal landlords, civil servants, professionals and politicians. These not only provided local support for imperial authority but constituted the nucleus of the post colonial ruling group.”

In the neo-colonial countries the petit bourgeois class, carefully groomed, constituted the leadership initially of the anti-colonial nationalist struggle. They are the ones who later compromised the objectives of the struggle, to mere political freedom. A national struggle could lead to liberation wars, leading to popular revolution but the development and the nurturing of the petit bourgeois as referred to above, accepted compromise which resulted only in the removal of settler racism.

Mechanisms of domination and exploitation were retained by this pro-imperialist colonial elite. This type of freedom, Onimode classes “flag” or “political” independence – without achieving national economic independence.

On page 19 he says “the basic strategy is the forging of symbiotic collaboration between reactionary domestic petit bourgeois and the imperialist bourgeois for the joint, if unequal domination and exploitation of the post colonial state.”

Onimode also deals with the argument of Western economists that multi-nationals are partners in development because they convey foreign capital to poor countries, transfer technology, create jobs, pay wages and taxes and promote industrialisation. He counters by saying that this argument conceals the “stark reality” – the pillage of natural resources, super exploitation of labour, net capital transfer *from* the poor countries, technical retardation and political instability.

The countries of origin of foreign capital to Africa are the United States, West Germany, Britain, France, Italy, Japan, Canada, Netherlands – 90 percent of the total flow of foreign capital – limited to just 8 countries.

Onimode argues that by supporting and consolidating pro-imperialist governments and organisations the multi-national corporations are vehicles of destabilisation. He refers to them as “Trojan horses”. In country after country in Africa it is the activities of the multi-national corporations that have been facilitated by the active and willing co-operation of the petit bourgeois.

The following figures are quoted:

ANNUAL EARNINGS OF DIRECT PRIVATE INVESTMENTS BY UNITED STATES FIRMS

US DOLLARS IN MILLIONS

	1960	1964	1967	1970
AFRICA	33	380	453	845
SOUTH AFRICA	50	87	128	141
LIBYA		258	292	557
LIBERIA		18	16	28

Dealing briefly with South Africa, Onimode quotes the following figures with the regard to foreign direct investments.

1956	1968	1973
R2,757 million	R4 990 million	R9 163 million

These figures exclude short-term capital and the immense export of technology to South Africa. Onimode says “Profits extracted by the multi-national corporations from South Africa are amongst the highest in the world.” Conservatively estimated it is R9 16,3 million annually.

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