An Analysis of the Reporting on Poverty and Foreign Aid in Sub-Saharan Africa Before and During the Current Global Economic Crisis, In BBC online (Texts)

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Abstract

Since 1929, the world economy has not encountered any financial crisis as severe as the case of the Great Depression, until 2007 when the fall of stock markets and the collapse of large financial institutions in the United States resulted in a worldwide recession. According to an IMF report, and as a result of the direct impact of the crisis, advanced economies such as those of the United States and Europe are suffering from a systemic banking crisis with economic output expected to contract by over 1 ¾ % in 2009. (Bourdin 2009:2) Although the crisis erupted in the United States, the effects quickly spread to countries worldwide. However, its effects are said to be more devastating for the poorest regions in the world including Sub-Saharan Africa. During the last few years, prior to the crisis, many Sub-Saharan African countries had enjoyed a growth rate of over 5%. This was partly as a result of sound economic policies and increased external support in the form of debt relief and higher inflows from economically powerful countries in the West. However, with the current financial crisis, wealthy nations have been forced to concentrate on sustaining their own economy. As a result, amongst changes like tighter immigration policies, skyrocketing oil prices and food prices, foreign aid is being withdrawn. (ibid 2009:3) According to foreign media reports, donor governments and the G8 are no longer as committed to aid as before the crisis. This research paper examines the evolution of aid to Africa in view of various contexts through a broad historical economic and political economy overview, and finally corroborates these observations with a discourse analysis of a sample of BBC online articles. The research project thus investigates in this last section, the BBC’s representation of poverty and aid in Sub-Saharan Africa before and during the current global economic crisis.

1.1 Background and Relevance of Study

Europe played a major role in creating Africa’s present economic state. Walter Rodney’s (1982:33) benchmark study of Europe’s relationship with Africa in 1982 maintains that Africa’s present condition did not result from the separate evolution of Africa on the one hand and Europe on the other, but as a result of the exploitation of one by the other. He points out that international trade in the 15th Century, for instance, already allowed the transfer of wealth from Africa to Europe and trade strategies mostly favoured Europe even then. (ibid 1982:76)

According to Nathan Nunn, four hundred years of slave trade partly contributed to Africa’s poor economic condition because young men and women who constituted the work force at the time were
shipped off to Europe. He observed that “the parts of Africa that are poorest today are also the areas from which the largest numbers of slaves were taken in the past” (Nunn 2007:3) His study concludes that without the slave trade, 72% of the average income gap between Africa and the world may not exist and 99% of the income gap between Africa and the rest of the developing world would not exist. (2007:4) Therefore, slave trade largely contributed to Africa’s economic underdevelopment. The abolition of the slave trade meant that more young men and woman would work in Africa, thereby potentially contributing to development and wealth creation. However, its abolition was partly motivated by Europe’s economic interests. With the advent of the Industrial Revolution in Britain, Europe needed raw materials from West Africa in order to supply its machines and ensure the continuous production of manufactured goods. (Afigbo et al 1986:48) This could only be achieved if Africa’s potential labour force stayed in Africa and developed the agricultural products that the foreign traders needed.

During the era of colonialism, Africa was perceived and represented in Europe as the “dark continent”, a term which carried connotations of backwardness, barbarism and poverty. From this bias that resulted from a culture of cultural superiority, Europeans created degrading stereotypes about Africa, thereby generating negative propaganda that persisted in the public sphere of countries in the North, well into the 20th Century and past the era of decolonization, despite the technological development of the media. This negative portrayal of Africans in the European press over an extended historical period entitled and authorized colonial expansionist goals. (Grinker & Steiner 1997:681) Colonialism dramatically changed Africa, socially, economically and politically, and many institutions and structures in Africa have since then made attempts to recover from its effects. However, the negative image of Africa before colonialism appears to have remained the dominant discourse in the representation of Africa by mainstream Western media to the present era.

Although the West historically played a fundamental role in Africa’s underdevelopment, Africa’s poverty since independence partly stems from the failure of African leaders to provide effective governments. Some ruling elites continue to govern tyrannically and have created a culture of corruption. They prioritize self-enrichment and insist on extremely long years of political rule, to the detriment of the masses. The World Bank estimates that over 40 percent of Africa’s private wealth is held abroad, much of which is acquired from state resources (Meredith 2005:686). Similarly, an African Union report in 2002 revealed that “corruption costs Africa a sweeping $148 billion annually, which is more than a quarter of the continent’s entire gross domestic product” (2005:687) and significantly contributes to
Africa’s increasing poverty. McFerson refers to this corrupt political system as “prebendalism”, a system where public office is treated as a personal grant from the ruler. (McFerson1992:248) Other elites appointed by the ruler are required to help control the flow of wealth.

The origin of these predatory elites can be traced back to the presence of the imperialist powers in Africa. With the exception of Ethiopia, Egypt, Liberia and Sierra Leone, the current African states were created by European imperial powers that had disrespected ethnic and religious differences among Africans. (Ottaway 1999:13) This can partly be explained by Africa’s artificially established boundaries, which is still causing division in Africa. Many countries, for instance, have been in border demarcation conflicts which have led to bloodshed. For many years, Cameroon and Nigeria disputed over the resource-rich Bakassi peninsula which was officially handed over to Cameroon in 2008. In the 1960’s the new political elites in Africa who took over governance from the colonial masters inherited governments that were previously used as tools of political and economic exploitation. The colonial system of government was exploitative in that they imposed extremely high taxes, forced labour on plantations, mines and infrastructure projects and subjected Africans to harsh living conditions. (Mbeki 2005:3) Consequently, these elites became accustomed to the idea of misusing power.

Foreign media tend to produce exaggerated reports of economic underdevelopment in Africa. (Gedye 2004:1) News stories about poverty are usually accompanied by photos of starving babies and poor living conditions. It is immaterial whether this is driven by the sincere compassion of photojournalists or the need to produce photos that reflect the poverty stricken pre-conceived image of Africa to fulfill a given agenda that is familiar to the West for a mainstream media network. These exaggerated images, however, have consequences for both Africa and the West.

The ‘CNN effect’ theory suggests that the news media can drive foreign policy. (Kennan 1993:4) He maintains that media images of suffering people in Somalia, for instance, had usurped traditional policy making channels, triggering unwarranted intervention. It is plausible to assume that the UN’s intervention into Niger’s current famine crisis may also have been driven by media images of malnourished children. According to Niger’s president, Mamadou Tandja, this intervention was unwarranted because the food crisis was only affecting parts of Niger. (BBC 2008) He called the media reports false propaganda being circulated by UN aid agencies. While UN food aid to Africa plays a significant role in reducing hunger, it also has negative consequences for the local economy. As Awokuse states, food aid depresses food prices and acts as a disincentive to agricultural production in recipient countries because by augmenting food supply and providing cheap food for the cities, it allows
governments to maintain low price support for farmers, neglect investment in agriculture and become increasingly dependent on imported food. (Awokuse 2006:9)

As a result of high levels of poverty and underdevelopment, a number of Western initiatives have been directed towards reducing poverty in Africa. In 2000, the US attempted to promote free markets and the expansion of two-way trade and investment. Similarly in 2003, former president George Bush promised $10 billion to Africa and the Caribbean for the fight against AIDS. (Meredith 2005:685) Other wealthy nations have made enormous promises of aid. However, most of these promises never fully come into effect.

Ethnic conflict, civil war and political instability have greatly discredited Africa, thereby confirming the negative imagery already established in Western media. However, many Sub-Saharan African countries have made progress towards development. Nigeria's economy has been growing at a rapid rate. It was commended by the International Monetary Fund for its remarkable economic performance in 2004. (English People Daily 2004) In 2008, when former US President George Bush, visited Ghana, he was impressed by the contribution that US government investments were making towards agricultural production and export earnings. He acknowledged the economic progress and good governance of Ghana. (VOA News 2004) Yet, these positive stories remain underrepresented in mainstream media, while old perceptions continue to dominate.

According to an IMF report in 2000, a number of countries in Sub-Saharan Africa have been implementing better economic policies and making structural reforms, which have yielded some economic progress. (Basu et al 2000:1) However, despite this progress, there is still a high level of poverty in some regions. Countries that have recently emerged from civil wars and those that are currently engaged in civil war face high levels of economic underdevelopment as civil wars are known to lead to a “loss in economic momentum”. (2000:2)

**1.2 Problem Statement**

The current global economic crisis may worsen Africa’s economic situation. Another IMF report in 2009 has warned that millions of Africans face being reduced to poverty and potential conflict may arise as a result of the crisis. Also, only a few Western nations are still supporting poor regions in Africa. Germany, for instance, has continued its successful development cooperation with Tanzania. In 2009, it contributed 550,000 Euro to the opening of a research and development laboratory for pharmaceutics. (Africa Action 2009) Despite this, media reports show that Sub-Saharan Africa is being overlooked by the
international community during efforts to lighten the effects of the crisis. South Africa is the only African country which convened with the G20 in April 2009 to discuss the crisis, which makes it plausible to assume that Africa may not benefit much from the G8’s strategies to alleviate the crisis.

Considerable cuts have been made to foreign aid that had been promised to Africa. The strategies agreed upon at the recent G8 Summit to help countries through the crisis show that Africa is not being given much consideration. The strategies that the G8 has implemented through the International Monetary Fund could in fact be more harmful than beneficial. The G8 insisted that IMF rules be changed so that emergency funds are delivered to vulnerable countries without damaging economic conditions and without creating a new debt crisis. (Africa Action 2009)

According the new rules therefore, while the IMF is supporting fiscal stimulus for industrialised nations, it is demanding that countries cut public sector expenditures, hike interest rates and reduce deficits, the opposite of which is recommended for the United States and Europe and implemented in South Africa. This, together with the withdrawal of aid promises, may encompass the kind of deep hypocrisy which as poverty activist Bob Geldof suggests, is characteristic of rich countries in the West. (Universal Rights 2009) Cutting public sector expenditures by 40% is bound to have severe consequences on any country’s economy and as in the case of Latvia, may result in the closing of public hospitals and the cutting of pensions which will make living conditions difficult for citizens. Therefore, even when the G8 appear to be providing financial relief to poorer countries affected by the crisis, the help has been conditioned by terms which can only be respected at extreme costs.

A report on Barrack Obama and Joe Biden’s plan for world development in 2007 showed that they were committed to living up to the promise of fully funding debt cancellation for heavily indebted poor countries and pressing for reforms at the World Bank to ensure that these countries receive grants rather than loans. (http://www.cgdev.org/doc/blog/obama_strengthen_security.pdf ) Yet, the funds which are being given to poor countries since the recent G8 summit in April 2009 are still given in the form of loans and not grants despite the international community stating their commitment to debt relief. This confirms what African economist Dambiso Moyo states in her new book Dead Aid (2009) – much of the aid Africa has been receiving was donated primarily to achieve foreign policy objectives and not to reduce poverty or promote economic development. There is a reasonable amount of truth in Moyo’s statement considering US relationship with oil rich countries for instance. Angola, Nigeria, the Republic of Congo and Gabon are some of the oil-rich countries in West Africa, who have been exporting oil to the US. When Equatorial Guinea joined the list in 2002, with the US buying almost two thirds of its
petroleum, the country’s relationship with the US and the government of its tyrannical ruler, Obiang Nguema Mbaso, began to blossom. Obiang’s regime, according to human rights groups and the United States very own CIA was considered to rank among the world’s worst regimes. (Silverstein 2002:2)

While it is true that Africa did not suffer the immediate and direct impact of the crisis because of its relatively small international economic investments, they have been severely affected. A 2009 IMF report showed that the economic outlook for Sub-Saharan Africa is worsening because of the decline in food and fuel prices and the growing dependence of the region on export receipts from tourism and transportation services which among other factors heighten the regions exposure to the global recession (Bourdin 2009:6). However, Western governments continue to underestimate and overarticulate the effects of the crisis in Africa mainly because they are concerned with saving their own countries economies.

The IMF has been encouraging donor countries to honour the commitments they had made to Africa despite the strains on their own economies as a result of the crisis. (IMF 2009) Despite the IMF’s pleas current reports of external support to Africa show that donors are withdrawing financial support.

The crisis has influenced representations of poverty in Africa. It has provoked further criticism of Africa’s dependence on foreign aid, which before now, was not explicitly expressed. African leaders are also increasingly being criticised for poor governance and undemocratic policies which are represented as a contributing factor to economic underdevelopment. Mainstream publications in the West now suggest that Africa should solve its own problems, stressing that foreign intervention in the past has not yielded any significant results. Hence, justifications are being made for the withdrawal of foreign aid and the general exclusion of Sub-Saharan Africa from the crisis alleviation measures.

The crisis is bound to have a tremendous impact on Sub-Saharan Africa. As the Financial Times speculated (Hahn 2008:1), the G8 are “backtracking on its commitments to Africa “. The annual $25 billion increase in Development Aid which was promised to Africa at the Gleneagles Summit in 2005 and promises of universal access to AIDS treatment and prevention by 2010 may also not be kept. Some of these wealthy nations have been forced to provide rescue packages to bail out their own financial institutions. The financially significant role that the west has been playing in Africa’s economy is thereby challenged because the economic crisis has displaced donor nations from their previously powerful position. According to the World Bank report, the crisis has severely weakened the power of the United States, the European Union and the global institutions they dominate. The West is thus in a financial
crisis and as a result, Africa is vulnerable because most regions are poor and have become very dependent on foreign aid.

1.3 Objectives: The objective of this study is to identify the changes that have occurred in foreign media representations of poverty in Africa as a result of the current global economic crisis. By paying critical attention to the discourse in each media text, this analysis may reveal latent stereotypes in western representations of Africa’s weak economic situation.

1.4 Hypothesis:

Foreign media reports on Africa show that Western nations are withdrawing promises of aid that had been made to Africa before the crisis. Africa is being overlooked by the international community in measures taken to lighten the effects of the crisis and may need to navigate the crisis period without any significant external support. Poverty and economic underdevelopment are increasingly being blamed on African leaders’ poor governance and Africa’s overdependence on foreign aid.

1.5 Methodology:

For the historical study, the contexts of aid to African countries are investigated in view of various influencing factors and contexts and the political economy that underlines them; using historical accounts, official reports from donor institutions and academic literature. For the discourse analysis of BBC sample articles, qualitative research is suitable and effective when analysing issues with a strong ideological basis that are open to different interpretation. This study used critical discourse analysis because, unlike non-critical discourse analysis which simply describes discursive practices, the former shows how discourse is shaped by relations of power and ideologies, pinpointing the constructive effects discourse has upon social identities, social relations and systems of knowledge. (Fairclough 1992:12)

Furthermore, since Michael Foucault has had a significant influence on social sciences and humanities, it is rare to come across any approach to discourse analysis which does not refer to his method as a model. (1992:37) Fairclough’s approach which he has abbreviated as TODA (textually oriented discourse analysis) will be used for analysis in this research paper. Although essentially different from Foucault’s method in that it places emphasises on textual interpretation, unlike Foucault’s method which focuses on textual production and power relations (1992:37), Fairclough’s approach to critical discourse analysis promises genuine results in any social science research.
The study analyzes 30 news articles from BBC news online to illustrate the findings from literature. 16 of these articles were selected from articles published between 2002 and 2006, while 14 were chosen from those published between 2008 and 2009. Articles were obtained from the BBC online publication and selected based on their reference to issues related to foreign aid in Africa and the global economic crisis. (see chapter eight) Selection was also based on the sources and speakers (reports and representatives of donor governments and international organisations such as the IMF and EU), intentions of the speakers and the context in politics (foreign policies, funding, Africa’s economic underdevelopment).

The study used two approaches: Chapters one, two, three, four, five and six are a historical overview of the evolution of foreign aid to Africa from various angles. These chapters, which extensively discuss the political economy of development assistance to Africa, are crucial to the study of news articles because they provide a comprehensive understanding of some of the current trends in representations of foreign aid in Africa. Discourse does not take place in a vacuum. Therefore, these chapters provide the appropriate context for analyzing the selected media texts. The western media’s representation of foreign aid to Africa cannot be properly understood without a holistic understanding of the mechanisms behind the provision of aid to Africa over the last two decades. Chapters seven, eight and nine are an example of the status of aid in media representations against the background of factors discussed in chapters one, two, three, four, five and six.

1.6 Method for the Discourse Analysis: The BBC represents foreign media. It is an accredited source of social and political thought and is well-read worldwide. A table of analysis was used to complement the research findings. The referencing of the articles was ensured by listing the publication, date, author, photojournalist and URL of each article. The table of analysis also listed the key elements for analysis. Copies of all articles are attached to the treatise in the appendix.

1.7 Delimitation: The study does not focus on representations of the entire Africa but on representations of Sub-Saharan Africa. South Africa has been excluded because western aid models often exclude South Africa and the North African States of Morocco, Algeria, Egypt and Tunisia. Therefore Sub-Saharan Africa is more dependent on the west. Also, Soviet aid was excluded from the historical background on aid as a result of a lack of sources and its exclusion from leading donor NGO discourses.
Chapter One

Background to Africa’s Underdevelopment

Understanding the West’s relationship with Africa before and during the era of colonialism is crucial to an analysis of the uneasy tension that has always characterized communication between these regions for many years. Proponents of the NWICO concept in the 1980s, alongside their assertion that there was an unequal flow of information between developed and developing nations, were concerned with the imbalanced reporting of news from African countries by Western media. (Carlsson 2003:2) Although NWICO’s advocacy for a balanced flow of news between the developed world and the developing world failed to yield any tangible results, it opened the gateway to awareness about the irregular nature of global communication. These irregularities can be understood by engaging with Africa’s complex relationship with Europe during the era of colonialism.
The colonization of Africa, as Rodney maintains, lasted just over 70 years in most parts of the continent. This is an extremely short period within the context of universal historical development, but more importantly, it is also the time when the rate of economic growth in other parts of the world was greater than ever before. (Rodney 1982:224) During this period, African countries were subjected to colonial governance and the export of most production, both mineral and agricultural. This kept them lagging behind the rest of the world in economic development. While colonialism may have brought about economic development in some countries, the system of colonialism that was implemented attempted to impose Western ideals on the indigenous people. The French system of assimilation, for instance, which was implemented in countries like Cameroon, Chad, Congo, Ivory Coast and other African countries which are today considered Francophone Africa, serves as a good illustration. The French regarded African culture, traditions and institutions as inferior and not worthy of preservation. (Gardinier 1963:10) Under the policy of assimilation, the objective of French governance was to transform Africans into black French men. That could only be achieved if they obliged Africans into adopting French culture which encompassed aspects such as mannerisms, dressing and most importantly, language.

Language, in particular, constituted a powerful aspect of colonialism. African countries have been classified under three language categories: Anglophone Africa, Francophone Africa and Lusophone Africa, all reflecting the European countries that colonized the respective regions. The language legacies of the colonial powers in Africa are evidence of how Africa lost its potential as a physical and cultural entity during colonialism. “When one society finds itself forced to relinquish power entirely to another society, that kind of action constitutes a form of underdevelopment. (Rodney 1982:224) As Rodney explains further, although trade with Europeans during the pre-colonial era was disadvantageous, African societies still managed to retain some level of control over social, political and economic life. With the beginning of colonialism, Europeans began to intervene and Africans lost control of their own affairs.

1.2 ‘Benefits’ of Colonialism

While colonialism, as some of its proponents may argue, may have brought about benefits like the building of schools, hospitals and similar services in Africa, the disadvantages of this process are more essential in examining underdevelopment in Africa. The financial institutions of colonial Africa, for instance were consistently neglectful of indigenous African interests and banks did very little lending locally. In British East Africa, the Credit to Natives (Restriction) Ordinance of 1931 strongly discouraged
credit to Africans and insurance companies similarly catered almost exclusively to the interests of white settlers. (Rodney 1982:210) Therefore, the introducing of banking systems and insurance companies was indeed an aspect of development. However, it was development that only benefited the colonizers because the indigenous population was not given any significant access to these facilities. The pattern of the economic infrastructure of the African colonies, particularly roads and railways further illustrates that Africans were being exploited and disregarded by the colonialists. Some roads and railways were built in specific regions which were open to imports and exports, while others were built to ensure the movement of colonial troops, thereby facilitating European activities in the interior of Africa. (Rodney 1982:209)

1.3 The Impact of Colonialism on African States

The negative impacts of colonialism relate to Moussaoui’s ‘the colonialist offensive’, a term which she uses to challenge any assertion about colonialism’s positive role. Far from being the system that ended barbarism and brought development and civilization to Africa, colonialism was measured in deaths: ‘the burnings which accompanied the conquest of Algeria, the use of air-power against civilian populations in Morocco (1941), the guillotines set up everywhere like a bloody shadow of the French flag. (Moussaoui 2005:1) During the slave trade, which destabilized Africa’s work force thereby leading to economic stagnation, the number of African lives lost was appalling. Dumont (1966:32) concurs that the internal wars that took place blocked political and economic development. The extreme violence that accompanied the arrival and the successful rule of the colonial powers on the African continent is sufficient evidence that colonialists did not have the interest of the African people at heart. Their motives were purely economic. Means of communication in African communities were not constructed to facilitate internal trade in African commodities. The roads and railways that had been constructed by the Europeans all led down to the sea and were built with the purpose of extracting gold, manganese, coffee and cotton, thereby making business easier for trading companies and white settlers. (Sandbrook 1985:48)

1.4 Dependent Development

The only developments that appeared to have taken place during colonialism were developments of dependency and underdevelopment. African indigenes had lost control over internal affairs and had become obliged to rely on the colonial masters for governance. There were no significant domestic trading activities that could lead to economic growth. Slave trading in the 19th Century and later on, the
exportation of resources were the main sources of revenue. Obadina, (2005:2), argues that it is difficult to give an objective balance sheet on colonialism and those who contend that it made no positive impact are as dogmatic as those who present it as a civilizing influence to Africa. However, he acknowledges that colonialism was a doctoral regime that denied African people the right of self-determination and the notion that it was a civilizing mission proved to be a myth as the system was propelled by Europe’s economic and political self-interest. (ibid 2005:3) Benefits such as schools and roads were products of European activities, not products of European’s desire to bring about civilization and development to the continent.

Africa was also hit by the devastating effects of the economic depression of 1929 which posed a serious financial threat to the international community. Because of the severity of the crisis, western industrialised nations were forced to cut investment and drastically reduce demand for the minerals and agricultural produce on which the export trade of every colony depended. Given the fact that Africa’s major source of income was derived from the exportation of agricultural products to industrialised nations, the reduction in the demand for these goods led to a deterioration in ‘Africa’s net barter terms of trade’ which as Hargreaves explains refers to the quantity of imports obtainable for a given quantity of exports. (Hargreaves 1989:33) The only part of Africa which devised other ways of ensuring growth was Southern Africa. As commodity prices fell, the price of gold increased. In Southern Rhodesia, the exportation of gold sustained the economy throughout the depression while the national income of South Africa rose by nearly 80% between 1932 and 1939, leading to the opening of the continent’s first modern iron and steel plant in Pretoria in 1939. (ibid 34) As a result, and for a variety of other reasons, southern Africa’s economy today is significantly ahead of Sub-Saharan Africa’s.

Africa’s dependence on agriculture during that period meant that local farmers growing food for local markets found it easier to cope with the economic decline than white settlers whose standards of living involved heavy fixed costs. However, the effects of the crisis transcended those groups of farmers and workers engaged in production for exports because when cocoa farmers were short of cash, entrepreneurs in the expanding domestic economy such as yam farmers and cattle traders were also affected. (ibid 34) The depression therefore revealed the extent to which the welfare of African societies had become dependent on developments beyond local control.

1.5 Instability in African States
Apart from the great depression which led to economic decline in African communities, there were other factors which accounted for instability in the continent. Most countries in Sub-Saharan Africa have a long standing reputation for political instability. The reasons behind instabilities such as border conflicts have been traced back to the colonial period. As Ottaway states, colonial powers established African borders, some of which cut across African states or separate people who were classified by anthropologists as members of the same tribe, regardless of whether or not these individuals considered themselves as such in the pre-colonial period. (Ottaway 1999:13) Consequently, these artificial borders soon brought conflict among African communities. It is the artificiality of its states which has accounted for much of the political and economic instability that has characterized the continent for many years.

Ottaway maintains that African countries attained independence through agreements with the colonial powers, not through the emergence of powerful leaders and governments that were capable of establishing effective control of territory or extracting the resources necessary to sustain an independent state. (ibid 1999:14) This undermines popular historical accounts which praise the success of African states in attaining independence and suggests that African leaders, since the time of independence have failed to show traits of powerful and efficient governance. However, literature on Africa has shown that numerous liberation movements were formed in Africa during the colonial period. These resistances began happening after World War Two when African soldiers who had been recruited by Britain and France served in the war. The effects of the war awakened them to their capacity to fight against colonialism. Liberation movements were headed by powerful leaders who dedicated immense efforts to the fight against the imperial powers. The Popular Movement for the Independence of Angola was spearheaded by Agostinho Neto, Edwardo Mondlane led the Front for the Liberation of Mozambique and resistances such as the Asante Resistance (Ghana) and the Maji Maji Uprising in Tanganyika played a significant role in bringing about independence. (Grant and Agnew 1996:728)

Africa’s history of leadership and governance in the past has not been exemplary to world politics. However, it will be inadequate to assume that the independence of African states was a passive event during which the colonial powers simply agreed to hand over governance to the African people and that no strong leaders were responsible for the attainment of independence. The rise of dictators only started after African countries became independent states in the 1960’s. Meanwhile, the West encouraged the rise of African leaders who later proved to be dictators. Cold War tactics between the two blocs were extended to Africa as the rival powers imposed artificial stability on the continent by
supporting corrupt leaders from client states. Thus the political changes since the end of World War Two are evidently a result of a combination of political and economic factors.

1.6 Africa after Independence

With the struggle of many African countries for independent rule, the future of Africa was no longer seen in a pessimistic light. When African countries attained independence, political freedom seemingly beckoned in Africa’s participation as equals in the world economy and an open path to an industrial future. (ibid 1996:728) As Ghana became the first African country to achieve independence in 1952, Nkuame Nkrumah who facilitated the process also became a motivational icon of freedom to the rest of Africa. In 1960, Togo, Benin, Nigeria, Cameroon, Gabon, democratic Republic of Congo and Burkina Faso had also gained independence. Between 1956 and 1968, 34 former colonies and protectorates of Great Britain, France and Belgium had become independent nations. (Ndulu and O’ Connell 1999:45)

African countries were poor in the 1960’s because their economies were still largely pre-capitalist as a result of colonial structures and subsistence agriculture in the remote regions. The production sector was dominated by agriculture through the use of traditional methods. Yet, political and economic expectations from the African people increased after independence. “National development plans envisioned growth, fuelled by industrial expansion, diversification of exports, modernisation of agriculture and public investment in health and education.” (ibid 1999:42) However, by the 1980’s it was clear that decolonization had not led to economic freedom or sustained economic growth and development. Instead, the African economy was experiencing a decline, with high rates of poverty. This was primarily because African countries had inherited a colonial economic system that for centuries, had developed little because the imperial powers both before and after independence imposed “an institutionalized relationship between Africans and Europeans”, which facilitated the exploitation of African resources.

As a result of these circumstances that prevented internal growth, most African countries remained poor after independence. By the 1990’s, Sub-Saharan Africa was still in full scale political and economic crisis, with birth rates in excess of 2.8%, negative growth rates in agricultural production and debt service ratios (refer to chapter six) over 120% of export earnings on primary commodities. (Grant and Agnew 1996:729) The region was in a rapid decline and as Grant and Agnew’s ‘falling out’ thesis holds, Sub-Saharan Africa began ‘falling out’ of the world economy. Although they were still actively participating in global trade, their economies were growing at an extremely slow pace when compared
to other Third World countries. Statistics on trade and economy show that the post-independence experience of Africa is one of ‘excorporation’ rather than continuing incorporation into the world economy. (Terlouw 1996:106) This stands in marked contrast to the high economic expectations of African communities after independence. Instead of a progressive economy being managed by reputable leaders, economic conditions were on a downward spiral.

Fischer’s (1990) perspective on mainstream development economics suggests that Africa’s complex economic problems do not result from international trading policies. Rather they emanate from larger internal problems which have proven to be a hindrance to economic progress. “Given reasonable growth rates in industrialised countries and lowered barriers to African exports, there is no reason why African participation in world trade should not flourish.” (ibid 1996:108) The reason for the continuously deteriorating condition can be traced to African governments who have impaired their economies with restrictions that have slowed down the insertion of the continent into the world economy.

Fischer (1990:23) further argues that resource-export earnings have been an unsatisfactory basis for economic development in Africa and Africa’s continued dependence on basic-commodity trade with western industrialised nations accounts for the lack of more diversified economies on the continent. He concludes that only through ‘delinking’ itself from the world economy can real development succeed in Sub-Saharan Africa. This conclusion evokes the question as to whether African economies can survive without intervention from the global economy given the poverty stricken state of most countries in the region.

1.7 Underdevelopment and the Role of Political Barriers

Africa’s declining economy is the result of the ‘anti-trade’ ideologies of African elites and the political barriers to rational economic strategies. African elites continue to blame the North and have used their powers to undermine economic development. When the majority of African countries gained their independence in the 1960’s, political constitutions were formed to emulate their European counterparts, with British and French African colonies inheriting parliamentary and republican systems respectively. (Ndulu and O’Connell 1999:48) These European systems were to afford greater pluralism and political liberties. However, Africa’s hope for more democratic governance did not materialize during the expected time. By 1975, all African regimes had abandoned pluralism and replaced it with authoritarian systems of governance, thereby narrowing down any form of political participation which the European systems had introduced. Africa was experiencing a deep “crisis of governance.” (ibid 1999:
The authoritarian ruling style of the first generation of leaders was perceived as closely linked to the bureaucratic structures of the colonial times.

However, African elites cannot bear full blame for their perception of one-party systems of governance as a prerequisite for effective leadership and African unity, the reason being that the local populations also shared this view. A survey in Namibia shortly before the election of a constituent assembly in November 1989 revealed that a majority of the African population in the first post-colonial phase believed in the one party system. (Deng and Zartman 2002:63) Two thirds of black Namibians voted in favour of a one-party system, rather than a multi party system or an all party government. The African saying, “there is only one bull in the Kraal”, was used to emphasize that western multi party systems were incompatible with African identity. The results of the survey suggests that the population either had not understood the principles of the democratic system as it had been imposed on them or that they did not have the educational level, nor the required participatory infrastructure to use the agency allocated to voters in a functioning democratic system. Historical models of dependence on a strong traditional leader evidently offers some promise of stability in this situation.

Some African countries practicing the one-party system of government refuse to acknowledge any similarities between their systems of governance and that of Eastern Europe in the 1980’s, where economic problems and the denial of effective political participation provoked a demonstration from citizens. According to Deng and Zartman (2002:65), one party governments in Africa are not different from the system in Eastern Europe, despite all the socio-cultural differences which separate both regions. The case of Benin in 1974 provides solid grounds for drawing parallels between the events in Eastern Europe and the inevitable consequences of one party politics in Africa. After Benin became the first African country to adopt a Marxist-Leninist orientation, there was an opposition from the citizens, with strikes and riots in several parts of the country including a December demonstration in the capital Cotonou, during which demonstrators carried banners with anti-government slogans. (Diagne 2001:3) The Benin protestors spoke against corruption, the fact that public officials had gone for several months without salaries and demanded for the abolition of Marxism, Leninism and one-party rule, consequently obliging the government to adopt a new system of democratization.

Several other African countries maintained the one party system of governance until the 1980’s, when the political landscape began to change significantly. By 1992, 32 of Africa’s 42 non democratic regimes had measurably increased civil liberties and by 1994, 16 of these countries had held genuine multi-party
elections. These countries, according to Huntington (1991:12) were considered participants in the “third wave of democratization in the modern world”.

1.8 The Introduction of Multi-Party Politics

Although the introduction of multi-party politics brought optimism in many African countries, skeptics continue to ponder whether such political liberties can survive in Africa. According to Kaya and Van Wyk (2001:125), the conversion to multi-party politics did not result from a process of internal evolution but was an imposition by the logic and thrusts of developments worldwide. More importantly, looking at the poor economic situation in Africa, it would be difficult for democratization to proceed in a context of poverty and lack of economic growth, especially due to the fact that economic conditions determine the nature of political systems.

In a speech to a Japanese audience in 1998, former South African president, Thabo Mbeki, acknowledged that since the advent of independence, Africa had had to contend with problems of neo-colonialism. He saw the fall of African dictators like Mobutu (Congo) as the death of neo-colonialism and stated that African governments were improving. (Meredith 2002:34) Some African countries have made significant progress in democratic governance. The West African nation of Ghana is considered one of the countries in Africa which holds genuine democratic elections. In 2009, Eric Chevallier, spokesman for the French Ministry of Foreign Affairs, commended the transparency and consistency of the presidential elections, acknowledging that the Ghanaians had shown their commitment to democracy (Wandah 2009:1) However, only Ghana and a few other African nations have shown adherence to democratic governance. Despite the optimism that came with new leaders in the 1990’s, the cycle of poor governance and corruption continues to flourish in the majority of African states.

Kaya and Van Wyk (2001:127) also maintain that external events account for the conversion from authoritarian rule to democratic governance. In 1990, when French president Jacques Mitterrand announced that French aid will be conditioned by democratic reform, francophone African countries organized several national conferences dealing with issues of democracy. This may explain why democratization was seriously resisted in some African countries. Because there was no genuine change in the people’s ideological mindset, democratization could never be brought into practicality. While 16 African countries were engaged in genuine multi-party politics by 1994, 12 other countries saw flawed transitions where multi-party politics had been held, but had also been manipulated by the elites. In other African countries, the transition was effectively blocked by the elites in power.
1.9 Democratic Governance and Economic Growth

The transition into democratic governance contributed in bringing positive change to those African countries which effectively adhered to multi-party politics. In those countries where the transition is still being contested, dictators manipulatively remained in power for decades. Gabon’s Omar Bongo stayed in power for 42 years, Libya’s Gaddafi was in power since 1969 and Cameroon’s Paul Biya for instance has successfully stayed in power for over 27 years. (Aloysius 2008:2) In 2008, a good majority of Cameroonians engaged in a major strike after he made undemocratic changes to the Cameroon constitution. He successfully passed a bill which cancelled the limitation of mandates, which had been previously declared as 7 years, renewable once. The bill further afforded him immunity from prosecution for crimes committed while in power.

When Cameroonians began protesting against Biya’s modification of the constitution, their manifestations were repressed as the government took up arms across the country, killing 40 people according to government adjusted figures and approximately 200 according to independent sources. Over 35 children are said to have drowned in River Wouri, when thousand of youths were blocked on Wouri Bridge while attempting to escape assault by armed government troops. (Aloysius 2008:3) Given that the country’s authoritarian system does not allow citizens to freely criticize the president, the issue was never given the coverage it deserved in the Cameroon media. Although a bill of rights on freedom of expression was passed in the 1990’s, it has never become fully functional and many media organs continue to work under serious constraints due to government strategy to curtail any opposition to the ruling party. For countries to gain admission into the Commonwealth, they need to meet the requirements of the Harare Declaration which relate to human rights and democracy. Given the fact that Cameroon failed to meet these standards, its admission into the Commonwealth remains a puzzle to the international community. Civil wars in other African countries have Biya reasons to make claims of efficient governance, thereby “brandishing Cameroon as an Oasis of peace in a troubled sub-region.” (ibid 2009:3) Compared to the civil war in Nigeria, the genocide in Rwanda, and recently, the conflict in Sudan, the country has indeed been peaceful. However, there is a continuing internal crisis in the country given the high unemployment rates, poverty and corruption.

This quest for absolute power through long years of governance stands in a disturbing contrast with terms of governance in Western nations. In the U. S, a term of office for instance is four years, after which the presidential candidate is given another term to govern if he or she succeeds to win the following elections. According to Mbeki, the African renaissance era did not only mark the end of
military dictators but the end of one-party states thereby signaling the introduction multi-party democracy to Africa. “The African renaissance in all its parts can only succeed if its aims and objectives are defined by Africans themselves, if its programs are defined by ourselves and if we take responsibility for the success or failures of our policies. (Meredith 2002: 35) However, dictatorial African leaders remain in power not because citizens keep voting the same candidates during presidential elections. Rather, they succeed to cling to the presidency through rigging of elections and other manipulative strategies. This is reflective of the fact that political gain is prioritized ahead of the economic interests of the country. With this kind of political climate, the political tension and consequently economic stagnation that continues to characterize Sub-Saharan Africa is inevitable

1.10 The Sub-Saharan African Economy

Despite the slow growth of the Sub-Saharan economy before the 19th century, Skinner (1960: 378) states that West Africa has not received the recognition it merits. Compared to East and Central Africa, West Africa was a region of indigenous economic development because their economies made agricultural produce large enough to be sold in rural and urban markets. Barber concurs that the region is known to have moved in international commerce since the 8th century and, by the beginning of the 18th Century the value of these exports was estimated to have reached 200,000 pounds per annum. East Africa was also engaged in trading in spices and other products with the Middle East. Sub-Saharan Africa transitioned into the world economy in the 19th century mainly because political control by European powers provided an imperative for the stimulation of export production and European powers saw the introduction of monetized production as part of their “civilizing mission” in Africa. (Barber 1961:300, Green and Seidman 1968:32) The beginning of legitimate trading, as opposed to slave trading boosted the African economy, by expanding the export economies of Sub-Saharan territories.

However, despite the introduction of legitimate trading in the 19th century, Africa’s resources were still being exploited by some Western industrialised nations. The early histories of French Equatorial Africa and the Belgian Congo reflect the kind of exploitation that was characteristic in most other regions on the continent. During what Barber (1961:301) calls the ‘era of despoliation’, forest resources were subject to ravaging exploitation by Europeans in search of quick gains, natural rubber, timbers and wild palm products being the primary targets. As Barber explains further, little attention was given to the resources that had been destroyed and by 1910, the readily accessible areas of tropical forest wealth had been thoroughly bled, with a consequent decline in the volume of exports. (ibid 1961:301)
In the 20th century, an impressive growth in export volume and value was recorded, with the only serious economic interruption being the Great Depression in the late 1920’s. Therefore, despite the exploitative practices, the period of colonial rule can claim a substantial accomplishment in boosting the economy of African regions albeit under foreign rule. However, considering the general economic outlook of Sub-Saharan Africa in 1958, the region continued to be a minor contributor to the aggregate volume of world trade. According to World Bank statistics, despite gains in the second half of the 1990’s, (and with the exception of South Africa, Botswana and Namibia), Sub-Saharan Africa constitutes the world’s poorest countries in the 21st century. (Mbeki 2005:2)

1.11 Stumbling Blocks of Progress

By the end of the 1970’s, a predatory and corrupt political system had plagued most African states. “Prebendalism” has become a familiar term in literature on governance in Sub-Saharan Africa. According to McFerson, in a prebendal system, public office is treated as a personal grant from the ruler, where the beneficiary is expected to exploit the rent potential of the office and must reciprocate by giving the ruler absolute loyalty and share of the rent. The sanctions on non-conforming elite members are loss of the prebend. However, from 1979, the mounting burden of external debt, typically contracted to finance unproductive ‘white elephant’ projects, the rise in oil prices and the collapse of export commodity prices meant a rapid and dramatic shrinkage of the exploitable surplus at the disposal of African regimes.” (McFerson 1992:245) These circumstances forced the World Bank and IMF to advocate Structural Adjustment programs (see Chapter four).

Mbeki’s analysis of underdevelopment in Sub-Saharan Africa places emphasis on the bad economic practices of the African elites. He describes the behavior of elites in Nkuame Nkrumah’s words “seek ye the political kingdom and all else shall be given”. (ibid 2005:3) The seeking of the political kingdom became a quest for wealth, where the masses were excluded.

Furthermore, Africa’s private sector predominantly constitutes peasants and to lesser extent subsidiaries of foreign-owned multi-national corporations, which are dominated by unproductive political elites who control the state. Had the peasants been free to maintain surplus capital, they would be able to invest it in production techniques. Instead of ensuring that these peasants use it to diversify economic activities, elites use marketing boards and taxation to divert those savings so they can finance their own consumption and strengthen the repressive instruments of the state. (ibid 1992:243) These elites continue to block the efforts of the masses to emerge out of poverty. The lifestyles of these elites
further contributes to economic decline. They have cultivated the habit of consuming a considerable amount of imported goods, which contributes to draining national savings that could have been used for productive investment. Mbeki concludes that “the more the African elites consolidate their power and the more they strengthen their hold over the state, the more the peasants are likely to become poorer and the more African economies are likely to regress, or at best, stagnate.” (ibid 1992:245)

Economic stagnation has been proven to be a major consequence of the behavior of African elites. While it seems that corruption is endemic in every government in the world, Africa’s case is extreme. Political, electoral and bureaucratic corruptions have been considered a pandemic in Nigeria and make a significant contribution to poverty and misery for a large segment of the Nigerian population. An annual survey carried out by the Berlin-based Transparency International (IT) ranked Nigeria the most corrupt country in the world, with Angola, Cameroon, Kenya and Mozambique closely behind. The Nigerian government has been battling to bring back over $3 billion which the former ruler, Sani Abacha, had stashed away in foreign banks. (BBC 2000) This large sum of money which could have circulated in the Nigerian economy to bring about development was hoarded by the tyrannical Abacha, who is a reflection of the behavior of many other corrupt African rulers. For Kututwa (2005:2), corruption is a scourge, a menace and an epidemic. It undermines democracy and the rule of law, impedes development and weakens social stability.

Cameroon’s reputation for corrupt practices has not been much different from Nigeria’s. Ondo Ndong, former Director General of FEICOM (in charge of financial assistance to local councils), appeared before the Yaoundé High Court for a long list of corruption charges, the most offensive amongst which was his embezzlement of 29 billion CFA Francs (US $ 725,000). Cameroon’s draft budget for the year 2006-2007 showed that 105 billion FCFA had been allocated to public health. Ondo Ndong was alleged to have embezzled over a quarter of the country’s health budget. (Tande 2006:1) Similarly, the country’s former Minister of Mines, Water and Energy and the former Delegate for the Douala City Council were charged with embezzling 50 billion FCFA (US $ 125 million) of public funds. An alarming amount of money allocated for public spending continues to vanish on account of individuals in public office. With this high level of corruption, the country cannot realize its full potential. The high revenues flowing into the country from exports and other trade ventures become a wasted effort towards economic development because progress has been blocked at the highest level by elites. This indicates the extent to which corruption is negatively affecting African states. As Kututwa (2005:4) states, it erodes the ability of the
state to provide social services to its citizenry and, the state’s failure in this regard poses a major threat to human security because individual’s choices become limited.

Elites have also been using export revenues for personal enrichment. An IMF survey of African economies in 1968 showed that, among the French speaking African countries, Cameroon ranked second to Ivory Coast as the largest exporter of coffee. In 1965, the country earned CFAF 4.5 billion from the exportation of coffee to France alone. Yet, the country’s growth rate at the time was estimated at 2%. (IMF 1968:63) The African oil industry also offers a good illustration. After accumulating money from oil revenues, African elites become detached from the local populace and the economy and consequently do not invest in public goods such as education, healthcare and transportation that could be enjoyed by the public at large. In countries which have been known to make extremely high revenues from the exportation of oil, the majority of the population continues to live in poverty. The economy of Equatorial Guinea has been growing by a remarkable 40% annually since the beginning of the oil boom in 1996 (ibid 1968:64), but President Obiang Nguema’s greed and thirst for power prevented the high economic development that would have been achieved through oil revenue.

According to Kaya and Van Wyk, these types of African leaders undermine the idealistic values of African socialism which early African nationalists worked hard to propagate after the attainment of independence. The idea of African socialism was first developed in East and Central African countries such as Kenya, Tanzania, Uganda and Zambia. It was intended to eradicate colonial relations of oppression and exploitation and fight foreign ideologies such as European capitalism and European socialism. (Kaya and Van Wyk 2001:126) Greedy and power driven African leaders have become worse than the colonial masters because they have continued the cycle of oppression and exploitation, the very vices against which they are supposed to have opposed given their first-hand experience of the devastating effects of such vices on a people.

However, the underdevelopment of African economies cannot be attributed solely to the misconduct of African leaders. Foreign aid has come under severe scrutiny over the years, giving rise to a variety of opinions about its actual impact on African economies.
Chapter Two

A Historical Overview of Foreign Aid to Africa

This chapter aims to put media representations of poverty and foreign aid in Africa into context. Africa’s current economic status and media reputation can only be comprehensively understood through a historical background of the conditions that brought the continent to its current state. The chapter examines foreign aid flows from western donor nations to African countries from the 1970’s to 2006. The 1970’s saw a sharp rise in foreign aid from international financial institutions such as the World Bank and International Monetary Fund. The year 2005 is significant to the history of foreign aid because during that period, there was also a remarkable increase in development assistance.

Malnourished children in Ethiopia, tropical diseases in West and Central Africa claiming the lives of many and deteriorating economic conditions have created a disturbing portrait of economic underdevelopment in Africa, one which highlights the extremities of poverty on the continent. According to a UN report in 1975, 18 African countries were among the least developed nations and, of the 45 countries that appeared on the UN’s list of Most Seriously Affected by the 1973 oil crisis, 27 were African. 21 African countries south of the Sahara had a per capita income below $265 per annum, 21 others had between $265 and $820, making Djibouti and Gabon the
highest with $1,720 and $2,240 respectively. (Arnold 1979:17) These figures suggested that Africa needed foreign intervention in order to survive in the global economy. Over the years, literature on development assistance has shown that Sub-Saharan Africa has been receiving the highest amount of foreign aid in the world. Characterized by despotic leaders, poor governance and poor economic policies, Sub-Saharan Africa constitutes most of the poorest countries in the world.

2.1 Foreign Aid Definitions

Foreign aid, according to liberal internationalism as upheld by the donor nations and institutions, is a set of programmatic measures designed to enhance the socio-economic and political development of recipient countries. (Baldwin 1996:33) Foreign aid was perceived as a means of helping poor countries develop their own economies, thereby reducing global inequality. However, the present state of Sub-Saharan Africa’s economy is evidence that foreign aid has not led to the desired results. Rather, it has facilitated the growth of dictatorial governments and culminated in increased poverty and inequality within African states. It has created a culture of dependency and addiction to subsidization, thereby impeding economic progress in many countries. Recent literature reveals a growing awareness of the destructive effects of aid among African intellectuals and international scholars, most of who now advocate an increase in trade, rather than aid for the development of the continent. (Abrokwaa 1999, Kesse 2006)

2.2 The Development of Foreign Aid

The idea of foreign aid was developed in a Cold War context. It emerged as a policy tool used to influence the judgments of recipients and presupposes a clear inequality between donor and recipient. Foreign aid, as Hattori (2001:641) states, was a key weapon in the Cold War competition for power between the United States and the now defunct Soviet Union. With the extension of the war to the developing countries, the two superpowers were eager for these countries to adopt their respective capitalist or communist doctrines, thereby expanding their spheres of influence. The context in which aid developed may explain why it has been
considered a means for rich countries in the United States and Europe to pursue strategic interests.

Foreign aid has been conceptualized as a form of giving that is for the most part supposedly ‘unreciprocated’. (ibid 2001:644) This includes economic grants such as disaster relief, health care and agricultural projects. Food aid, for instance, is one of the ways through which wealthy Western nations have been helping poor countries reduce hunger. Ethiopia’s long history of famine and hunger, for instance, has attracted a considerable amount of development assistance. Due to natural cycles of drought and erratic rainfall, the country has been consistently receiving an average of 700,000 metric tonnes of food aid annually for the past two decades. (BBC 2005/14/03)

However, while food aid may have kept many Ethiopians from starving, it has failed to improve on the general condition of poverty, as millions of Ethiopians are still reported to be in need of food every year. Giving is quintessential, but its long term effects of continued aid on developing countries are far-reaching. Hoffman et al (2009: 733) analyzed the impact of food aid on recipient countries and found that, by augmenting food supplies and providing cheap food for the cities, food aid in fact allows governments to maintain low price supports for farmers, neglect investment in agriculture and become increasingly dependent on imported food. This may explain why hunger has persisted in Ethiopia despite the huge amounts of food aid that have been flowing into the country. Many other African countries are in a similar predicament.

2.3 Foreign Aid and Global Hierarchies

Foreign can be understood by what Pierre Bourdieu calls ‘symbolic domination’. (1979:97) In Bourdieu’s view, giving is an especially effective practice of symbolic domination because it involves the allocation of material goods that are desired by recipients and, by extending a gift, a donor transforms his or her status in the relationship from the ‘dominant’ to the ‘generous’. (Bourdieu 1979:97) This kind of unreciprocated giving affords donors a powerful position, while recipients by implication remain at the bottom of the social ladder. It thus serves to reinforce global hierarchies.
Foreign aid, according to world system theory, as proposed by Wood (1986:682), arises from the underlying structure of world capitalism and works to expand the basic infrastructure and institutions of capital circulation that foster the unequal accumulation and constrain the development path of recipients to a subordinate role in the world system. Foreign aid appears as the kind of positive intervention that developing countries need for a progressive economy. For some, it has kept African economies from spiraling down the abyss of absolute poverty. However, for others it has become one of the biggest development challenges. It has greatly impeded economic, social and political development in developing countries by promoting corruption, poor governance, cultural imperialism, inequality and most severely, the debt crisis which progresses as developing countries struggle to fight poverty. The amount of foreign aid to developing countries has significantly increased since the 1970’s. An analysis of the amount of financial assistance that Western nations have been providing to Africa between the 1990’s and 2009 and of the level of development that has taken place in the region within the same time span, provides a good assessment of the impact of foreign aid. (Easterly 2003)

2.4 Donors and Aid Flows to Developing Nations

The 1970’s saw a sharp rise of aid from multilateral organisations such as the World Bank, from under 10% of all Official Development Assistance (ODA) offered by members of the Organisation for Economic Cooperation and Development (OECD) in the late 1960’s to 30% by 1975. The OECD consisted of the 17 richest industrialised western nations: Australia, Austria, Belgium, Canada, Denmark, Finland, France, West Germany, Italy, Japan, the Netherlands, New Zealand, Norway, Sweden, Switzerland, the United Kingdom and the United States. Together with the United Nations and the various multilateral organisations, these countries were the main sources of aid. (Hattori 2001:643) The rise of multilateral organisations meant that development assistance to the third world would function in an organized fashion; one organisational body representing a variety of countries. The implications were two-fold. Firstly, as a collective practice, it obscured the identity of the donors, consequently undermining the presumption of the cold war origins of foreign aid. Secondly, the growth of multilateral
organisations was seen by foreign aid critics as evidence of the rise of world capitalism. (ibid 2001:644)

According to Arnold’s (1979:27) study of Western contributions to aid in the mid 1970’s, the flow of aid to Africa amounted to $3 billion a year, with the main donors consisting of France and Britain who, at the time, had more former colonial territories in Africa than any other Western nation. The mid 1970’s saw a stagnation in the level of aid as a result of the Organisation of Petroleum exporting countries price rises of 1973 and 1974. This showed that donors were more interested in profit than aid, and evidence of this, according to Arnold (1979:28), becomes obvious when a comparison is made between the volume of private donor capital put to work in developing countries and the finances made available for grants, loans and technical assistance. These countries in fact spent more on foreign direct investment than they spend on development assistance in third world countries. The annual average flow of aid to Africa from both bilateral and multilateral organisations between 1974 and 1976 amounted to $2,769.5 million and $1,082.4 million respectively, totaling $3,851.9 million. (ibid 1979:31)

2.5 Aid from the United States

The contributions of the United States to aid in Africa in the 1970’s were relatively low, placing them at the bottom of the donor list. The European Economic Community (EEC), which constitutes the major former African colonial powers of Africa and whose members were subsequently the chief trading partners with Africa, contributed far more aid to the continent than the United States and Japan, whose economy was growing rapidly. (Thompson 1997:1) Developing countries became important to the EEC for reasons which explain why aid flows formed an important part of EEC activities: because they depended on developing nations for raw materials, a failure of supplies would have inevitably had devastating economic consequences.

Conversely, third world countries were also rapidly becoming important markets for EEC manufacturers. In April 1976, Tanzania, Sudan and Guinea Bissau received the first EEC aid for non-Francophone Africa, while a number of countries including Mali, Liberia, Senegal, Congo and Burundi received grants and loans totaling $66.5 million. In July 1977, EEC aid
disbursements included grants to Ghana, Ivory Coast, Gabon, Mali and Cameroon. Nigeria received $6 million in STABEX (Stabilization of Exports) and further aid for the training of skilled manpower. (ibid 1997:31)

2.6 The Pattern of Aid Flows

In a study about the pattern of aid flows from developed countries to developing countries, it was discovered that aid flows were influenced to a large extent by political and strategic considerations which have little to do with rewarding good policies and helping the more efficient and less corrupt regimes in developing countries. (Alesina and Dollar 2000:1) Different countries in the West provided aid for different political and socio-economic reasons. Aid flows were related to trade openness, democracy, civil liberties, colonial status, foreign direct investment and population. Donors are likely to give more aid to their former territories in the developing world, hence France has been known to contribute a substantial amount of aid to countries like Cameroon, Ivory Coast, Senegal and Guinea Bissau in particular. Arnold (1979:32) states that during EEC disbursements to Ghana, Central Africa, Mali and Gabon in 1977, Guinea Bissau received an additional $20 million for development projects. In that same year, over $74 million was given to Guinea Bissau. Non-democratic former colonies tended to receive about twice as much aid as democratic non-colonies.

Aid flows were further determined by different donor interests. It was discovered that friends of Japan, for instance, received more aid, while friends of the US did not. US aid was vastly concentrated in the Middle East, with a substantial amount going to Israel. Democratic countries received 39% more aid, countries with relatively longer colonial pasts received 87% more aid. Egypt received 481% more aid. (Alesina and Dollar 2000:40) These results emphasize the importance of political considerations in analyzing aid follows and further shows that the interest of donor nations are arguably more important than the recipient’s policies or political institutions.

The US relationship with Angola in the 1980’ adds some validity to this point. Angola was considered one of the least democratic countries at the time, with president Eduardo Dos Santos (who was in power for 30 years), being ranked among the world’s top dictators. (Aspden
However, his regime continued to receive US support. The consistent US support for Angola and the fact that the country is one of the major oil exporting countries in Africa was hardly a coincidence. During fiscal year 2002, US government assistance to Angola totaled more than $140 million and increased in 2003 to more than $185 million. (ibid 2006:3)

2.7 Political Ties to US Humanitarian Aid

According to the Office for US Foreign Disaster Assistance, US humanitarian aid is consistently portrayed as need–based, in practical terms, political determinants are extremely important. As with the colonial variable, Drury et al. (2005:45) revealed that alliance ties with the disaster-stricken country significantly increased the likelihood that humanitarian aid will be provided to that country. Countries that did not have any alliance ties with the US only received 11% of US allocation of aid, while US allies were likely to receive up to 78% of US aid. Although there was a preference for relatively democratic regimes, it was outmatched by US support for its allies. As Goldfield (2003:417) states, donors have not been completely consistent about which developing countries they help.

A general analysis of aid flows to developing countries in 2000 showed that the US, Japan and France were the biggest donors. The US targeted one third of its total development assistance to Egypt and Israel, France gave overwhelmingly to its former colonies, while Japan’s aid was highly correlated with UN voting patterns. The Nordic countries have a similar pattern to that of the US, except without the sharp focus on the Middle East. (ibid 2003:419) While these countries’ aid allocations may be effective in promoting strategic interests, the facts show that bilateral aid has only a weak association with poverty, democracy and good policy. Both bilateral and multilateral aid however have a considerable impact on developing countries.

2.8 Diverse Views on the Impact of Aid

Aid optimists such as Sachs (2006:1) believe that poverty in developing countries can be alleviated through the giving of aid, regardless of whether the government of the recipient country is democratic or not. Realists such as Easterly (2003:231), on the other hand, argue that piecemeal aid projects with narrow, easily measurable goals are the most effective and that
governments are so inefficient that donors should bypass them and give aid directly to the poor. For Wright (2008:971), understanding how political constraints shape the use of aid offers a better insight into whether it promotes growth or impedes it. For instance, in the 1960’s, many African countries had just attained independence. From this period to the year 2005, a substantial amount of foreign aid was being given to authoritarian regimes which had a high tendency to mismanage aid funds. By comparison, the aid community currently focuses on democratic governance as the key mechanism for selecting aid recipients, consequently rationalizing aid distribution according to measurable recipient country attributes. (ibid 2003:272) However, while democratic regimes with high political accountability might decrease the chances that a recipient country will mismanage aid, it is not necessarily the case that all democratic regimes use aid effectively.

2.9 The Management of Aid in Democratic and Undemocratic Countries

Wright (2008:973) points out that some authoritarian regimes such as that of Botswana and South Korea, for instance, have a good track record of proper aid management. By contrast, relatively democratic regimes have debunked the belief that democracy is a prerequisite for the effective use of aid. On the part of the aid community, prioritizing countries with a high level of democracy during aid disbursements was not an easy task. Goldfield’s (2003:423) observation shows that it would be naïve to readily accept any official developed country policy statement about the importance of democratic government in a developing country.

Since 1975, an amendment to the Foreign Assistance act made US aid to the developing world conditional on the respect for human rights and civil liberties. Yet, realpolitik often meant that human rights violations were overlooked, while national security issues and economic factors determined aid recipients. (ibid 2003:414) US relations with Zaire’s Mobutu Sese Sekou makes a good illustration. The dictator’s corrupt but anti-communist regime received US support for many decades. However, with the defeat of Mobutu’s dictatorial regime, the US started recognizing human rights as a basis for resource allocation, thereby suspended aid to Zaire in 1992. (Valdez 1993:1)

2.10 Time Horizons and Its impact on the Management of Aid
According to Olsen (1993) Time horizons highlight the impact of political constraints on the use of aid. It was found that both democratically oriented politicians and dictators have a greater incentive to invest in public goods when they have a long time horizon. Dictators who have a short mandate tend to forego investment because they have a stronger incentive to secure personal wealth (through corruption) as a form of insurance, should the regime fall. Olsen (1993:29) places leaders into two categories: the roving and stationary bandit. While the roving bandit consumes much of the economic product under his rule, thereby destroying the incentives of citizens to engage in productive activity, a stationary bandit with a longer time horizon on the other hand has an incentive to invest in public goods, thereby contributing to long-term increases in economic output.

This leads to the conclusion that autocrats who have a short mandate are likely to use foreign aid to pursue personal interest. According to estimates from Transparency International, the current Nigerian government is still making efforts to retrieve over US $ 5 billion, which Sani Abacha saved in a foreign account before the end of his regime. It was also discovered that during the last years of Imelda Marcos’ regime, over US $ 236 million in cash from the Philippines treasury was deposited in secret accounts. (Wintrobe ibid 1998:45) Conversely, leaders who face a longer period of governance take interest in long-term investment and tend to invest aid in public goods like infrastructure projects, public health and education, which help to develop the economy.

While most leaders may mismanage foreign assistance, some do so with consideration to long-term development. Given the challenge of time horizons to the management of foreign assistance, Olsen (1993:32) concludes that if aid is to be a tool of cooperation in the international system, where donors trade aid for policy concessions in recipient countries, then donors need to think through how the strategies of political survival in recipient countries affect the use of aid. The interest of the masses in these countries should be taken into account by donors because a majority of the leaders have proven to be inefficient.

Therefore, the essence of functional foreign aid lies not solely in giving, but in giving to those who will maximize it for productive purposes such as poverty reduction rather than further
underdevelopment. Before committing budget support to a dictator, as proposed by Olsen (1993:33), donors need to consider the likelihoods of his stay in power and the successes of his governance, because a failing dictator tends to misuse public money. However, the challenge for donors is more complex than it appears. The flow of aid into developing countries is often characterized by donor’s personal or institutional interests.

2.11 Corruption and Its Impact on Aid

Corruption in developing countries is one the biggest challenges to development and greatly reduces the effectiveness and efficiency of aid. It is questionable why in recent years, almost all donor countries have introduced good governance criteria as guidelines for the allocation of aid, yet many developing countries with a corrupt reputation continue to receive considerable amounts of aid. According to Schudel (2008:5), the responsiveness of a donor state to corruption in a recipient state depends on the level of corruption in the donor state itself. Less corrupt donor governments dislike the prevalence of corruption because they respect the interests of the electorate in their own country and therefore see the provision of aid as a way of fostering economic development in poor countries. In contrast, donor governments with a high level of corruption are more interested in private gains than the interest of the population. Therefore their allocation of aid is not targeted towards development. Rather, it is meant to achieve political and economic gains. Thus, when aid is given to corrupt developing countries, where the government’s total disregard for the interest of the masses is evident, the consequences are numerous.

Rather than achieve the supposed objective of development, aid increases poverty and misery in poor countries. The continuous flow of aid into corrupt countries indicates the indifference in some industrialised states towards corruption, despite its detrimental effects on development. The allocation of aid through multilateral channels tend to have more benefits for the poor, because unlike bilateral aid, multilateral channels of aid like the World Bank and IMF generally do not function based on the private interests of individual governments. However, this is constrained by the fact that multilateral aid accounts for only one third of total aid to developing countries, as stated in an IMF survey. (2009:1)
Tavares examines the impact on total aid flows on the corruption level in recipient countries in an attempt to assess whether foreign aid increases corruption. The finding is that aid is “ripe territory for corruption”. (Tavares 2001:103) If aid is not invested into productive economic activity or social services, then it is being channeled to uses that promote corruption. The impact of corruption in developing countries is far-reaching. Corruption makes it difficult for governments to raise revenue for the financing of public services since corrupt environments force businesses to operate underground in an attempt to escape formal taxation. In addition, it slows down growth and investment. For Al-Marhubi (2000:66), the inevitable consequence is that corrupt developing countries become poorer and soon find themselves increasingly dependent on foreign assistance.

2.12 The Relationship between Aid and Growth

Burnside and Dollar used a newer database on foreign aid that had been developed by the World Bank in 1997 to investigate the relationship between aid, economic policy and growth in developing countries. The findings showed that aid in fact, had a positive impact on growth in developing countries with good fiscal, monetary and trade policies but had little effect in the presence of poor policies. (Burnside and Dollar 1997: 9) These findings became significant to international aid agencies, especially the World Bank and the British Department for International Development. The possibility was rapidly accepted that, despite the extensive criticisms on the impact of aid on developing countries, recent evidence was showing that aid was actually contributing to poverty reduction and greater economic development in countries that had sound economic policies was rapidly accepted. Debates on the effectiveness of aid heightened during the weeks before the UN conference ‘Financing for Development’ that was held in Mexico in March 2002. As Easterly states (2003:23), the Burnside and Dollar research was used to advocate the increase of aid to developing nations.

On the same premise, president of the World Bank, James Wolfenson reportedly stated that although international aid agencies had learnt that corruption, bad policies and weak governance were making aid ineffective, governance in poor countries was indeed improving. He further stated that donors were now determined to give direct aid only to countries with
good policies, a factor which therefore warranted a doubling of current aid flows. (ibid 2003:25) While it may be the case that a small number of developing countries are now practicing genuine democratic governance by implementing sound economic policies, the majority of them are still trapped in a cycle of corruption and weak governance.

According to Easterly (2005:13), the Burnside and Dollar paper suffered from a lack of robustness and replicability. When Easterly, Levine and Rodman in 2004 used the exact same technique and specifications, they found no evidence that aid raised growth among countries with good policies, which indicated a lack of support for the conclusion that aid worked in a good policy environment. This suggests that all the assumptions that were based on the Burnside and Dollar findings were also faulty. On the part of the donors, the direction of aid to ‘good’ countries remains a challenge. Schudel (2008:210) states that the role of corrupt donor governments should not be underestimated. Corrupt donor governments are less sensitive to the existence and consequences of corruption in recipient states.

**2.13 Criticisms on Food Aid**

One of the areas of foreign assistance which has been criticized, is food aid. Apart from the notorious case of Ethiopia, many other poor countries in Sub-Saharan Africa experience food shortages. Niger is known to be one of the world’s poorest countries with the lowest literacy rates, high frequency of droughts, widespread diseases and political instability. (BBC 2002) As pointed out above, food aid tends to have devastating impacts on the economies of recipient states. Hoffman et al. (1994:53) investigated the effects of food aid using a database of nine countries that received food aid between 1955 and 1983.

By augmenting food supplies and providing cheap food for the cities, food aid encourages governments to maintain low price support for local farmers, neglect investment in agriculture and become increasingly dependent on imported food. It hinders growth in the economy by lowering developing country budget demands, and increases consumption by lowering consumer prices. (Schultz 1960:35) Therefore, there has been some objection to African governments’ predilection of using aid for food subsidies. Unlike food aid, financial aid is presumed to be allocated to investment and employment projects. It cannot be refuted that
the allocation of non-food aid has more beneficial long term effects for developing countries. However, literature on the impact of other forms of foreign assistance has shown inefficient management of allocated funds, and corruption. (ibid 1960:37)

2.14 Insufficient Attention on the Impact of Aid.

The above discourse on aid has shown that the objective of international agencies is poverty reduction. However, they tend to stress the total amount of aid dispersed, more than the final objective of poverty reduction or growth achieved. “A donor’s sense of mission, then, relates not necessarily to economic development, but to the commitment of resources and the moving of money. (Tendler 1975: 85) While the donor community continues to showcase the amount to aid disbursements to poor countries, while advocating an increase, the impact of aid on these countries is being neglected. If the achievements of aid money in developing countries had been given the same level of attention, the giving criteria and processes might have seen some significant changes.

The economic situation in a majority of the poor countries that have received substantial amounts of aid from rich countries and international aid agencies, however, is not too different from its condition two or three decades ago. It appears natural that emphasis be placed on the efforts towards achieving growth. The problem lies in the lack of balance between the emphasis on efforts and the emphasis on the successes of those efforts. Easterly’s (2003:35) analysis may explain the lack of attention on aid achievements. High-income countries’ governments may have many different objectives for their provision of aid besides poverty reduction, such as rewarding allies or promoting donor country exports. Therefore, multiple objectives tend to work against each other, weakening each other, so that consequently, aid may in fact not serve any of its multiple goals. (ibid 2003:38)
Chapter Three

The Concept of “Good Governance” in European and United States’ Strategic Interests in Africa

This chapter attempts to answer the following research question: How did the international political economy affect the provision of aid by former colonizing states and the US, to Africa?

In the previous chapter, it was established that the international community is now stressing good governance as a prerequisite for the selection of aid recipients in developing countries. During the July 2005 Gleneagles Summit held in Scotland, the G8 discussed issues on poverty in Africa and reiterated that aid should be increased to those countries with evidence of good governance. On issues of debt relief, many advocated that only countries with good performance and high political accountability should furthermore be relieved of their debts. However, economist Jagdish Bhagwati insisted that debt relief for poor nations was essential and should be extended to them regardless of the nature of governance. (Wolf 2005: 33) The implication is that the conduct of African leaders should be the main concern.

In countries with evidence of poor governance, the masses’ misery results from bad policies made by their leaders or poor practices implemented by them. And while the populations remain in abject poverty, the leaders amass great wealth for themselves. If the aid community is to punish the leaders by withdrawing aid, it is the masses who will sustain the highest impact.
This can be corroborated by the words of Bhagwati and Gambari, “Would you collect a pound of flesh from a dictator, if the flesh is actually going to come from his emaciated and opposed subjects? (Bhagwati and Gambari 2005: 22) This view highly problematizes the idea of selectivity (refer to chapter two).

3.1 The Emergence of the Concept of Good Governance

Nanda (2006:271) attempts to break down the term ‘good governance’, while analyzing donors’ approach to the concept. The concept of good governance emerged as a theme in the World Bank’s Annual Development Economic Conference in 1991. According to the Bank, good governance indicated the manner in which power and authority are exercised for development in the management of a country’s economic and social resources. (ibid 2006:272) The Bank’s perception of good governance therefore focuses more on economic progress and the government’s ability to efficiently manage resources, than on social and political accountability. In its allocation of aid, the Bank imposes conditionalities relating to public administration, accountability and transparency. However, although some countries subscribed to these conditions, there was little resultant internal change. Most governments were still making bad policies thereby stagnating economic growth and contributing to underdevelopment. The Bank acknowledged that conditionalities had failed to induce reforms and good governance in recipient states. As a result, the Bank shifted its focus from conditionality to selectivity.

As opposed to attempting to induce good governance in a recipient state by providing aid which is accompanied by conditionalities, the World Bank and several donors required performance and good governance as a prerequisite for the selection of aid recipients. (ibid 2006:274) In 2004, while acknowledging that donors had learnt lessons on the effectiveness of aid, the US Agency for International Development (USAID) stated that aid should be allocated across and within countries more selectively, since progress is primarily a function of commitment and political will to rule justly, promote economic freedom and invest in people. (ibid 2006:279) It cannot be refuted that these conditions are necessary for progress. However, the mention of economic freedom implies the model of capitalism that is characteristic of
Western economies. While this measure may provide an incentive for African countries to make genuine political and economic reforms, it may not fully achieve the desired results.

3.2 Challenges to Good Governance

International financial institutions will need to differentiate carefully between countries where reforms are taken seriously and stand in reasonable prospect of success, and those in which ‘window dressing’ is used as a means of attracting foreign assistance. According to Pronk et al (2001), the objectives behind this measure need to be refocused. Reforms and good governance should not be seen as a prerequisite for development aid, but also as development objectives. Further, there is a lack of consensus about the contents of good governance and hence, there are no universally accepted objective standards to decide which government and political practices qualify as good governance. This adds credibility to the criticisms that the allocation of aid might be made on political grounds and simply justified under the pretext of good governance. (Pronk et al 2001:385) In some cases, aid continues to flow to poor countries even when there is clearly no evidence of good governance. The United States’ provision of aid to Israel, the Democratic Republic of Congo and Angola makes a good illustration.

3.3 US Oil Interests and Aid

USAID’s activities in Sub-Saharan Africa are directed towards public health and economic development. However, US interest and involvement on the African continent has evidently been fuelled by strategic interests unrelated to the genuine desire to reduce poverty in Africa. During the cold war years, when the US viewed Africa as one of its battlegrounds against the Soviet Union, the US poured a substantial amount of economic and military aid into the continent in order to contain the spread of communism. However, with the collapse of communism, US interests in the region appeared barely existent. In the 1970’s, along with Germany and Japan, the US was considered to be at the bottom of the aid donor scale giving at a rate of 0.26% of Gross National Product. (Arnold 1979:27) This is ironic, given that the US, Germany and Japan were among the world economic giants. The only exceptions to low-key American interests in the continent were Libya, which was a major oil exporter before its nationalization, Zaire, because of its formidable mineral wealth and South Africa and Namibia
because of their considerable mineral resources. Furthermore, the US was importing raw materials such as diamonds, uranium, manganese, cobalt and chromium which makes it plausible to assume that it’s growing dependence on African minerals was the key to its involvement in the continent. (ibid 1979:81) Aid to Africa during this period therefore appeared to be an instrument for the achievement of America’s goals.

In the mid 1970’s, the US began redeveloping interest in the continent. Total American grants and credits to all of Africa in 1975 and 1976 were $409 million and $505 million respectively, with the principal beneficiaries being Ethiopia, Ghana, Kenya, Liberia, Morocco, Niger, Tanzania, Tunisia and Zaire. Many of these countries were supplying raw materials to the US. In the late 1970’s when Nigeria and Angola became major oil exporters on the continent, American interests drastically increased there too. “American priorities, in particularly relating to oil requirements largely dictated aid distribution and it is significant that during 1978, 1,000 Nigerian students began technical training courses in various US institutions, making it the largest ever American program for any African nation” at the time. (ibid 1979:84) The interest in Africa’s raw materials, particularly oil, thus strongly motivated the increasing involvement of US “aid” agencies on the continent.

A sharp upturn in the economic growth and stability of the national currency in Nigeria was recorded in 1995. However, by 1998, despite the high revenues made from oil exports, the country’s economy was on a downward spiral, with GDP having declined from a high $1,000 in per capita income in the mid 1980’s to an estimated $285 in 1998. (USAID 2002) Because of the country’s political instabilities and declining economy, most donors were forced to drastically cut down or completely eliminate development assistance. The only exception was the United States, which remained the largest bilateral donor in health and governance. Similarly, for many years, Equatorial Guinea was one of the poorest and most neglected countries on the continent, until the discovery of oil gave the country an economic boom.

In 2002, the country was estimated to be producing as much as 500,000 barrels a day, as stated by Silverstein (2002:1) making it Sub-Saharan Africa’s third-largest oil producer behind Nigeria and Angola. With the US purchasing almost two-thirds of the country’s petroleum, the
relationship between former US president, George Bush and General, Obiang Nguema of Equatorial Guinea was represented as positive in the media regardless of the fact that the General rose to power through a 1979 coup, subjecting the people of Equatorial Guinea to poverty and misery with dictatorial rule and gross corruption. (ibid 2002:1) This implies that while the good governance approach to foreign assistance is being adhered to by some IFI’s and donors, it remains a major challenge for others. The United States undermines the idea of allocating aid only to good performers by prioritizing political and economic interests of the donor ahead of aid objectives.

3.4 The Misuse of Petroleum Revenues

Silverstein (2002:3) further maintains that US allies in West Africa are far from exemplary when issues of democracy and political and economic stability are concerned. Petroleum revenues have allowed Angola’s Jose Eduardo Dos Santos, to build a vast military and internal security apparatus. By some estimates, he has become one of the world’s fifty richest people. According to a BBC report in 2004, Transparency International ranked the country among the most corrupt in the world, with Dos Santos saving large amounts of money in foreign bank accounts. (BBC 2004) Similarly, the army in Nigeria committed several massacres of civilians since the former president Olesegun Obasanjo took power, and parliamentary reports showed that his administration was corrupt and inept.

3.5 Africa’s Oil and the US Energy Sector

West Africa’s growing energy sector prompted the US to reassess its national security policy for Sub-Saharan Africa. The increasing production of oil in the region became an issue of national security because, by ensuring a steady and secure flow of high-quality reasonably priced African crude, US dependency on hostile and unstable suppliers in other parts of the world would diminish. (Cheney 2001:6) Good governance was necessary if oil revenues were to be used to promote development. The US therefore encouraged transparency and accountability. There was large scale US capital investment in infrastructural projects such as the Chad-Cameroon (oil) and West Africa (gas) pipeline projects. The US also made commitments to debt relief
conditioned on African government’s commitment to political and economic reforms. (Ibid (2001:8)

Economic growth and political stability in Sub-Saharan Africa were important to the US because they created a favourable environment for investment in petroleum exploration and production. This kind of environment was also needed for other forms of economic investment in West Africa. Nigeria in particular, was fast becoming the USA’s primary African trading partner. Therefore, it appears that US insistence on good governance and economic growth did not reflect a genuine desire to promote development in Africa, but formed part of the strategy to secure its energy sector and greater economic investment in the region. However, if the enormous amount of money that flows into African oil producing states is considered, the interests of the US become immaterial. US importation of African oil could have been followed by economic development through the efficient use of oil revenues. Oil exportation presented a great opportunity for the flow of wealth from rich industrialised states to poor African countries. However, this opportunity was not maximized by most African governments and the populations continued to remain poor, despite the high oil revenues.

3.6 Rays of Optimism

Some skeptics argue against any correlation between foreign aid and genuine political change in Third World countries. There is no statistical evidence that aid promotes democracy, only evidence that it increases public corruption within recipient states. (Knack 2000: 52) So far, this pessimistic view has dominated discourses on the political impact of aid. However, Goldsmith (2003: 412) argues that contrary to the controversies, aid may have had a small favourable effect on Africa’s political evolution over the past decade, encouraging more responsible self government in some countries. By this, he does not imply that aid has achieved its desired goal of poverty reduction and development. His emphasis is on the fact that the political impact of aid on poor countries has often been more benign than harmful.

3.7 Democracy as a Prerequisite for Aid
Western donors’ stress on democracy as a prerequisite for aid was important for the political evolution of African states. Democracy could offer African states an efficient way to aggregate and employ local knowledge, thereby creating a climate of open discussion that would lead to a productive use of resources.” Democracy’s built-in checks and balances can lead to greater public accountability, responsiveness and transparency which can enhance the business and investment climate, and perhaps make foreign assistance less important.” (Goldsmith 2003:414) This view shows that, while aid may have its shortcomings, the aid community’s advocacy for democracy in developing countries provides an incentive for change from authoritarian and corrupt rule to more democratic and accountable governance. According to donors, authentic democracy for these countries would eventually contribute to the formation of sound economic policies that will contribute to development. Consequently, internal development will gradually reduce aid dependency, making African states capable of sustaining their own economies without the help of Western nations.

Foreign aid has been helping to shape African domestic policies. The pressure for government reform in African states has been seen as a product of Structural Adjustment Programs (SAPs) which will be elaborated on in Chapter Four. Since the introduction of SAPs in the 1980’s, these reforms have been attempting to ensure that moribund African states efficiently utilize foreign assistance for development purposes. Kapur and Webb’s (2000:11) study of the World Bank and IMF’s programs in Africa from 1997 to 1999 found that nearly three fourths of loan conditions in this period pertained to democratic governance. Specific political conditions on loans further pressurize African governments to implement political reform. Often working in collaboration, donors make it plain to the client state that it must make genuine political changes or lose access to credit. (Ibid 2000:13)

3.8 Some Commitments to Good Governance

The case of Niger highlights the commitment of some donors to good governance and political stability. Niger, being one of the poorest countries in Africa, is highly dependent on international support especially from France, which has come to be the country’s largest international patron. The killing of Niger’s president, Ibrahima Mainassara, in a 1999 coup
d'état caused France and the US to immediately cut off development assistance, pending a return to civilian rule. France only restored its support seven months later after successful completion of the presidential elections. (Associated Press 1998) Similarly, in July 2005, Norway suspended $4 million dollars in aid to the Ugandan government because it mishandled the transition to multi-party politics, stifled opposition parties and failed to combat corruption and human rights abuses in the country. (Kalyegira 2005:1)

Similarly, the relationship between Zimbabwe and International lending organisations, particularly the IMF, began deteriorating in the late 1990’s. The World Bank and the IMF were obliged to suspend aid to Zimbabwe in 1998 because the government sent troops to the Democratic Republic of Congo, thereby compromising efforts to control its budget deficit. The organisations were resolved to restore aid to Zimbabwe only if the country made efforts to curb its military activities and undertake other administrative reforms. (Kapur and Webb 2000:15)

Robert Mugabe’s land policies in 2001 were not accommodated by the western donor community. The leader openly authorized the seizure of commercial farms owned predominantly by white Zimbabweans, while his government drew up a list of properties which were officially taken without any compensation. (Wroughton 2007:1) Britain responded by showing its willingness to release funds for land reforms and to organize a conference to solicit support from other Western countries to redistribute farms to the landless people in Zimbabwe. However, Britain maintained that this help would only be given if all unauthorized land invasions ceased and legal procedures were restored. By 2007, the Zimbabwean economy was on a downward spiral, forcing many thousands of Zimbabweans of all backgrounds to flee the country in search of better economic opportunities. There was increased political tension, with inflation rising up to 1,600%, unemployment rates rising to 80% and ongoing food, fuel and foreign currency shortages. Once again, under such deteriorating conditions, the IMF suspended financial and technical assistance to Zimbabwe because the government had failed to clear its arrears and to address a worsening economic and social crisis. The organisation insisted that Zimbabwe take meaningful action to stop the economic downfall by implementing
a comprehensive stabilization package which included improvements in governance fiscal tightening, price and foreign exchange liberalization. (ibid 2007:3)

Two years later, Zimbabwe is still battling with foreign currency shortages. The manufacturing sector has collapsed, with 2000 companies having closed down since the year 2000 and thousands of employees having lost their jobs. (All Africa News 2005) A report from the Zimbabwe times showed that in March 2009, the coalition government of President Robert Mugabe and Morgan Tsvangirai invited a team of economic experts from the IMF to review the country’s economic situation and discuss policies to address the crisis. Another report in May 2009 showed that the IMF had decided to lift the suspension on technical assistance. However, sanctions on the use of IMF resources remained in place. The organisation clearly stated that Zimbabwe was still far from securing much-needed international financial support, given that the country was yet to establish a track record of sound policy implementation. (All Africa News 2005)

Scholars such as Easterly remain fairly optimistic on the potential of aid despite the criticism on foreign assistance. While aid has notoriously failed in many cases, it has also been strikingly successful in some regions. The World Bank’s 2001 $70 million loan to the Ceara state government in Brazilian Northeast was used to facilitate innovative government-led in land reform, rural electrification and water supply. In Africa, with aid from the World Bank and other aid agencies, Uganda has also recorded a number of successful investment projects. “Aid should be directed to where it can do good.” (Easterly 2003:36)

3.9 Challenges to Political Reform in African States

There have been considerable efforts to motivate African governments to implement better political and economic policies that contribute to long term development. However, while the above factors highlight the political and economic changes that may have been brought about by foreign assistance, it should be noted that democracy in a society is a function of other factors and not foreign aid alone. National political change depends primarily on indigenous leaders and groups who function within a specific historical, economic and social context.
Therefore, foreign aid is likely to have a relatively small effect in comparison to these fundamentals. (Goldsmith 2001:428)

Aid has been criticized for promoting corrupt governance, increasing debt and sinking African economies into more misery and poverty. However, according to Goldsmith 2001 (412) getting Africa off donor assistance is a commendable goal but it does not offer any prospects of democratization in the region as some might assume. On the issue of selectivity, Nanda (2006:280) concludes that since poverty and weak governance are closely related, international financial institutions and donors should not penalize poor developing countries by allocating aid only to good performers, most of which are middle-income countries, which do not require foreign assistance as much as very poor countries do. That would however defeat the principal purpose of aid, which is poverty reduction and development.

Aid has become similar to a ‘narcotic’, fostering addictive behavior among recipient states. (Azam et al. 1999:12) It has created a dependency on external support and led to more underdevelopment since there is no economic progress from within states. The continuous provision of large sums of aid by donors has worsened the situation. By feeding the addiction to aid, donors have weakened the resolve of African states to act on behalf of their citizens, thereby increasing despotic rule in the region. (ibid 1999:16) The implication is that African states need to stop relying on foreign aid and implement solid internal economic policies before they can successfully build genuine democratic institutions. Foreign aid has been a tragedy in Africa. In 2005, it was noted that the West had spent $568 billion in the last four decades and still not succeeded in getting 12 cent medicines or one $ dollar bed nets to children to prevent half of all malaria deaths. Neither have they succeeded in providing $3 dollar per new mother in order to prevent child deaths. (Easterly 2005:3) The failure of foreign aid may be an indicator of other factors affecting the development of Africa. Structural Adjustment Programs, meant to induce policy changes in Africa and promote growth, are contributing more misery and poverty.
Chapter Four

Structural Adjustment Programs (1980 to 2009)

How did economic and political trends in both donor and recipient countries affect the management of foreign aid from the 1980’s to 2008?

This chapter attempts to provide a comprehensible understanding of some of the conditions that accompanied foreign aid. These conditions partly explain how and why many African countries have suffered from abject poverty. SAPs have been one of the leading causes of underdevelopment and still present a very real problem in many African states today. The independence of African nations was an important step for their economic development. However, while some African states made significant efforts towards development, the general outlook of most African economies remained bleak. Many spent excessively on the military and became highly involved in cronyism and corruption. The inevitable consequence was that they soon became highly indebted and continuously reliant on foreign assistance. The origin of Structural Adjustment Programs can be traced back to events of the 1970’s, such as the oil crisis, debt crisis and multiple economic depressions which consequently led policy members to decide that deeper intervention was needed to ensure the region’s overall wellbeing. (Mkandawire et al 2003:186)

4.1 Structural Adjustment From the 1980’s Onwards.

By the 1980’s, the Sub-Saharan African economy was on a rapid decline. A World Bank policy research report in the 1990’s showed that the returns on World Bank investments were lower in the region than
in most other developing parts of the world and more than a quarter of those projects failed to generate a positive rate of return. Agricultural exports slipped as the region’s share in developing-country exports of food and other agricultural products went from 17% in 1970 to 8% in the mid 1980’s. (World Bank 1994:18) These circumstances provided grounds for international financial institutions like the World Bank and IMF to consider further intervention. Against this background, in the 1980’s the World Bank and IMF supported several programs which attempted to reduce the state’s role both in producing and in regulating private economic activity, assigning more importance to exports, especially those from the much neglected agricultural sector. The process of revamping this policy framework for borrowing developing countries became known as structural adjustment. (ibid 1994:34)

With the introduction of structural adjustment, western development strategies for Africa focused on the agricultural sector as an engine of growth, an important source of export revenues and a primary means of reducing poverty. The objectives of financial institutions and private donors were to keep inflation rates low, exchange rates competitive and budget deficits sustainable. (Cassen 1992:7)

According to World Bank and IMF requirements, adjusting countries had to export more, governments had to cut back on social sector programs, reduce financial regulations, and keep their exchange rates favourable to Western nations. Only after governments had signed these loan agreements could the IMF and World Bank agree to arrange a restructuring of a country’s debt that included a provision for a new loan package. (ibid 1992:8) Conditionalities were made to ensure that money lent to borrowing countries was used in accordance with the overall goals of loans. While some of these conditionalities were directed towards internal economic changes that were necessary for growth in borrowing countries, some reflected Western interests that had little to do with African development and increased poverty. (Easterly 2001:1)

4.2 Impact of Structural Adjustment Programs on African Economies

Structural adjustment programs have been criticized and regarded as stumbling blocks for progress in developing countries. Adedeji et al (2001:45) examined some of the development hindrances caused by SAPs thereby hypothesizing that the efforts of financial institutions to control the growing debt were directed towards the wrong areas. Some of the policies encouraged the aggressive opening of countries for unbalanced trade, followed by excessive deregulation and the removal of subsidies. Instead of stressing that corruption be rooted out or that military expenditures be cut, they surprisingly cut more important expenditures on education, public health, public enterprises and public employment.
Consequently, previous progress in human development, employment, education and health sectors during the immediate post-independence period was inevitably eroded. Statistics from the United Nations Commission for Africa further reveal that countries with a decade or more of adjustment behind them have shown no remarkable economic progress in terms of human development. (ibid 2001:47) Growth rates in countries where structural adjustment programs have not been implemented have been better than the growth rates in countries which have been or are currently under structural adjustment. Therefore, far from achieving the objectives of SAP’s which were to ensure the efficient use of loans in ways that could lead to greater development, SAP’s have in fact had adverse effects.

Structural adjustment programs in Sub-Saharan Africa comprise a series of expensive, non-localized, inadequate and inappropriate development strategies which have subsequently led to dependency and underdevelopment. (Harvey 1996:194) For instance, these programs require the selloff of government-owned enterprises to private owners, particularly foreign investors, while reductions in government spending frequently reduce the services available to the poor. A decline in education effectiveness in adjusting countries has been attributed to the reduction in public expenditure on education. This negatively affects development because education is essential for productivity in every economy. According to Harbison (1973:22), the wealth of nations depends on the development of human resources more than on physical capital and material resources.

By requiring governments to cut back on social services, SAP’s tend to exacerbate unemployment and poverty. In 1992, the UN concluded that adjustment measures were being implemented at high human costs and were rending the fabric of African society. (Adepoju 1993:4) Under these circumstances, the United Nations Commission for Africa issued the African Alternative Framework to Structural Adjustment Program for Economic Recovery and Transformation which placed a significant emphasis on human-centered development and the maintenance and improvement of social sector.

4.3 Problems Related to World Bank and IMF Structural Adjustment

The insistence of the World Bank and IMF that countries cut back on government expenditures to social services is questionable because these very same provisions had facilitated their development in the past. (ibid 1993:33) Cutting government expenditures to the education sector stands in marked contrast to their development strategies. Given that most of the countries that make up these financial institutions are among the world’s most economically powerful, it is assumed that their representatives are familiar with economic strategies that lead to genuine economic development. Therefore, the fact
that these financial institutions created loan conditionalities that were gradually sinking African economies, has implications.

Today, Sub-Saharan Africa alone owes over $200 billion and African countries spend almost $14 billion annually on debt service, diverting resources from HIV/AIDS programs, education and other important needs. (Africa Action 2008) A substantial amount of Africa’s finances is indeed flowing back into Western countries. Meanwhile, the US and other rich countries have resisted calls to cancel this debt, instead proposing partial solutions that are seen as inadequate and impose harsh economic policies on poor countries. (Easterly 2001:6)

4.4 The Problem of Country Ownership

Khan and Sharma (2001) engage in a critical analysis of IMF conditionalities and country ownership of structural adjustment programs. While IMF conditionalities are a justified part of the fund’s lending procedures, for developing countries, program ownership is critical because without a firm commitment from the government and other relevant constituencies, the challenging policy measures designed to rectify economic problems are less likely to be implemented. On the part of the IMF, program ownership raises the probability of the success of programs and increases the value of the safeguards on its resources provided by loan conditionalities. Although ownership of IMF programs is an elusive concept, it generally refers to a situation where the policy content of the program is similar to what the country itself would have chosen in the absence of IMF involvement. (ibid 2001:13) Therefore, based on a comprehensive understanding of the common objectives of the program and the appropriate economic model linking those objectives to economic policies, the borrowing country owns the program by being committed to the spirit and outcomes of the program, rather than simply complying with the conditions.

4.5 The Importance of Country Ownership

Ownership of programs is crucial for their successful implementation because program agreements cannot foresee all the contingencies that could possibly affect a program. Therefore, they cannot always specify in advance what measures the country’s authorities should take in response to any unexpected problems. (ibid 2001:14) When the country ‘owns’ the program, it tends to fully support the program, meaning that it will promptly respond to eventualities, thereby facilitating the successful implementation of programs. Given that a good number structural adjustment programs have seen
resistance in the borrowing country, country ownership is essential for generating domestic political support for the program.

According to Tirole (2001:22), through structural adjustment packages, IMF lending can increase a country’s access to foreign lenders. A critical issue for borrowing in international markets is the ability of the lender to exercise control rights. Foreign investors also create appropriate conditions intended to alleviate moral hazard on the part of borrowing countries. However, the feasibility of achieving a particular degree of ownership and determining when it has been obtained are both problematic issues that are likely to vary from country to country. (ibid 2001:23) In democratic countries, it is more difficult to assess the degree of ownership because of the presence of multiple stakeholders: the key ministers and central bank officials negotiating the program with the IMF, parliament that has to approve the necessary legislation, the entire domestic bureaucracy that has to implement the program and civil society. The presence of multiple stakeholders may create a conflict of interests. Often the views of those in authority such as those negotiating the program and the parliament differ from those of ordinary citizens. Sometimes, these authorities turn a blind eye to the ways in which the local population could be affected by economic conditions.

### 4.6 The Role of Ruling Elites in Country Ownership

According to Jensen (2003:15), ruling elites are sometimes opposed to reforms because the so called neo-liberal policies that SAPs push should benefit labour over capital in poor countries. Given that poor countries are labour- rich and capital-poor, countries that earn rents on their capital are likely to lose from neo-liberal reforms. Those who lose from structural adjustment policies such as local capitalists might attempt to block the reforms, while those who benefit will support the implementation of policies. Therefore, “ownership is intricately connected to questions of trust in domestic institutions, the effectiveness of political structures and whether the government negotiating on behalf of its citizens has sufficient support to speak for a fair majority.” (ibid 2003:17)

Extreme poverty is a major challenge to the issue of ownership in many borrowing countries. In the 1990’s, some countries such as Malawi, Tanzania and Ghana tended to be keen on accessing the disbursements and the catalytic role of the IMF financing that they were willing to agree to programs without being convinced that the associated conditionality is appropriate for their economic situations. (Baofo-Arthur 1999:1) Consequently, such agreements often become problematic at critical decision points when it becomes clear that difficult policy measures are not likely to be implemented.
4.7 The Impact of IMF/World Bank Conditionalities

Despite the fact that numerous studies have failed to find any connection between IMF involvement in African economic affairs and increases in growth, the IMF strongly asserts that its loan conditionalities have been successful in improving the borrowing country’s external accounts. (ibid 2003:20) However, the current growth rates in adjusting countries may prove otherwise. Haque and Khan’s study found diverse effects of IMF conditionalities. Programs are understood to improve the current account balance and overall balance of payments. Despite the reduction in inflation, the decline was generally insignificant. Regarding growth, it was found that output would be generally depressed in the short run (stabilization phase) but as macroeconomic stability was established, growth increased over time. (Haque and Khan 1998:6)

Easterly’s (2005) study on the association of policies and growth with repeated IMF and World Bank adjustment loans shows that most recipients of adjustment loans between 1980 and 1999 were not able to achieve any significant growth. Easterly uses a medical analogy in order to effectively convey the implications of repeated adjustment loan on borrowing countries; if a patient is readmitted to the hospital after the first treatment, this suggests that the first treatment was not effective. On the other hand, it could also mean that the patient needed multiple doses to fully recover from the illness. Therefore, adjustment was a multistage process that needed multiple loans to be completed. Under this assumption, it is expected that performance will gradually improve with each successive adjustment loan. However, growth rates still fall far below the expected level, which raises the question why the IMF repeatedly gives adjustment loans to the same countries with a poor economic record.

4.8 The Failure of Adjustment Loans

The macroeconomic experiences of 20 developing countries that received adjustment loans between 1980 and 1999 were diverse. In successful cases, while growth was strongly positive and macroeconomic imbalances were under control, borrowing countries suffered some setbacks. For instance, Uganda had good growth rates, but high inflation and black market premiums through 1992 despite having received 14 adjustment loans by that time. Similarly, Bangladesh had significant growth rates, but maintained large black market premiums through 1993 despite 17 adjustment loans during that period. In Ghana, a good number of successes were recorded, but there continued to be recurrent rise in inflation rates. In unsuccessful cases, many countries recorded no reasonable progress. Despite having received 18 adjustment loans, Zambia still had sharply negative growth rates, large current account and budget
deficits, high inflation, a high black market premium and negative real interest rates. Cote d’Ivoire received 26 adjustment loans with similar results. Despite, a few exceptional cases, where some progress was recorded, structural adjustment did not succeed in adjusting macroeconomic policy and growth outcomes and the prevalence of one or more extreme macroeconomic distortions failed to diminish even as adjustment lending accumulated. (ibid 2005:20)

The IMF and the World Bank have been criticized for contributing to human rights violations by imposing difficult conditionalities on poor countries. (Woods 2006:34) International Financial institutions have a poor record for generating economic growth in developing countries. Some skeptics suggest that these institutions have outlived their usefulness and should perhaps be abolished on the grounds that their policies are harming the poor. (Milner 2005:55) In a study on the relationship between neo-liberal policy features associated with the IMF and human rights, it was found that World Bank and IMF- initiated structural adjustment programs generated human rights violations. According to Eriksen et al (2003:489), the rich are morally obliged to help the poor in a globalised world where the fate of the rich and the poor intertwine. If IFIs instead hurt the poor, while providing the rich with stability, then they are complicit in the violation of human rights.

4.9 Structural Adjustment Optimists

Despite the controversy on the impact of adjustment programs on poor African economies, the 1994 World Bank policy research report held that SAPs had turned around the decline in economic performance and African economies were growing for the first time in many years. There were signs that new firms were being created, exports were growing, private investment was picking up and savings were significantly improving. (World Bank 1994:131) The report used empirical data to show that adjusting countries which implemented better macroeconomic policies generally increased their GDP per capita growth rates.

The agricultural sector was said to be growing faster, industry was expanding, exports were increasing. Growth in marketed food output doubled between 1983 (when reforms began) and 1988. More specific examples of the performance of Tanzania’s economy were used to emphasize the extent of growth. Increased availability of food essentially restored the country’s ability to feed itself, thereby almost eliminating the need for food imports. (ibid 1994:159) The implications of Tanzania’s increase in food production are important. Most African countries have been seriously affected by the devastating effects of widespread famine and hunger at some other stage in their history as independent states.
Therefore, the fact that SAPs in Tanzania successfully alleviated hunger, one of Africa’s key challenges, meant that the programs were indeed making significant contributions towards development.

However, some scholars strongly assert that the World Bank and IMF, being major contributors to the SAP-poverty debate have been overstating the impacts of programs, while downplaying the negative ways in which some of these programs affect poor developing countries. According to Abdel (2003:189), the World Bank published 24 relevant reviews on poverty issues and completed 22 poverty assessment draft reports for Nigeria, Niger and Lesotho. Such reports were completed for every country in which the Bank had carried out an active lending program. “This massive research output, which included theoretical contributions, model stimulations and empirical studies seem[ed] to have been directed at establishing a non-existent result that adjustment programs did not hurt the poor in Africa, and that more adjustment, rather than less adjustment [was] needed for poverty reduction. (ibid 2003:190) Such studies attempted to prove that adjustment programs were contributing to the development of poor countries. This kind of information misleads the public and justifies the extremities of some structural adjustment programs. Several studies not conducted by the World Bank have been critical of SAP’s, showing how these programs are in fact leading to more poverty and misery in poor countries than before their implementation.

Structural adjustment in the 1980’s was created with a significant amount of optimism about the future of poor African nations. Through the implementation of adjustment programs supported by International financial institutions, it was believed that they had the potential to alleviate poverty and increase development through sound policies. IFI’s such as the Word Bank were not discouraged by Africa’s poor economic performance in the past. According to a 1994 World Bank economic report, the region’s poor economic policies were enough evidence that it will take over 40 years for it to return to its per capita income of the mid 1970’s. However, the World Bank report (1994:39) stated that a sound development strategy and could change the future of the region. It was said that Ghana, for instance, had the potential to become a middle-income country by the fiftieth anniversary of its independence. But Ghana’s economic performance today is far from satisfactory with regard to the statement in the report. (BBC 2009) Ghana has irrefutably made remarkable economic progress since the 1980’s and is doing better than most states in Sub-Saharan Africa. It has become one of the only countries in the region that has made positive policy changes and currently does genuine democratic elections.
Nevertheless, it is still a low-income country, with high rates of unemployment, poverty and continuous
dependence of foreign aid.

In a comparison of the development of African economies and the development of Asian economies, the
above mentioned 1994 World Bank report emphasized the implications of the strong GDP per capita
growth in Asian economies since the 1960s despite the fact that the region had shown no growth
between the 1930 and 1960. (ibid 1994:24)While the report states that Asia’s remarkable performance
was no guarantee that growth will come easily to Africa, it showed that rapid growth was possible, and
that the Africa’s poor performance in the past was no reason for undue pessimism about its future.
However, the current economic state of Africa shows that growth has been anything but rapid since the
1980’s. Despite the implementation of structural adjustment programs, the region is still among the
world’s poorest. This suggests that structural adjustment did not successfully address Africa’s economic
problems. According to (Easterly 2005:6), adjustment programs have been burdened with unrealistically
high hopes from donors, partially driven by their awareness of the real poverty that economic growth
could help alleviate. The failure of adjustment also implies that there are other challenges impeding the
development of the economy.
Chapter Five

The Debt Crisis and Moribund African Economies

What was the outcome of the Structural Adjustment Programs for African recipient countries and how was this outcome communicated by the media?

After providing the historical background to structural adjustment, this chapter attempts to show how adjustment programs and other important factors (which will be elaborated on) contributed to the debt crisis, which African states are currently facing. In spite of aid and structural adjustment, African states have not been able to escape the poverty trap because of the immense role played by debt.

5.1 Origins of the Debt Crisis

The causes of the debt crisis can be traced back to the 1970’s, when European banks began making loans on very favourable terms to developing countries who wanted to finance their development, especially the newly independent states and Latin American countries. These loans from private banks, which were given at low interest rates, constituted the private part of the external debt of developing countries. (Millet and Toussaint 2004:19)

However, following the 1973 oil crisis, which plunged Northern states into a general recession, there was a sharp increase in loans to poor countries. Given the slump, which led to mass unemployment, manufactured goods in the North were in less demand by the home population. Northern countries then endowed the South with buying power, so that they could buy the manufactured products. This led to an increase in loans from state to state, often in the form of export credits or tied aid. Simply put, “we will lend you $10 million at a low interest, provided that you buy $10 million worth of goods from us.
The buying power incentive led poor developing countries, most of which had just gained independence and were eager to make positive changes to their economies, to borrow substantially. The World Bank was another major contributor to the indebtedness of developing countries. Under the presidency of Robert McNamara, the bank considerably increased its loans to third world from 1968, encouraging developing countries to borrow massively in order to finance the modernization of their export apparatus and to draw them more tightly into the world market. (ibid 2004:20) Indebtedness, at the time, remained sustainable for developing countries because interest rates were low and the loans enabled them to increase production, exportation and earn hard currency to repay the debt and invest.

5.2 World Bank Lending

Cold war developments played a major role in the increase in loans to developing countries between the 1940s and 1990s. During the cold war, the two super-powers moved towards massive arms stocks and indirect confrontation, each with the intention of expanding its sphere of influence. In 1998, in a bid to proceed with their chosen paths of development, and to move away from the former colonial powers, Asian and African countries convened for the first time in Indonesia for a conference which marked the emergence of the third world on the international arena and formed the prelude to non-alignment. (ibid 2004:21)

The World Bank responded by taking financial measures to curb Soviet influence and various nationalist and anti-imperialist initiatives. The loans were used to support allies and bring recalcitrant countries in the Third World under control. The bank had indeed supported several United States allies, including Mobutu Sese Seko in Zaire from 1965 to 1977 and Ferdinand Marcos in the Philippines from 1965 to 1986. The bank also granted conditional loans to countries which implemented policies that deviated from capitalistic principles, thereby acquiring the right of inspection over the economic policies in developing countries and halting the development of independent policies. (Millet and Toussaint 2004:15) This move was meant to rein in leaders who were ‘straying away’ from the control of the western powers.

5.3 Western Relationship with African Leaders

Some African leaders were overthrown because they refused to support the policies of influential western states. Examples include Patrice Lumumba of the former Belgian Congo in 1961 and Salvador Allende in Chile in 1973. The Murder of Lumumba, a book by Lutto de Witte, a Belgian historian, reveals
some truths about the assassination of Lumumba which had remained buried for decades. De Lutto put together the facts of the case from official Belgian archives, used archive film footage and interviewed surviving witnesses to show that Lumumba was murdered in a plot masterminded by western governments. Following the assassination of Lumumba, western powers put Mobutu Sese Seko in power, keeping him there for 32 years while he systematically looted the country and became the West’s main cold war ally in Africa. Congo became the staging post for CIA operations against Soviet-backed African regimes. (Slattery 2001:1)

Without deviating from the issue of debt, it is important to state that developing countries have been the political victims of the cold war conflict and Western nation’s obsession to dominate the lesser countries since the demise of the Soviet Union (which is the reason for the West’s present prominence). Western desire to control African affairs is still evident today. In A Warning to Africa (2007), John Foster states that there is a new scramble for Africa on the part of the great Western powers. In 2002, The National Security Strategy of the United States declared that combating global terror and ensuring US energy security require that the United States increases its commitments to Africa. According to Foster, a US command in charge of military operations in Sub-Saharan Africa has increased its activities in West Africa, especially in oil-rich states. “In this economic scramble for Africa’s petroleum resources, the old colonial powers, Britain and France are in competition with the United States. Militarily, however, they are working closely with the United States to secure Western imperial control of the region. (Foster 2007:3) This control gives them to opportunity to continue exploitation of the continent’s resources.

5.4 The Role of the US in the Debt Crisis

Debt is one of the major ways through which the West has managed to maintain its hold over poor countries in Africa. The indebtedness of these countries to the West creates room for Western intervention and control. The US has played a significant role in Africa’s debt crisis. According to Altvater et a .(1991:39), in the early 1970’s, American bank representatives traveled to Latin America, South East Asia and Africa to woo politicians and state entrepreneurs, selling themselves as generous lenders and encouraging them to increase the development of their economies by borrowing from these banks. The promise of development, and the low interest rates at which these loans were given, provided an incentive for poor countries to borrow substantially from US banks. In the initial euphoria, loans were extended relatively indiscriminately. However, when debtors started showing financial difficulties during the world economic depression in 1973, skeptical politicians in Washington introduced into the public sphere the subject of banking operations within the Third World.
The crisis was recognized as being symptomatic of the potential riskiness of the entire credit business, although concern centered primarily on the stability of the national and international financial markets, and not on the process of development within debtor countries. (ibid 1991:39) Given that the first debt crisis began at this time, it is plausible to argue that the Western banks were unaware of some crucial internal problems such as corruption that were contributing to the crisis in poor nations. The response to the crisis was therefore flawed given the lack of analyses from that perspective. (Easterly 2001:13) However, several western nations and international financial institutions such as the World Bank and IMF have conducted extensive research in that field since then. (Sachs 2005, Mosley and Harrigan 1995, Santiso 2001) Nonetheless, they continue loaning to poor countries, even in cases where the loans are clearly not leading to any significant changes. In 2000, it was discovered that the number of poor people had actually increased, with 40% of the population of 600 million in Sub-Saharan Africa living on less than US$1 a day. (Foster 2007:3)

Much of the high level of development assistance to Africa took the form of loans from bilateral and multilateral institutions, leading to an increase in debt from about $60 million in 1980 to about $230 billion in 2000. (Conzato 2002:1) Since then, Africa’s debt has continued to increase even more, posing a hindrance in efforts towards development. External debt consumes a very high portion of poor country’s GDPs while debt in general has not shown any significant decline over the past years. 5.5 The Impact of Debt on Healthcare

According to the Jubilee Research report in 2000, of the 32 countries classified as severely indebted, 25 were in Sub-Saharan Africa and each person owed 250 pounds to the West, much more than a year’s wage for many. Africa’s enormous debts means that repayment to Western creditors takes priority, while ordinary people suffer from poor health services, lack of employment and the inability to trade and provide for themselves. (Adedeji 2001:2) Instead of focusing on the development of their own economies, these countries are thus obliged to use limited revenues to repay western nations. Watkins states that between 1990 and 1993, the region transferred $13.4 billion annually to its external creditors, an amount four times what African governments spend on health care and education. It is also far in excess of the $9 billion a year which UNICEF estimates as the total cost of meeting basic human needs for health, nutrition, education and family planning. (Watkins 1995:5) The amount owed by African nations poses a major development challenge for their governments. In fact, there is more money leaving the country to Western creditors than money going into healthcare and education for the local populations in these states.
Since the 1980’s, spending on healthcare has decreased in many developing countries. For instance, in Zimbabwe, spending per head on healthcare has dropped by a third since the 1990’s with the introduction of Structural Adjustment Programs, while in Sub-Saharan Uganda, 2 pounds per person is spent on healthcare as opposed to 11.50 pounds per person in debt repayments. (Adedeji 2001:3) With the lack of available healthcare, people in these regions suffer from lack of treatment and vaccination for serious diseases such as malaria, meningitis, typhoid, yellow fever, yaws, and tuberculosis. Many die from diseases which could be treated if the appropriate facilities and services were available.

5.6 Debt and Malaria-Related Problems

Between 90 and 95 % of malaria-related deaths occur in Africa and, as a result, between one and two million Africans die each year, mainly children aged between six months and five years. It was also estimated that the economic impact of the disease rose from $ 800 million in 1987 to $ 2, 000 million in 1997. (Zach-Williams et al 2002:7) According to a National Geographic news report in 2003, the World Health Organisation and the United Nations Children’s Fund (UNICEF) further outlined the enormity of Africa’s malaria problem, calling on the global community to take action and combat the disease.

In the Africa Malaria Report, it was acknowledged that prevention, causes and clinical responses to the disease in Sub-Saharan Africa were well understood, but poorly implemented as a result of underfunded healthcare systems. (Molavi 2003) The severity of the disease in the region has led to the creation of the African Leaders’ Malaria Alliance (ALMA) tasked with ensuring that more than 400 million insecticide-treated bed nets are distributed throughout malaria-endemic countries on the continent by the end of 2010, with the aim of ensuring unnecessary deaths for the disease by the end of 2015. (ibid 2003:2) However, while this is a tremendous effort to prevent the disease from claiming lives, especially those of young children, malaria is only one of the many diseases with a high mortality rate. The list is innumerable and the numbers of casualties are devastating. This reveals the extent to which the health sector has been severely compromised by enormous debt and the unavailability of funds that could be used for social services.

5.7 The Impact of Debt on Education

In the education sector, the damage to Sub-Saharan Africa has been devastating. The percentage of 6 to 11-year old children enrolling in school fell from nearly 60% in the 1980’s to less than 50% in the 1990’s and, in Tanzania in particular, school fees were introduced as part of a Structural Adjustment Program. This led to a drop in primary and secondary school enrolment because of the high level of poverty and
the inability of parents to provide the required fees. (Adedeji 2001:3) Such circumstances will inevitably lead to an increase in illiteracy in African states. Given the essentiality of education in the productivity and economic growth of states, this factor has been a major stumbling block to development.

However, the health and educational sectors have not been the only areas where the impact of the crisis has been felt. African governments, regardless of their shortcomings, have been subjected to the stranglehold of western creditors represented by the IMF, and the World Bank. They have gradually been forced to abandon their sovereignty, with governments no longer having the power to implement the policies for which they were elected. Though not in Africa, the case of Guyana presents a striking example. When the government decided to increase salaries of the civil service by 3.5 per cent in 2000, the IMF immediately threatened to remove it from the HIPC (Highly Indebted Poor Countries) list. (Millet and Toussaint: 2004:120)

5.8 Western Responses to Africa’s Debt Crisis

In 2005, the G8 offered to write off $40 billion of Africa’s debts to multilateral institutions. This amount covered some of the debt of 18 developing countries, 14 of which were African, owed to the World Bank and the IMF. Critics held that the write off was only a small effort on the part of rich nations and were concerned about its attachments to many new conditions. (Mutame 2005:1) So far, the HIPC initiative has been the single most important action taken by the donor community to handle the external debt of poor countries. In 1996, the G7, the World Bank and the IMF introduced the first phase HIPC program which, after its enhancement in 1999, became known as HIPC II. The enhancement of the program increased its size and coverage and slightly shifted the emphasis from debt relief to poverty reduction policies. (Addison et al 2004:90)

The added emphasis on poverty reduction policies in highly indebted countries appeared to be an important measure on the part of the World Bank and IMF. While internal factors in Africa have been known to be a major challenge to the development process, without genuine economic policies that can lead to meaningful change and alleviation of poverty, no real progress can occur. The HIPC initiative included two components: debt relief and obligations for the indebted countries to implement a poverty reduction program after they had presented a Poverty Reduction Strategy Paper (PRSP). Countries within the scheme are qualified for debt relief only after an interim PRSP has been approved by the World Bank and IMF Boards. (ibid 2004:91)
Part of the HIPC initiative’s strategy to ensure good economic policies that led to poverty reduction in indebted countries, was to introduce favourable incentives on the creditor side. It was conceived that after debt relief, the initiative would permit more efficient aid policies by donors, because aid agencies could concentrate on selective financial assistance to countries implementing ‘good’ policies. However, as the literature on aid agencies and selectivity in chapter three shows, (Nanda 2006, Burnside and Dollar 1997, Easterly 2003) this approach has shortcomings. While some aid donors are stringent about the allocation of aid only to countries with ‘good performance’, some allocate aid substantially to poor countries, regardless of good policies. This has allowed dictatorial and corrupt governments to thrive and promoted human right abuses. However, Addison et al maintain that the HIPC is a major improvement in the treatment of debt issues in poor countries. In countries with good economic governance, the initiative will produce good results because debt relief creates positive incentives for more investment and reform. On the other hand, in countries with dismal economic governance, the initiative will only work as debt relief, rather than as a multi-year program of aid flows targeted at poverty reduction projects. (Addison et al 2004:102)

One of the initiative’s strengths is the tracking method used to ensure that funds were making a difference by supporting poverty related programs. The IMF and World Bank suggested that tracking should be implemented on all government spending, rather than only on HIPC programs. Consequently, in some countries, funds are locked in special accounts and budget spending is modified to reflect HIPC-funded expenditures. (Conzato 2002:1) This method has been criticized for increasing administrative and technical burdens on debtor administrations. However, African governments have been known to mismanage funds meant for the benefit of the general public. The mismanagement and embezzlement of funds is a major contribution to poverty. This fact somehow validates the tracking method. While it may be a burden for the government, it is a necessary measure for donor institutions.

5.9 Impact of Debt Relief on Social Conflict

Debt has been said to reduce social conflict by releasing resources from debt service to enable governments to make fiscal transfers that lower the grievances of rebels (when conflict is partly rooted in grievances over past allocation of public spending and taxation. (Addison and Murshed 2003:159). Out of the 41 HIPCs, 11 are classified by the World Bank and IMF as conflict-affected, 10 of which are in Sub-Saharan Africa. Debt relief indeed has the potential to help rebuild countries emerging from conflict as the case of Mozambique illustrates. Extra resources form debt relief granted in 2001 were allocated through the fiscal system into basic social expenditure, thereby helping to reduce some of the regional
inequalities in living standards that have led to tensions between supporters of the two main political parties in Mozambique namely, RENAMO (formerly the rebels) and FRELIMO, the functioning government during the civil war. (ibid 2003:160) Given the fact that debt relief could bring about conflict resolution, the HIPC initiative’s requirements of three years of good policies can be seen as limiting. Achieving good policy is difficult in war time.

Azam indicates that with the exception of Ethiopia’s war with Eritrea (1998-2000), conflicts in HIPC’s are internal in character, resulting from disgruntlement with economic, political and social policies. Interethnic conflict in Africa emanates from the state’s failure to make fair provision, encouraging individuals to rely more on ethnic ties than on government service provision. (Azam 2000:22) This has facilitated the abuse of ethnicity as an organising mechanism for violence. The Rwanda genocide of 1994, was caused by a long-standing ethnic rivalry between the Hutu majority and the Tutsi minority, which had been favoured by the Belgians during the colonial period. Consequently, after independence, they enjoyed better jobs and educational opportunities than their Hutu neighbours.

The Hutu’s grievances against the Tutsis were partly fuelled by the government’s inability to allocate resources fairly and equally, possibly due to the lack of available funds for public expenditure. In a survey on the literature on military spending in developing countries, it was found that military spending had adverse growth effects, taking away resources from development and social spending, while the corruption associated with the sale of arms to the military further undermined the integrity and effectiveness of states. (Addison and Murshed 2003: 165) Consequently, reducing military spending after a peace deal releases resources for spending on health and education, which are usually neglected when countries are forced to cut public expenditures as required by Structural Adjustment Programs or for the repayment of debt.

5.10 Direct Foreign Aid as Opposed to Debt Relief

Blair and Arslanalp (2003:4) present a less optimistic view of debt relief. They argue that if the goal is to help poor countries build the institutions that best suit their development needs, then the energy and resources devoted to the HIPC program could be more effectively employed as direct foreign aid. Debt relief is unlikely to stimulate investment and growth in highly indebted countries, because most of these countries lack the basic infrastructure that should form the basis for profitable economic activity such as roads, schools, hospitals and clean water. The authors’ argument is not that the HIPC program should be abandoned, seeing that it has made a few reasonable changes in some poor countries. Rather the
authors propose that HIPCs should be targeted towards direct foreign aid that would assist the citizens in building the institutions and infrastructure that will eventually make their countries conducive for domestic and foreign investment. (ibid 2003:5) Because the difference between debt relief and foreign aid has not been demarcated, it is difficult to fully comprehend the validity of aid, rather than the debt relief argument.

Blair and Arslanalp (2003:5) further state that debt relief is not equivalent to aid because money is ‘fungible’. Therefore, it should not be assumed that reducing a government’s debt by a billion dollars (for instance) will automatically translate into a billion dollars of additional infrastructure development. A crucial part of the aid (as opposed to debt relief) argument is the proposed shift from focusing on the allocation of aid to devoting more attention to the creation of aid programs that work more effectively. Much research on aid in poor countries by the IMF and World Bank focused primarily on the disbursement of aid, rather than on the impact of aid. (See chapter three) Also, statistics on how the aggregate aid going into poor countries yearly, led to the misguided beliefs that aid was contributing to development, whereas there was no statistical evidence showing that it was. Taking this into consideration, the emphasis on programs that work more effectively in the reduction of poverty is extremely valuable.

It appears, from the above discussion, that debt has enabled the creditors to exercise exorbitant power over indebted countries, enabling the dominant North to overcome the rest of the World. Both Structural Adjustment Programs and the HIPC initiative provide opportunities for western intervention into African affairs. Despite the failure of aid, International Financial institutions continue to provide loans to Africa states. The role that these institutions and (many of the powerful western countries that dominate it) have played in African affairs in recent years is critical. Furthermore, given the current global recession, decisions made by these institutions are directly affecting the poorest regions on the continent.
Chapter Six

The Global Financial Crisis and Western Responses

How has the current global economic crisis affected the African economy and the capacity of donor states to continue to provide aid to the continent?

Given the severity of the economic crisis on the world economy, most western media reports on issues concerning Africa make references to the crisis. Therefore, this chapter aims to contextualise current media representations of Africa.

6.1 Origins of the Crisis

Despite Sub-Saharan Africa’s political short-comings, economists agree that, in recent years the continent has made remarkable progress. However, with the recent global economic crisis, the region’s economy is at risk of a severe regression. The global financial crisis reveals the extent to which Africa is affected by developments in western nations. The root causes of the crisis can be traced back to certain shocks to the macroeconomy. The severe decline in housing prices in the United States was a major contributor. During the years leading up to 2006, housing prices increased rapidly, before collapsing by more than 25% over the next three years. This situation was caused by demand pressures in the 1990s, low interest rates in the 2000s, ever-loosening lending standards and, prices increased by a factor of nearly 3 between 1996 and 2006 (an average rate of about 10% a year). The national index for housing prices United States declined by 26.6% between the middle of 2006 and the end of 2008. (Jones 2009:5)

The sharp increase in housing prices was caused by a ‘savings glut’, where capital markets in advanced economies were awash with additional savings in search of good investment opportunities. The demand for investment consequently contributed to rising asset markets in the US including the stock market and the housing market.
Low interest rates associated with the global saving glut, increasingly lax lending standards and possibly the belief that housing prices would continue to rise, caused a large number of borrowers to take out mortgages and purchase homes between 2000 and 2006. The inclusion of “Sub-prime” borrowers whose loan applications did not meet mainstream standards because of poor credit records or high existing debt-to-income ratios was a grave error on the part of banks. Subsequently, the Federal Reserve Bank in the US was forced to raise interest rates, creating another nationwide slump in housing prices. (Ibid 2009:6) A serious banking crisis erupted in 2007, with a sharp decline in financial markets. The decline was aggravated by a sharp rise in oil prices in the middle of 2008. Oil prices increased from a reasonable $20 per barrel in 2002 to a shocking $140 by 2008. This was subsequently followed by another sharp decline, such that by the end of 2008, the price per barrel stood at $40.

Although the financial crisis has been a complex and multifaceted process, economists agree that its underlying causes should be attributed to the prevalent excess liquidity or ‘savings glut’ in global financial markets and the un-orderly proliferation of the sub-prime mortgages in the US, coupled with inadequate asset/liability and risk management practices of financial institutions. (Orlowski 2008:2, Jones 2009:4, Boorman 2009:130) The crisis has exposed a fundamental weakness in financial systems worldwide and despite financial intervention by central banks and governments and financial institutions, economies continue to decline.

6.2 Impact of the Crisis on Advanced Economies

Both the World Bank and IMF issued a pessimistic outlook which showed that the world economy would contract in 2009. The advanced economies of the North are declining into recession and economic growth rates in developing and emerging market countries are also experiencing a decline. The decline in economic activity has resulted in the loss of trillions of dollars on equity markets and a credit squeeze which is putting a damper on the financing of activities such as world trade and oil exploration. (Stanford and Weiss 2009:3) Given the profitable nature of oil exploration for Western countries and its supposed importance to US energy security, the losses are bound to have far reaching consequences. With cut backs on oil exploration, oil-rich African states will also no longer be able to enjoy the high revenues from oil exports. The fourth quarter of the last year, the GDP fell at an annualized rate of over 20% in South Korea, almost 13% in Japan and over 8% in Germany, nearly 6% in the UK and over 6% in the US. Industrialised production was at a low and the decline in exports in many of these countries, including those in Asia, was startling. (Boorman 2009:130)
6.3 Impact on Africa

Many analysts were optimistic that the crisis on SSA will not be severe, given that African economies were the least exposed to the global financial system and African banks hold few of the “toxic assets” that helped spark the crisis. However, as the crisis turned into a global recession, most now agree that African economies will be severely affected as a result of the contraction in global trade, reduced demand for African commodity exports, tighter financial conditions overseas and a drop in foreign direct investment. (Arieff et al. 2009:1) Most of the economic progress that has been made in recent years is at risk of a regression. The food and fuel price shocks of 2007-2008 that preceded the crisis weakened the position of net importers of food and fuel, causing inflation to accelerate while dampening growth prospects. (IMF 2009:3)

Some regions in Africa were initially more severely and directly affected than others. As a result of their financial links with other regions of the world, South Africa, Nigeria, Ghana and Kenya were first hit by the crisis, experiencing falling equity markets, capital flow reversals and pressures on exchange rates. Kenya and Ghana were forced to postpone planned borrowing, while in South Africa and Nigeria, external financing for corporations and banks became scarce. These regions were initially more affected because of their emerging market economies. South Africa has the strongest economy in Africa and is rapidly approaching Western standards, while Nigeria, Kenya and Ghana are also economically ahead of the rest of Sub-Saharan Africa. Although there are some general effects faced by all African countries, the impact of the crisis varies in some regions depending on their production and export structure, exposure to the international financial system, as well as their capacity to cushion the potential negative impact of the crisis. Fragile states such as Burundi, Guinea Bissau and Liberia, whose political and social situation is inherently vulnerable, and, who are dependent on concessional financing, may be severely affected. (ibid 2009:6)

For Africa in general, the global slowdown in economic activity has pushed commodity prices down, caused negative effects on export earnings and the external current account, fiscal revenues and household incomes. Meanwhile, commodity exporters face major terms of trade deterioration. A slowdown in capital flows will adversely affect economies that had been relying on these flows to finance investment, particularly infrastructure investment. Remittances which run at about $15 billion a year to Africa and foreign aid will be severely affected. (World Bank 2008)
According to Osakwe (2008), the effects of the crisis need to be analysed according to its short-term and medium-term effects. In Sub-Saharan Africa, the short term effects will be relatively less damaging because most countries in the region are de-linked from the international financial system. Another factor which will cushion the impact of the crisis is the region’s lack of exposure to the sub-prime market in developed countries, which prevents banks from facing any systemic risks and severe disruption to the domestic credit market. With regard to the medium-term effects, one factor is crucial: the degree to which the crisis leads to severe and protracted recession in the West, which will eventually have a negative effect on other industrial countries, given their interdependence with the West through trade and foreign investment. If the crisis is prolonged, African economies in the domains of international trade, foreign direct investment and remittances. (ibid 2008:2) Developments in the US and Europe are crucial to the impact of the recession on poor countries in Africa.

World trade shrank by 11% in 2009, its first decline since 1982, and reportedly the biggest drop since the 1940s. Given that the United States, the European Union and China cumulatively count for almost 70% of Africa’s trade, African exporters are suffering from a decrease in global demand. Total exports in the United States for all 41 countries eligible for trade and benefits under the African Growth and Opportunity Act (AGOA) declined by 63% in the middle of 2009, compared to the same period of 2008. (Arieff et al. 2009:6) US trade with Africa further declined by 57% in the middle of 2009, while US exports to Africa decreased by 9% in value. In 2007, China was the consumer of 13% of Africa’s exports and the source of roughly 10% of Africa’s imports. The crisis has made Africa vulnerable to fluctuations in China’s economic growth and caused China to reevaluate some resource extraction agreements, particularly in countries perceived as politically unstable, in light of the global downturn, with some mining firms suspending production or withdrawing altogether. (ibid 2009:9)

6.4 Impact of the Crisis on the Provision of Aid

With regard to foreign aid, Italy, France, Iceland and other donors have significantly reduced bilateral assistance. Aid is still flowing into poor regions from a small number of donors. However, a more dramatic decline in aid flows is expected in 2010 and 2011, with developing countries experiencing continued fiscal strains and political pressures to balance budgets. (Ibid 2009:10) Meanwhile, African governments have requested that donors increase aid in order to reduce the initial impact of the crisis on their domestic economies, a request that has, so far, not been adequately granted, given the downturn which rich countries are themselves facing.
The poorest regions in Africa may suffer extensively, as the crisis is expected to hinder or reverse previous efforts to alleviate poverty. The number of Africans living in poverty increased by 16 million between mid-2008 and mid-2009 and multilateral organisations predict that world poverty could increase by at least 45 million people. (ibid 2009:12) The situation in Africa may be worsened by the food crisis, which made many families vulnerable to sudden economic shocks, especially as domestic prices for fuel and food remain relatively high in most countries. For many years, food security has been a challenge for some of the poorest regions in Africa. In some of these regions, where people have been dependent on food aid from Western donors, economic hardship is leading to a growing number of hungry people. A report in September 2009 showed that the number of people who qualify for food aid in Ethiopia has increased from 4.2 million at the start of the year to over 6 million. Due to a tighter budget, the UN Food Program has cut out some populations from the food program.

In Ethiopia, the UN has stopped food aid to 200,000 people who would otherwise be receiving regular rations. In drought ridden Uganda, the UN hopes to provide food aid to 2 million people but has less than a third of its expected funding. (Hinshaw 2009) Hence, the crisis has contributed more poverty and misery in Africa. This corroborates Okakwe’s (2008) assertion that the impact of the crisis on Africa was highly dependent upon its severity and duration in the US and Europe. The optimism that accompanied the idea that Africa’s lesser connection to the global financial system was going to act in its favour has gradually vanished. The region is suffering from severe internal crisis. A World Bank report showed that the poorest households in African countries have had to reduce the quantity and quality of food, schooling and basic services, leading to irreparable damage to the health and education of millions of children. Higher food prices increased the number of children suffering from permanent cognitive and physical injury by 44 million, reflecting a tragic loss of human and economic potential. (World Bank 2009:4)

6.5 Impact of the Crisis on Healthcare

According to a newly released World Bank report, health experts fear that increasing unemployment and poverty will lead to less food security and the quality of nutrition, which will eventually put more stress on already weak health systems. (Palitza 2009) Given the gravity of the crisis, governments have been forced to cut health budgets. Tanzania was the first Sub-Saharan Africa to make a 25% cut on its annual HIV/AIDS budget and in Botswana, new patients will not be included in its free antiretroviral treatment program from 2016 onwards because the government lacks sufficient funds to extend the program. Internationally, the Global Fund to Fight Aids and tuberculosis and malaria stated that it was
$4 billion short of the funds needed to continue the funding of essential HIV/AIDS, TB, and malaria services in 2010. (ibid 2009) If the situation of the health system does not improve, millions of lives will be lost. This grim look on Africa’s health sector poses serious challenges to productivity and possible economic regression in the near future.

Economic regression is likely to cause political instability. As people lose confidence in the government’s ability to restore economic stability, chances of political instability may increase in post-conflict or fragile states, where institutions are especially weak, investors are already wary and donor countries may be forced to pare down financial commitments as their own economies suffer. (Arieff 2009:19) Several African countries are classed either as post-conflict or fragile: Rwanda, Somalia, Sudan, Kenya, and Nigeria. Under such circumstances, they are extremely vulnerable. From the middle of 2008, rising food and fuel prices have caused riots across the continent and resulted in political unrest in West and Central Africa. In Cameroon, at least 24 people were killed during political unrest, 1,600 were arrested and 200 were tried and given jail sentences of over three years. The Cameroonian government responded by slashing duties on food and cement imports, and increased wages for public sector employees by 15%. (Musa 2008) Similar riots followed in Burkina Faso, prompting the government to reduce tariffs and duties on food imports in an attempt to cushion the effects of the price hikes. However, these are milder cases of political unrest. The situation could be worse in other fragile African states.

Furthermore, the ability of African states to address the internal problems accelerated by the crisis could be hindered by IMF conditions resulting from Structural Adjustment loans or other agreements. Some skepticism emerged with Cameroonian president, Paul Biya’s 15% wage increase for public sector employees. In a 2007 ‘letter of intent’, the country laid out its agreement with the IMF under a Poverty Reduction and Growth Facility (PRGF), indicating a planned increase of about 10% in its public wage bill. Under these circumstances, there was speculation that the IMF would disapprove of the move, given the 5% difference. IMF conditionalities, especially regarding cuts on public expenditure may be a stumbling block to the measures that African states are taking to combat the crisis.

**Some Western Responses**

**6.6 The IMF**

The IMF, a major role player in international financial affairs is currently made up of over 180 member countries, with membership formally open to any country that conducts its own foreign policy, and is
The IMF's current budget constraints is putting an immense amount of pressure on the fund and possibly represents a major challenge in its capacity to provide poor African countries with the loans or grants necessary for development. However, since the outbreak of the crisis, rich countries have made some significant financial contributions to the organisation.

The global recession has been considered not only a test in the IMF’s ability to provide sufficient assistance to affected countries, but also an opportunity that has enhanced the organisation’s role in crisis management, while giving it a key place in current efforts to reform the world financial system. The IMF’s budget shortfalls led the G20 to take some important measures to ensure that the organisation has sufficient funds to continue its operations. At the G20 summit in April 2009, it was decided that the New Arrangements to Borrow (NAB) should be increased by up to $500 billion from its present level at $50 billion.

The Obama Administration further offered a US contribution of $100 billion, while additional pledges totaling $255 billion were received from several countries. (Stanford, Weiss 2009:1) As the crisis intensifies, African countries and emerging market economies (middle income countries) rush to borrow from the IMF. The variety of initiatives being put in place by the rich industrialised nations are meant to
aid the IMF fulfill its financial role in the world economy, particularly at a time when the resources of the organisation are highly needed.

The G8 decided that $250 billion should be given to the IMF through bilateral arrangements the organisation and individual countries. Under such agreements, Japan signed loaned $100 billion to the IMF, while the European Union pledged the same amount. Similarly, additional funds were pledged: Canada ($10 million), South Korea ($10 billion), and Norway ($4.5 billion) and Switzerland ($10 billion). (ibid 2009:13)

However, while rich countries were making several efforts to increase the funds available to the IMF, aid from developing countries was not easily obtainable. Some developing countries (Brazil, India, and China) with considerable foreign exchange reserve holdings were approached about making contributions the G20 pledges to increase the organisation’s resources. Many of these countries asserted their unwillingness to lend money to the IMF in the absence of substantial governance reforms that afforded them more representation in the institution. (ibid 2009:13) These countries therefore sought a temporary means to aid the IMF and avoided any permanent contribution until there was evidence of some genuine changes.

It is important to contextualise these countries’ demand for governance reforms in the IMF. In the past, governance of the institution has been dominated by the major industrial countries, in particular the US and the European countries, which undermined the legitimacy of the institution in a changing world. (Truman 2009:3) The IMF has evolved with the globalisation of economies. However, it has suffered some shortcomings and unpopularity with the international community in the past. The institution appears to have undergone some strain in the years leading up to 2005, causing many observers to argue that the institution no longer had a major role to play as a leader in helping to guide the global economy and financial system. The institution’s outstanding credit rose to about $100 billion in 2005, but by the end of September 2008, it had declined to $10 billion, partly because the package of IMF reforms that was agreed upon in the spring of 2008 was inadequate. (ibid 2009:4) Arguments for government reforms pertain to who is effectively governing the IMF and the actual governance of the institution.
For Boas and McNeil (2003), the role of the US in the IMF has seen two competing views in recent years. The view that the IMF is the US Treasury’s lapdog, which never ventures far without looking back for the approval of its master, emanates from outside the US. In contrast, many in the US treasury consider the role played by the IMF both as costly for the US and as a limitation on US hegemonic power. However, both views carry some level of truth because decisions made by the US Treasury greatly influence the IMF. However, at the same time, the US should not be considered entirely dominant because the multilateral arrangement that the IMF represents places some constraints on the US Treasury’s ability to act unilaterally in international financial politics. (ibid 2003:34) This last view, shared by many from the US congress, has some pitfalls. Firstly, most of those who have this point of view possibly have a considerable level of loyalty to the US. Secondly, the reference to arrangements speaks more to theory than to practicality. This can be corroborated by Boas and McNeil’s (2003:16) assertion that the US exercises its decisions in informal interactions between the highest ranking decision makers of the IMF. This reflects the extent of the United State’s influence on the IMF and places the demands for governance reforms by developing countries in broader perspective.

While receiving outside assistance, the IMF has been assisting some countries affected by the crisis. In 2008, the institution activated its Emergency Financing Mechanism (EFM) to speed up the normal process for the provision of loans to crisis afflicted- countries. The EFM allows loans to be provided within 42 to 72 hours once an agreement has been reached between the IMF and the government of the afflicted country. The institution has also shown some flexibility in lending. While normal IMF rules state that countries can only borrow three times the size of their respective quotas over three years, the institution is willing to lend higher amounts in cases where the extent of the crisis requires greater financial intervention. In 2008, the IMF announced its plans to create a new three month, short-term lending facility aimed at middle-income countries such as Mexico, South Korea and Brazil. (Weiss 2008:5:5) These loans will be provided to countries without any conditionalities, a move which is unexpected, given the institutions record of harsh loan conditions which are often difficult for recipient countries to achieve.

In Africa, new IMF lending commitments from January to mid-July 2009 were $2.7 billion, an increase from $1.1 billion in 2008. The total amount of IMF credit available to African countries totals about $ 4.7 billion, with Cote D’Ivoire and Zambia having the largest loan programs in the region. Except for one loan to Gabon, all IMF financial aid to Africa is provided through the Poverty Reduction and Growth Facility and the Exogenous Shocks Facility. The creation of a $250 billion worth of IMF special drawing
rights (SDR) and a second SDR allocation worth $33.9 billion for underrepresented countries in Africa will allow African countries to receive about $11 billion in SDRs from the two allocations. (Arieff et al. 2009:24) While some loan programs for middle income countries such as the IMF’s three month short term lending do not require any conditionalities, loans to Africa require strict conditions, which may be hard to fulfill given the impact of the recession on these countries’ economies.

The IMF’s insistence on conditionalities for African countries may be the result of Africa’s reputation of corrupt governance and the mismanagement of aid funds. It may further reflect the institution’s caution against providing large sums of money to a region which shows little prospects of paying back. As earlier discussed, Africa’s debt is already extremely heavy and unsustainable. However, when the harsh nature of IMF reforms and its impact on important sectors in Africa is considered, the reasons for the institution’s exclusion of Africa from unconditional lending become almost immaterial. According to an Africa Action report in 2009, imposing inflexible and strict conditions on development-oriented loans has undercut the Millennium Development Goals, causing developing countries to divert critical resources for HIV/AIDS programs education and other important social services to pay almost $14 billion annually on debt service to the World Bank and IMF. (LeMelle and Stulman 2009:7)

6.7 The World Bank

In 2001, total World Bank loans to its clients amounted to $17 billion. The World Bank is the world’s largest provider of development assistance and throughout its history, the United States has been the largest shareholder and most influential member. Similarly to popular views on the IMF, Boas and McNeil (2003:23) present two conflicting opinions on the role of the US in the World Bank. Many members of the US congress maintain that the US has an almost insignificant level of influence on the World Bank, claiming that the bank is run by highly paid, aloof bureaucrats, unresponsive to US concerns and accountable only to themselves. Meanwhile, a good number of the World Bank staff and NGO groups in borrowing countries and other member countries strongly believe that the bank is run by the United States. However, while US influence on the World Bank is important, it is not absolute. (ibid 2003:24)

However, while the influence of the US on the World Bank is not absolute, it appears to be extremely powerful. Through this influence, the United States is able to extend its hegemonic power throughout the world, especially to borrowing countries. “US support for the World Bank has been based on the view that promoting economic growth and development in other parts of the world is in the national
interest and that multilateral cooperation is a particularly effective way of both leveraging and allocating resources for development purposes that serve the national interest of the US." (ibid 2003:24) As such the US considers the World Bank an instrument of foreign policy for the achievement of US objectives. With this view, it is easy to understand why the World Bank continues to loan substantially to Africa (under strict conditions), despite the failure of development aid and the heavy debt that Africa has incurred through these loans. Similar to IMF loans, World Bank loans have been known to impose harsh conditions on African governments, which contribute to more poverty and misery.

The US perception that economic growth and development in other parts of the world is in its own national interest, reveals some hypocrisy on its part. It implies that the development of the rest of the world is not important for the global economy and for the people in poor underdeveloped regions. Instead, it is important for the extension of US hegemonic power. The economic development of poor regions creates a conducive atmosphere for US economic involvement, possibly through direct foreign investment and other financial ventures that will generate high amounts of profit to further boost its already rich economy. This emphasis on economic growth is reflected in World Bank lending, placing an immense amount of pressure on African governments to develop their economies. Although it cannot be refuted that there are other internal factors contributing to underdevelopment in Africa, the failure of foreign assistance may be an indication that African development might in fact not benefit from attempts to accelerate its development. The continent cannot grow at the rapid pace with which western countries achieved development. Africa’s past is characterized by 400 years of slavery and exploitation.

Between the 1940s and the 1970s, it was generally assumed that the road to modernity would not be long because ‘late comers’ would catch up quickly through the transfer of knowledge from rich nations to poor countries. It was under such perception that the UN declared the 1960s to be the decade of development (also known as the golden age of technical assistance), where it was claimed that the backwardness of developing countries would be overcome during a ten year period. (Boas and McNeil 2003:56) This was welcomed with much optimism, given the economic success of several regions: European economies grew at nearly 5%, Asia registered an average growth of 6%, Brazil doubled its per capita output during an 18-year period, and Latin America recorded an annual growth of 5.3%, while Africa grew at 4.4%. (ibid 2003:56) Africa recorded the least amount of growth, which is sufficient indication that the region should not be expected to grow at the same pace as the rest of the world.
Since the outbreak of the financial crisis, the World Bank has taken some measures to help the recovery of developing countries. Its member countries approved the Financial Crisis Response Fast Track Facility, which allowed the bank to front load $2 billion of the $42 billion of assistance available under its International Development Association’s (IDA) 2007 financial replenishment. In February 2009, Congo received the bank’s approval for a package totaling 100 million. (Arieff et al. 2009:20) The bank further increased its lending and policy advice in Africa with a focus on poverty reducing activities such as safety nets, infrastructure projects and budget support in order to compensate for the loss in private capital flows. Ghana, Kenya, Zambia and the Democratic Republic of Congo are among some of the African countries which have benefited from the facility. At the beginning of 2009, 10 African countries had received a total of $83 million in Global Food Crisis Response Program Resources (GFRP) for the funding of seed and fertilizer purchases. Lending to projects supporting African agriculture increased from $800 million in 2008 to $1 billion in 2009. (ibid 2009:21)

It appears that with the realization that the impact of the crisis on Africa would be more devastating than initially expected, development assistance through loans has increased. From a short term perspective, these loans may play a crucial role in sustaining the African economy and lessening the negative impact of the crisis. However, the long term impact of the loans may plunge poor countries in Africa into yet more poverty and misery. Many economists already agree that Africa’s debt is unsustainable, a view that is also shared by those strongly pushing for debt relief. If Africa continues to incur more debt and the debt crisis worsens, by the time other stronger economies recover from the global recession and return to their former stable economies, Africa may be experiencing a serious regression. Instead of focusing on developing their economies, governments may find themselves in a situation that bears resemblance to or is worse than, the current debt crisis- using funds which would have gone into healthcare infrastructure and education for the repayment of debt and by so doing, subjecting the African masses to more poverty and misery. The IMF (2009:55) agrees that, already, the crisis is affecting debt vulnerabilities in Sub-Saharan African economies because it is adversely affecting their capacity to repay foreign debt, as traditionally measured by exports, GDP and government revenues. “What the international community does not want to see is a scenario of an economic recovery in the developed world followed by another wave of debt crisis in the developing and transition economies, in particular the low income countries.” (Yuefen 2009:2)

Furthermore, the activities of some commercial creditors were increasing the debt burdens of poor countries. At the end of 2007, 11 of the 24 HIPC countries surveyed by the IMF were facing litigation
Vulture Funds refer to investment companies that seeks to make more profit by buying the debt of poor countries at a discount from the original owner, with the malicious purpose of suing the indebted country once the poor country has some available funds (usually in the event of debt cancellation) to recover the original debt and make a profit. 25 out of the 46 commercial creditors received court judgments against HIPCs amounting to about $1 billion on original claims $427 million. These vulture funds have highly increased Africa’s debt. Yuefen’s (2009) study shows how the financial crisis is reversing some important and favourable conditions which had reduced the debt burdens of developing countries before the onset of the crisis. The study shows that, despite the fact that many African countries are still currently heavily indebted, recent years have seen an improvement in their external debt. However, the effects of the financial crisis are negatively affecting the availability of resources to service the public debt and, some low income countries are facing significant domestic debt arrears. (ibid 2009:4)

Despite the fact that the World Bank, the IMF and some western countries are still providing development assistance to affected African countries, the economic slowdown in many rich countries has generally led to a decrease in ODA. Mendoza et al. (2009) analyzed US foreign data from 1967 to 2007 in order to determine whether adverse economic and financial conditions are negatively linked to Official Development Assistance (ODA). The study found that in the past, US ODA has tended to decline as its economic situation worsens, and a potential decline in US ODA could occur based on the severity of the current economic crisis. (ibid 2009:1) With regard to other European countries, Italy and France have been failing to follow up on promises of aid to Africa, seriously cutting back on their aid budgets. (CNN 2009) In April 2009, the G20 gathered to address the challenges posed by the financial crisis and to decide on measures to stabilize global financial markets and restore growth levels. South Africa was the only African country present at the summit. It should also be noted that South Africa does not face the same problems as the rest of Africa because of remarkable economic development. $50 billion was earmarked to support developing countries highly affected by the crisis. It appeared these rich countries also re-evaluated their development budgets in favour of domestic priorities, a move which could have severe consequences for poor African states given their high dependence on development assistance. (Othieno 2009:2) There have been fears that many developed nations will follow the example of France, Italy, Canada and Ireland, who have reduced their aid budgets since the beginning of 2009.
The reduction of development assistance to Africa will irrefutably have dire consequences. It will be adding to already existing problems of unemployment, high food prices, hunger and the decline in exports, which negatively affect the economy. Given the fears that the crisis may further increase Africa’s debt, (plunging them further into an extremely severe debt crisis by the time the rest of the world recovers) a reduction in foreign aid to the region may appear to be a step in the right direction. However, as Othieno (2009:4) states, any reduction in foreign aid at this time would exacerbate the fragile situation of many African states and reduce their ability to meet the Millennium Development Goals. With a reduction in aid flows, African countries would experience sharp falls in income levels, an increased inability to pay public service employees and security services and a decline in the state’s capacity to provide basic goods and services.

The financial crisis has deepened and threatens the economies of most African countries. Media representations of Africa during the crisis have been extremely revealing about the way the continent is being perceived by the West.
Chapter Seven

Media Representation of Newsworthy Events and
Introduction to the Discourse Analysis of the Selection of BBC News Reports

The term ‘Mass media’ refers to the organised means of communicating openly and at a distance to many receivers within a short space of time. (McQuail 2000:17) With the ability to communicate to a large heterogeneous audience, mass media have become essential to the relationship between individuals and society. Because the media are often able to disseminate news in a timely manner, people have become increasingly dependent on them for information about society. It is the main medium through which individuals are able to understand and make sense of the societies in which they inhabit. “All societies have latent or open tensions and contradictions that often extend to the international arena. The media are inevitably involved in these disputes as producers and disseminators of meaning about the events and contexts of social life, private as well as public.” (Ibid 2000:6)

Research on media texts and audiences in the late 1970s brought about a new approach to media effects called the ‘social constructivist’ approach, which involved a view of media as having their most significant effects by constructing meanings. These constructs are offered in a systematic way to audiences, where they are in turn incorporated on the basis of personal meaning structures. (Downing 2004:355, McQuail 2000:421) However, the audience’s dependence on the media does not imply that they consider media messages to be the actual truth as audiences are never passive to news from the media during conflict situations or other controversial topics. Given that audiences are heterogeneous, (with regard to race, ethnicity, belief systems and culture) while some readily share or agree with the views of the media, a good number also oppose and, are aware that the media are not immune to external influences that influence their interpretation of events.
7.1 The Problem of Objectivity

The main factor crucial to the discussion of the media’s tendency to represent views that deviate from actual reality is the problem of objectivity. The ruling norms of most western media call for a certain practice of neutral, informative reporting of events, and it is against this positive expectation that some news reports have been found deficient. (ibid 2000:320) Objectivity is often presented as an essential item in any journalist’s toolbox. In his study of the objectivity norm in American journalism, Schudson (2001:152) stated that objectivity had become the occupational value of American journalism, a norm that distinguishes US journalism from the dominant model of continental European journalism. He argues that American journalism fully embraced objectivity, with journalists restraining from commentary that reflected personal beliefs. The facts were merely represented and left for audiences to make sense of it. There were some changes to this journalism style in the 1930’s towards more interpretative journalism. However, they were not changes that indicated recognition of the impracticality of objectivity. The changes simply acknowledged the limits of objectivity. Leading journalists in favour of interpretative journalism held that the world had become increasingly complex and needed not only to be reported on but explained. (ibid 2001:164)

However, some studies show that the idea of objectivity is not as simplistic as it sounds. Taflinger (1996:2) holds that, because the world is a subjective construct unique to each person, the possibility of an objective discussion of the world or the events that take place in it are extremely slim. Krüger proposes that the term ‘fairness’ be used in place of ‘objectivity’ (Krüger 2004:76)

7.2 Mass Media Content

It was established at the beginning of this chapter that not all media audiences readily adopt media views. The fact that audiences are active agents in the construction of meaning should not lead to an underestimation of the media’s power. The media still shape public beliefs and behaviour, even among the economically or politically powerful. (Devereux 2007:188) There is an important need for a balance between the power of media audiences to deconstruct and resist media content and the power of the media to shape the public perceptions about society and the world at large. For instance, the lack of sufficient information about Africa in western media has led to a situation where westerners are either misinformed or uninformed about the realities of Africa. Images of poverty, hunger, and tropical diseases have, for a long time, been the dominant imageries of Africa in western media and have created distorted and generalised perceptions of the continent as a whole. Under such circumstances,
media effects research cannot be neglected on the basis of some audiences being able to separate constructed mediated realities from actual reality.

7.3 Ideology in Media Texts

Ideology has been defined as a system of meaning that helps to define and explain the world and that makes value judgments about that world. It is therefore related to concepts such as worldview, belief systems and values. (Lull 2005:13) The mass media have been perceived as disseminators of ideology. This can be illustrated by the fact that the media are often the subject of political debate, and politicians routinely identify the media as a facilitator and even a source of social problems. With the growing expansion of the internet, politicians are increasingly condemning the availability of sexually explicit material online, arguing that unregulated speech and imagery on the internet is becoming a major threat to children’s safety and wellbeing. For instance, during the 1995 bombing of the Oklahoma City federal building, President Clinton accused extremists on the radio for promoting hatred, implying that the radio hosts were disseminating a world view that condemned violence. (see chapter 5) A 1998 CNN report stated that studies had shown that by the age of 18, the average person in the United States will view roughly 200,000 violent acts on television alone. The report further stated that Bill Clinton and many Americans had raised questions about the connection between youth violence and violent media content. (http://edition.cnn.com/US/9803/26/media.violence/index.html)

Similarly, the Truth and Reconciliation Committee allocated a considerable amount of blame to the Rwandan media for perpetuating the violence between the Hutus and the Tutsis during the 1994 Rwandan genocide. The mass media “sell both products and ideas, both personalities and worldviews”. (see chapter 5) Given the increasing consumption of and dependence on media products, media ideologies tend to have a significant impact on audiences.

Early media research gave rise to the “hypodermic” injection concept of mass media which reflects strong impressions of the media as powerful persuasive forces in society. The proliferation of radio in the 1930’s led to Antonio Gramsci’s assertion that “ideological hegemony” created through popular mass media was used by the ruling elites to perpetuate their power, while many other media scholars saw the media as managers of public opinion. (Curran 2002:45) The hypodermic needle concept still applies to messages about Africa to western audiences. As a result of the media’s obsession with images of poverty, westerners have developed a tendency to associate Africa predominately with such attributes. For instance, aid agencies rely to some extent on dramatic messages.
The ‘CNN effect’ theory holds that the news media have the ability to drive foreign policy. According to Robinson, the phrase ‘CNN effect’ encapsulated the idea that real-time communications technology could provoke major responses from domestic audiences and political elites to global events. (Robinson 1999:302) The media have the power to trigger ‘humanitarian intervention. For instance, with Operation Restore Hope in Somalia, it was strongly believed that the United States ill-fated intervention in Somalia was a direct result of media pressure.

As Robinson further states, the US intervention into Somalia gave rise to a major debate within academic and government circles. Foreign policy experts described the intervention as an unwarranted intrusion by the Fourth Estate into the policy process, arguing that media coverage of suffering people in Somalia had usurped traditional policy making channels triggering an intervention that was inadequately planned. “(ibid 1999:304) Today’s pervasive media increase the pressure on politicians to respond promptly to news accounts that by their very immediacy are incomplete, without context and sometimes wrong.

However, research in the 1950s showed that the media’s power was being overestimated. According to Newbold et al (2002:31), mass media were more likely to reinforce existing attitudes than change them or create new attitudes. Such views showed that the effects of the media on audiences were limited. The ‘uses and gratifications’ perspective also supported this view. Proponents of the theory held that audiences used mass media to gratify human needs. Instead of focusing on how the media affected audiences, the emphasis was on audience’s interpretation and usage of media messages. (McNamara 2007:3)

Furthermore, the post modern society is characterized by the persistence of unequal relations of power in terms of class, ethnicity and gender and, the inequalities between men and woman, social classes and between different ethnic groups are only a few of the many kinds of inequalities which currently exist in the world today. (ibid 2007:150) Numerous material inequalities also exist between the developed and developing countries, which result in adversity, hunger and suffering. The role of the mass media in either sustaining or challenging these and other unequal relations of power through the reproduction of ideology have had a long and troubled history with social theory and within media studies in particular. (ibid 2007:150) An analysis of western media representations of developing countries, particularly Africa shows that they have sustained the unequal relations of power that have existed between the two zones for many decades.
Civil war, famine, squalor and primitivity have continued to dominate the headlines in western media, painting a bleak image about Sub-Saharan Africa. Several examples can be used to illustrate how Africa has been consistently associated with negative events. In the early 1960’s, the anarchy in Katanga (Zaire) dominated the news, the Nigerian civil war and the consequent misery in Biafra defined Africa in the late 1960s, Idi Amin’s tyranny became the African news in the 1970s and the starvation of Ethiopians has been the dominant imagery of Africa for many years. While these events warranted the press attention they received, they were covered to the near exclusion of modern African life. Consequently, this kind of negative representation resulted in a severe knowledge gap and perpetuated a historical image problem. (Lull 2000:32),

The media has played a major role in the framing of western perceptions about Africa. Some of these perceptions are still reflected in media texts today. For instance, even when the text in news articles does not openly reflect these perceptions, the pictures predominantly depict hunger, poverty and civil war. Ideological representations are often implicit, rather than explicit in media texts, and are embedded into ways of using language. To the average reader, representations may only be considered a reflection of the world. In contrast, ideology is often visible to the critical reader who is keen on the use of language. However, it would be misleading to underestimate the public’s ability to identify ideological messages in media texts. There is little doubt that the media are ideological, selling certain messages and worldviews. Given that these kinds of media criticism are well received, there is good reason to believe that a large number of the public also perceive the media as purveyors of ideology.

Research on media ideology included a debate between those who argued that the mass media promotes the world view of the powerful (dominant ideology) and those who argued that media texts include contradictory messages both expressing the dominant ideology and some partially challenging worldviews. However, media texts should be seen as sites where cultural contests over meaning are waged, rather than as providers of a univocal articulation of ideology. Therefore, some ideas will be more articulated because they are perceived as popular or as building on familiar media messages, while others will be barely visible, lurking around the margins of media to be discovered by critical readers. (ibid 2000:35)

7.4 The International Media Landscape

The history of international communication can be traced back to the 5th century B.C as a tool for high propagandist appeal between empires. Thucydides, an Athenian historian in the 5th century B.C tells
how Athenian spokesmen made eloquent public speeches in neighbouring city-states in an attempt to prevent them from allying with the enemies of Athens. (Davison 1965) Similarly, Greeks, Hebrews and Romans of the ancient times developed new forms of political propaganda by using specific symbols, flags, beacon fires and other instruments which served as transmission belts of information within or outside empires. (Fischer 1976:21)

However, advances in technology such as the emergence of television in the 1960’s provided better instruments of communicating internationally. The development of such technologies according to Tanjong has greatly influenced communication between nations. Masmoudi (1979:34) concurs the importance of international communication, stating that information plays a paramount role in international relations as it serves as an instrument of understanding the knowledge between nations.

The emphasis on communication between nations possibly stems from the fact that the relationship between various nations is shaped, to a large extent, by international communication. International media influence the way nations perceive each other and the way they interact with each other. For instance, as much of the literature on western media representation of images of Africa has shown, the West’s perception of Africa has been created and influenced by images of poverty, malnutrition, political instability and underdevelopment. (See chapter one) And, considering the CNN effect theory which shows that international news media can influence foreign policy, these images of Africa have not met a passive audience in the West. These images, according to Robinson (1999:305) have been a major trigger for humanitarian intervention into several crisis situations in African states. Ethiopia’s recurrent famine crisis and, even the recent crisis in Darfur make striking examples. Therefore, the role of international news media transcends the duty to provide useful information on world events and encompasses the role and capacity to influence the relationship between states.

As global communication spreads, the outcome is the world’s increasing dependence on international communication. According to Tanjong (2005:5) humanity pays attention to and decides on topical issues more rapidly than ever before as a result of increased global communication networks and facilities. He uses a striking example to emphasize the level to which the international news media influences global issues and the relationship between countries. The US government’s decision to give aid to Cameroon depends on the amount and nature of information the US government has about the country. From 1999 to 2001, Transparency International (IT) consistently rated Cameroon among the top ten corrupt countries in the world. If the international media carries news about this notorious history of corruption,
this invariably has tremendous effects on the international community’s economic, social and political relations with Cameroon. (ibid 2005:6)

7.5 International News Media

International media channels have been considered agents of propaganda, which Krugler (2000:32) defines as communication that is presented as truth. According to Pratkanis et al (2000:9), audiences are bombarded with one persuasive communication after the other. These appeals persuade, not through ‘give and take’ of information and debate, but rather, through the manipulation of symbols that appeal to our most basic human emotions. Originally, the term propaganda was intended for the Roman Catholic Cardinals – the Congratio de Propaganda Fide (Congregation for the propaganda of the faith) This committee was established by Pope Gregory XV in 1862 to supervise missionaries. (Awake June 22, 2000) Therefore, during that period, the term was used to describe any effort to spread a particular belief.

However, the term took on a negative connotation in World War I when governments began playing an active role in shaping the war information spread by the media. During World War II, Adolf Hitler and Joseph Goebbels, proved themselves to be master propagandists. Following the war, propaganda increasingly became a major instrument to promote national policy as both the Western and Eastern blocs waged political campaigns to win the great masses of uncommitted people to their side. (ibid 2000) With the collapse of the Berlin wall, the term ‘propaganda’ became unpopular and was replaced by a more objective scientific terminology – ‘International Propaganda and Psychological Warfare’ – a controversial form of symbolic inducement inherent in government sponsored propaganda in a relatively open and competitive political system. (Sproule 2002:33) He further states that in general, all forms of media deserve some suspicion with regard to their propagandistic tendencies and, whether audiences are aware of it or not, there is often a bias beneath media representations of a given event. The perspective presented in such reports is in fact not often based on first person experience.

7.6 International Media and Aid Agencies

Non-governmental organisations have been the leading agencies in the promotion of global humanitarianism, and their capacity to do so has been highly dependent on the international media. According to Cottle and Nolan (2007:863), it is through the media that NGO’s aims and appeals, images and ideals are principally disseminated and become galvanised in humanitarian appeals. Therefore the media play a significant role in facilitating the work of aid agencies. In the “crisis triangle”, composed
essentially of humanitarian organisations, news media and governments, the media’s role is of utmost significance. Journalism has become a bridge linking aid agencies and the work they do for developing countries, with publics and potential donors. (ibid 2007: 864)

The media spotlight is apt to roam quickly from one crisis scene to another in a competitive environment informed by the pursuit of readers, ratings and revenue. Such fleeting coverage provides sparse context or historical background to the given issue and even less follow-up coverage of post-conflict or longer term processes of development. (ibid: 1996:5) Such trends in reporting detract from the value of journalistic writing as coverage of humanitarian crisis events is not given sufficient analysis. (Allen and Seaten 1999:23) Humanitarian agencies today confront a globalising, increasingly competitive media environment characterised by new communication technologies. They also co-exist and compete for media attention and donor funds within an increasingly crowded humanitarian aid field. It is in this evolving context, according to Cottle and Nolan (2007: 864) that the traditional reliance of aid NGOs on the media is taking on new characteristics and forms. NGOs need the media to bring public attention to humanitarian emergencies in order to mobilise support for vital assistance. However, “in order to attract the media spotlight, they deploy communication strategies which practically detract from their principal remit of humanitarian provision and symbolically fragment the historically founded ethic of universal humanitarianism.” (ibid 2007:864)

From the above overview, it is clear that the representation of news and the contexts of news is significantly influenced by the various agendas of authors and publishers, which may pander to varied extents to the expectation of their implicit readership and the limited background knowledge about the topic at hand in the readers’ societies.

As an example of such publication and reception processes, the treatise will include in chapters eight and nine a sample analysis of BBC representations of foreign aid to Africa before and during the current global economic crisis. This analysis highlights some of the typical processes evident in news reporting about Africa, showing some of the existing trends in the perception of African affairs in a Western news medium.
Chapter Eight

Methodological Approach to the Discourse Analysis

8.1 Employing Discourse Analysis

The term ‘discourse’ refers to a form of language use, public speeches and more generally to spoken language or ways of speaking. However, an informal use of the term is found in the media and social science studies. (Van Dijk 1997:1) For instance, when they refer to the discourse of a certain idea, the term does not refer merely to the language use, but also to the ideas or philosophies propagated by those in support of the idea. An increasing number of discourse analysts have shown interest in a critical approach to text and, beyond observation and systemic description and explanation, they perceive the discourse analytical enterprise as a political and moral task of responsible scholars. (ibid 1997:23)

According to Wodak and Meyer (2009), Critical Discourse Analysis (CDA) treats language as a social practice which implies a dialectical relationship between a particular discursive event and the situations, institutions and social structures which frame it. The discursive event is shaped by these elements but it also shapes them. CDA considers ideology to be crucial. Fairclough (2003:218 and Locke 2004:33) define ideology as the representations of aspects of the world which contribute to establishing and maintaining relations of power, domination and exploitation. The daily functioning of ideology is crucial to CDA researchers. Textual analysis is an important part of ideological analysis and critique because it embodies belief systems and values.

In CDA, power is of similar importance, as evident from the language use of those in power, who are responsible for the existence of inequalities. CDA reveals the ways in which discourse reproduces social domination, which is the power abuse of one group over others, and how dominated groups may discursively resist such abuse. (Wodak and Meyer 2009:8) CDA does not consider a text the product of one person. Rather, discursive differences are negotiated. Texts are often sites of struggle in that they show traces of differing discourses and ideologies contending and struggling for dominance. Therefore,
texts often reveal the different ideologies of the subjects of the texts. Power does not necessarily derive from language. However, language can be used to challenge power, subvert it, or alter distributions of power in the short and long term. CDA therefore aims to critically investigate social inequality as it is expressed and legitimized by language. (ibid 2009:9)

According to McGregor (2004:2), texts are politicized, even when the writers are unaware of it. Texts represent the interests of those who speak while opinion leaders, courts, government and editors in turn play a crucial role in shaping issues and setting the boundaries for legitimate discourse. The words of those in power are considered self-evident truths while the words of those that are not in power are considered irrelevant, insubstantial and inappropriate. Dominant discourse interprets conditions and issues in favour of the elites. The discourse of the marginalized is considered a threat to the propaganda efforts of the elites. (ibid 2004:3) Therefore, power relations can also be determined through the representation of sources or the lack of. Authoritarian sources are often given high priority, while ordinary people involved are underrepresented.

Huckin (1997:3) proposes that texts be approached first in an uncritical manner, like an ordinary undiscerning reader before proceeding to a more critical approach. A more critical approach involves revisiting the text at different levels, raising questions about it, imagining ways in which it could have been constructed differently and mentally comparing it to related texts. The method of CDA used in this paper borrows from Wodak and Meyer (2009) and Huckin’s (1997) approach which focus on the following elements: topicalisation, sources/Agency, headlines, connotations and the use of photographs.

8.2 Visual Representations of Africa by International News Media

The use of photography within social and anthropological analysis has been happening for over a hundred years. According to Tomaselli (1981:3), photography in anthropological field work was systematically introduced between 1936 and 1938 by Margaret Mead and Gregory Bateson in their studies in Bali and New Guinea. Mead believed that the study and analysis of photographs revealed patterns of behaviour. Language and photographs are often analysed through the use of semiotics. Semiotics as Tomaselli (ibid 1981:5) explains further, is the study of how meaning occurs in language, pictures, performance, and other forms of expression. In semiotic studies, prevailing meanings are the outcomes of encounters between individuals, groups and classes and their respective cosmologies and conditions of existence.

8.3 Method
Critical discourse analysis was performed on 30 news articles from BBC online. The selection of articles for the first part of the analysis included those that discussed issues regarding the west’s provision of foreign aid to African countries between 2002 and 2006. The choice of using articles that were written specifically during this period stems from the fact that African countries received a substantial amount of foreign aid from western donors within that period. 2005 saw a significant increase in development assistance, with several donors pledging to double aid to the continent. (See chapter three) The second part of the analysis used articles written between 2008 and 2009. By the beginning of 2008, the current global economic crisis had already begun severely affecting western economies and consequently, African economies. Articles written during this period were analysed to investigate how representations of foreign aid to Africa had changed as a result of the impact of the crisis of donor states. A search using the string ‘foreign aid in Africa’ and ‘global economic crisis and Africa’ within the afore-mentioned date range yielded several articles. The articles were further parsed by searching the text of each article for a number of subjective criteria. The articles selected between 2002 and 2006 must have discussed issues relating to donor states and the provision of foreign aid to Africa. Those selected between 2008 and 2009 must have discussed foreign aid in Africa within the context of the current global economic crisis. Editorials and commentaries were excluded.

Critical discourse analysis is an appropriate method because it reveals relationships of power. The analysis identified messages conveyed in each story, the terminology used to address Africans/Africa and donors/donor states, the type of sources used to bring out certain perspectives and opinions. For the analysis, each article has been given a numerical title. A table of analysis was also compiled with details on the date of publication, authors and important language elements of analysis. (See chapter eight)

**BBC Media Coverage: 2002 - 2006**

**Results and Analysis**

*Topicalisation*

In choosing what to put in the topic position, reporters consciously or unconsciously created a slant that influenced readers’ perception.

**8.4 Representations of Development Assistance**
All 15 articles are about development assistance to poor African countries. 7 of 16 articles represent the developments on aid, especially those relating to the increase in aid. These articles revealed a significant amount of optimism about aid flows to Africa and its impact on poverty. The representation of development assistance in these articles is similar to the previous discussions (in chapter three) about World Bank reports having the tendency to portray the impact of aid in a positive light despite extensive evidence that aid has been counterproductive in a good measure of African countries, especially those in Sub-Saharan Africa. Article 1 takes the angle that aid needs to be increased, for Africa to achieve meaningful development. The article discusses Britain’s commitment to increase its aid budget and use more of its wealth to help poorer countries. According to a speech by Britain’s chancellor, Gordon Brown at the Commonwealth Conference in London in 2006, the UK intended to significantly raise its development assistance over the coming years.

The article states that Britain, at the time, was spending 0.3% of its gross national product on overseas aid, and the government was still under pressure to increase that amount. The indication of Britain’s aid spending reflects the dominant discourse of most international financial institutions and private donors: The West has been providing a substantial amount of financial aid to Africa. In the words of Mr Brown, “we have in our hands the power and obligation, never given to any other generation at any other time in human history, to banish ignorance and poverty from the earth.” (Article 1) ‘Ignorance’ and ‘poverty’ most likely refer to developing countries, particularly Africa, seeing that those two terms have, in the past, been synonymous with Africa. This positions Africa in a pessimistic light. It is irrefutable that poverty and the lack of education is still a major challenge in many parts of the region. However, to brand a continent as ignorant and poor is to discursively reduce its inhabitants to an inferior position.

Based on the fact that millions of children in the commonwealth are lacking education, the chancellor launched the Commonwealth Education Fund, which had a goal of ensuring that by 2015, every child in the commonwealth would be receiving primary school education. 10 million pounds was paid into the fund with potential beneficiaries being Gambia, Cameroon, Ghana, Kenya, Mozambique, Nigeria, Tanzania, Uganda, Zambia, Zimbabwe, Malawi, Lesotho and Sierra Leone. (BBC 2002) Brown presents the objectives of the fund with a considerable amount of optimism. Once again, by emphasizing the financial assistance that is being given to Africa, to the omission of other important issues such as the actual impact of the aid, the article influences the perception of the reader.

8.5 Increasing Financial Assistance and More Aid to African States
Article 2, 7, 10 and 15 take on a similar approach, with a slight focus on the implementation of better trade rules in Africa’s favour. Rock star Bob Geldof, supported by the Christian Aid agency (article 2) presses Tony Blair and leaders of other rich countries to commit more money to Africa for poverty alleviation. The article states that 600 million people could be living in extreme poverty in Sub-Saharan Africa by 2016. By stating this fact, the writer provides justifications for the subsequent discourse on Geldof’s advocacy for the needed increase in Western aid to poor nations. A comparison is made between Western economies and African economies. The article states that the west has benefited from huge advances in technology and greater wealth, while the situation in Africa has worsened to the extent that people born in Sub-Saharan Africa live an average of nearly 29 years less than those born in the United Kingdom. This shows the extent of the extremely wide economic gap that has existed for many years between rich countries and African countries around the Sahara.

Geldof has been extremely active in his fight against poverty in Africa. His initial satisfaction with the decisions of the G8 Summit in 2005 (to boost aid by $50 billion and cancel the debt of the 18 poorest nations in Africa) is well represented. “Never before, have so many people forced a change of policy onto the global agenda. If anyone had said eight weeks ago will we get a doubling of aid, will we get a great deal on debt, people would have said no.” According to Geldof, the G8 deserved 10 out of 10 on decisions to increase aid and 8 out of 10 on decisions to cancel debt. (Article 7 BBC 2005) In article 15, he is positive that Live 8 was successful in boosting aid to Africa as it had brought about more food and education for children. However, some media reports show that Live Aid was not as successful as expected. A good amount of the Live Aid money went to NGOs in Ethiopia, many of which were under the control of the Derg military Junta. The Derg used Live Aid and Oxfam money to fund its enforced resettlement programs under which a minimum of 300 000 million people were displaced and between 50,000 and 100,000 killed. (Lemi 2000: 8) The omission of this crucial information fosters illusions about the success of aid. It cannot be argued that the concert boosted aid to Africa. However, as has been well established in chapter three, when it comes to aid in Africa, the problem does not lie in the provision of aid but rather in the management of the aid funds. This forms the basis of the argument of aid critics. (Valdez 1993, Goldsfield 2003, Wright 2008)

**8.6 HIV/AIDS Donations and the Need for Genuine Political and Economic Reform in Africa**

In article 4, former US president, George W. Bush pledges to spend $15 billion in Africa to fight the spread of HIV aids and $ 10 billion in increased foreign aid to countries which show their commitment to fighting corruption and open their markets. Similarly, Britain’s chancellor was optimistic about the
Commonwealth Education Fund and its 2015 goals and Bush believed that “millions of lives depend[ed] on the success of this effort and [they] were determined to succeed. Both measures by Brown and Bush may be viewed in the same light as adequate development strategies aimed at combating some of Africa’s major challenges; lack of education and the prevalence of diseases which could be prevented, cured or controlled with the availability of funds. Unlike foreign assistance which is given through conditional loans which eventually increase debt, thereby becoming a burden on African economies (especially with the implementation of structural adjustment programs), or are eventually mismanaged by corrupt African governments, these strategies have more prospects for development. They do not involve the transfer of funds directly to Africa. Rather, they are targeted towards important sectors (education and health) which are essential for productivity and consequently meaningful development. It therefore appears that US aid to Africa will be increased as long as African countries make genuine reforms in the political and economic sector. This echoes Kapur and Webb’s assertion that some donors have become especially stringent on the provision of aid only to countries making genuine economic and political reforms. (See chapter three)

8.7 Questioning US Agenda on Aid

However, US objectives may not be as pristine as Bush made them out to be. The same article states that the impetus for President Bush’s (2003) trip to Africa came from several directions; firstly, he wanted to demonstrate that the US is not neglecting the welfare of the world’s poor while waging the war on terrorism. Therefore, the trip will disprove those who accuse the US of double standards and indifference to the suffering of Africa and other developing nations. This raises questions as to whether the US’ actions were meant to disprove the world about their lack of interests in Africa, or whether their actions reflected a genuine concern for the welfare of the continent.

The article further states that, while the US State department is urging military intervention in Liberia, the Defense Department is resisting military intervention, insisting that the US has “no vital interests” in Africa. This view is slightly contested by the US Assistant Secretary of state who holds that “our children and our grand children are much more likely to have serious business, financial, political and commercial links to Africa”, also pointing out that one-fifth of oil imports came from Africa. (BBC 2005) Further, in June 2005, Britain proposed that rich countries double aid to Africa in order to ensure the achievement of Millennium Development Goals. However, the United States refused to support the British initiative, saying that an increase in World Bank resources would require another congressional battle and selling the IMF’s gold reserves would decrease the price of gold. (Article 8 BBC 2005)
The author clearly states that, given the circumstances, it would be wrong to consider the US as “uninterested in Sub-Saharan Africa”. However, this may simply be an attempt to avoid being overly polemical, seeing that the subsequent discourse shows that the US generously supported foreign aid during the cold war years because it was considered vital to US interest. This reflects how US involvement in Africa has been criticized by many, who strongly argue that they only intervene in Africa’s crisis when there are potential gains involved. With regard to oil, it was established (in chapter three) that the US has been known to foster a good relationship with the governments of oil-rich states. By concluding that the US had lost the political will to tackle the growing gap between rich and the poor countries, the author implies a weakness on the part of the United States. However, the use of the word “lost” suggests that the US in the past, has played a significant role in bridging the economic gap between rich and poor countries, and that perhaps, as a result of certain constraints, the country is no longer able to put in the same amount of effort previously devoted to increasing development in poor countries.

8.8 Debt Relief and Illusions of Increased Growth

Articles 11 showed that in 2006, the World Bank was preparing to cancel $37 billion of debt owed by poor countries, most of which were in Africa. Benin, Burkina Faso, Ethiopia, Ghana, Madagascar, Uganda, Niger, Rwanda, Cameroon, Senegal, Tanzania, Mauritania and Mali were set to receive full debt cancellation. (Article 11, BBC 2006) Debt relief was considered a means of helping these countries channel resources into programs that directly help the poor. It was conditioned on meeting the HIPC initiative’s requirements relating to political, economic reform and good governance. However, the writer consciously or unconsciously fails to mention the numerous arguments and studies which have shown that debt relief does not automatically translate into more money for the government to spend on education and health. Money is fungible, and often, after debt relief, some countries spend the available funds on unnecessary projects, especially militarily related projects or projects that have nothing to do with development, as stated by Henry and Arslanap (2003:5) cited in chapter five.

8.6 The Persistence of Poverty despite the Increase in Development Assistance

4 articles out of 16 represent mixed opinions on development assistance, interrogating the value of aid to African countries and the US commitment to assisting the continent. Article 15 discusses the impact of President Bush’s $ 15 billion package of measures to fight HIV aids. To further show that Bush’s actions, (and as such US interests in Africa) are not pristine, the article clearly states that Bush’s
emergency plan is not entirely ‘altruistic’. UNAids believes that the economic effects of an unchecked Aids epidemic in Africa and beyond will inevitably hurt western economies.

Articles 5, 8 and 13 represent the opinion that Africa’s poverty can be beaten with an increase in development assistance to the region. Former South African President Nelson Mandela came out of his retirement from public life to join the Make Poverty History campaign, a coalition of NGOs lobbying rich nations to keep aid promises. (Article 5 BBC) Additionally, for Ghana to have reached its growth target of 8% by 2008, more investment and donor flows were needed. However, the writers changed the slant at the end of the articles to pose some important questions about the impact of aid and to show how some Africans, like the Ghanaians, strongly believe there are better alternatives to aid. A data bank analyst proposes an increase in tax revenues as a means towards development and more trade, as opposed to aid. (Article 13 BBC2006) This deviates from the popular discourse on aid. By posing critical questions (relating to the cancellation of debt in Africa, who should take responsibility for the continent’s problems and whether the West owes it to help solve its problems), the writer engages the reader. Some of the questions reflect the debate which has recently surfaced about the West’s responsibility to Africa. While some proposed that the West, responsible for 400 years of slavery of the African people needs to compensate the region through financial amends, others argue that Africa needs to move forward and take responsibility for its own development.

8.10 The Failure of Development Assistance

Only 3 of 16 articles are pessimistic about foreign aid to Africa, maintaining that it has little impact on poverty alleviation. These articles represent some of the reasons that account for the failure of development assistance: government spending money on political patronage and the army, using aid money for personal enrichment (also refer to chapter 1), governments not properly maximizing debt relief, lack of sound economic policies and trade. (Articles 6, BBC 2005. 9, 2005, 12, 2006) Statistics are used to emphasize the extent to which aid has failed despite its continued increase over the years; “More than 1 trillion in aid to Africa over the past 50 years, aid dependency stood at 20% in the 1990s, yet during the same period GDP per capita decreased and was measured in negative figures.” (article 6) The writer presents a rounded discourse by showing the responsibility of donor countries in the failure of aid; many donors are still pouring money into countries with policies detrimental to growth.

8.11 Developments on the G8’s (2005) Promises to Africa
Only 2 of 16 articles represent the developments on the G8’s promises to Africa at the Gleneagles Summit in 2005. These articles show that keeping aid promises has been a major challenge for the G8. The 2005 aid promises were not progressing as expected and funding for new research into vaccines for diseases that affected the poor was being delayed. However, the developments on debt cancellation were more positive. (Article 14 2006) Aiming to maintain the international political profile for Africa achieved in 2005, the Africa Progress Panel was set to produce an annual report for the G8, UN and Africa Partnership Forum to tracking the progress of aid promises made to Africa. (Article 16 2006) Generally, both articles showed that so far, the situation did not reflect seriousness on the part of the G8. Article 16 concludes with non-governmental Organisations expressing their discontent with the G8. “We are tired of world leaders heaping praise on Make Poverty History, while simultaneously stabbing us in the back by breaking their aid promises.” While the use of this statement may position the G8 in a negative light, it has been justified by several instances in the past where the G8 and some rich nations have failed to keep aid promises. Similarly, some of the literature on aid has shown that a good measure of aid promises made by the rich countries never actually come into effect.

The idea of more trade as an alternative is mentioned in 6 articles. (1, 2, 6, 9, 12, 15,) Although trade is only mentioned in a small section of these articles, it is presented as another means through which Africa can develop itself. The mention of trade is a reflection of the growing literature on aid which now proposes that trade may be better for Africa, as opposed to aid, which has clearly been counter-productive.

According to the analysis, 7 articles were optimistic about aid, 4 reflected mixed opinions (optimistic and pessimistic), 3 were overtly negative and 2 attempted to assess the successes and failures of the 2005 G8 promises. This suggests that the West’s opinion of development assistance to Africa can be measured along these lines. By being predominantly optimistic about aid (showing the amount of aid disbursements and the considerable action by rich nations), these articles create the illusion that aid is contributing to development on the continent. Only 2 articles completely engaged the reader on the extent to which aid measures had failed.

Sources/Agency

8.12 The Use of Authoritarian Sources

14 of 16 articles used authoritarian sources. Of the 14 authoritarian sources, 8 were western sources only, 5 were a combination of western and African sources, while 1 article used entirely African sources.
The articles that used authoritarian sources represented both direct quotes and opinions from authoritarian figures such as Gordon Brown, Britain’s Chancellor (Article 1, 10) popular British pop star and poverty activist Bob Geldof (Articles 7, 14, 15) former boss of Anglo American, Mark Moody Stuart (Articles 12), British Prime Minister Tony Blair (7, 16), Oxfam director Barbara Stocking (Article 16), World Bank President, Chief economist, Frederik Erixon (Article 6) Paul Wolfowitz, former UN secretary General Kofi Anan (Article 7) and US president George Bush (Articles 3, 4). These authoritarian figures are used to present developments on aid and their comments reflect not only their perceptions about foreign aid in Africa but indeed about Africans in general.

The use of these sources adds an immense amount of credibility to the discourse in the articles. However, it also shows how these authoritarian figures themselves are under certain illusions about development assistance. Most of them emphasize the need to double aid to Africa, and make numerous promises of aid to the continent, most of which are never actually realized or are conditioned in a manner that is difficult for the African people to benefit from. Article 3 and 8 which discuss the US Aids Fund states that the fund was partly hindered by a concession made by President Bush, which stipulated that a third of the money designated to Aids prevention work must be spent on promoting sexual abstinence prior to marriage as a method of protection. Public health experts argued that this approach was less effective than promoting the use of condoms and other safe sex practices. (BBC 2003)

Furthermore, the fund’s donations could only be used to buy drugs approved by the US drugs authority, the FDA, which excludes many cheaper generic drugs and favours American manufacturers. This shows that the donors themselves have restricted the success of the Aids Fund by imposing these conditions. Their approach to poverty is contradictory to their statements about poverty. By stating that the money from the Aids fund can only be used to buy drugs approved by the FDA, to the exclusion of cheaper drugs they have failed to consider the very fact, which warranted the opening of the Aids fund. Poverty has been linked to the increasing spread of HIV/AIDS in Africa and to many dying from the inability to purchase antiretroviral and the relevant medication.

8.13 Combining Western and African Sources

5 articles used a combination of western and African sources. African sources in this context includes specialists on African Affairs (Western or African) and Africans themselves. These include sources such as former African Assistant Secretary, Chester Crocker (Article 4), chair of the Global Call to Action against poverty, Kumi Naidoo (Article 7) Bank of Ghana governor, Dr Paul Acquah (Article 13) and Nelson Mandela (Article 10). Nelson Mandela is reported to have applauded Gordon Brown’s pledges and ideas
which were dubbed the Marshall plan for Africa. The use of Nelson Mandela as a source is implicative. Because of his well known history of fighting against injustices such as apartheid, readers automatically consider him a credible source. His comments therefore carry immense weight and help to position the UK’s aid strategies in a positive light.

Only one article used exclusively African sources. This probably stems from the fact that it was an article written under the BBCs Africa program where reporters investigate and represent African news from African perspectives. In the article, a Ugandan radio journalist, Andrew Mwenda and Uganda’s Finance Minister, Ezra Suruma, present their views on the impact of debt on Africa and some of the hindrances to growth. According to Mwenda, despite Uganda being considered one of Africa's success stories, the country is still heavily reliant on foreign aid, while the government spends heavily on political patronage and its army. “Tax payers in the West should not be asked to pay to keep corrupt and incompetent governments in power.” (Article 9, BBC 2005) By stating the terrible conditions in which the Ugandan people have had to live, as a result of their government’s shortcomings, the writer creates a bleak picture of foreign aid and obliges the reader to empathise with the masses in Uganda. Further, by concluding with Mwenda’s statement on taxpayers and corrupt governments, the writer influences the reader’s perspective. This conclusion suggests that donors should stop providing aid to corrupt and incompetent governments or dictatorial regimes in Africa.

The predominant use of Western authoritarian sources may be explained by the fact that though covering international news, the BBC is a Western publication. Therefore, the proximity to western sources can be used to justify the insufficient use of African sources.

The Use of Headlines

Headlines were a reflection of the angles of the articles and emphasized some perspectives on aid to Africa. 8 of 16 headlines were related to foreign aid, 5 were related to aid and other issues in Africa, and one was related to debt cancellation for poor countries. The headlines relating to foreign aid used descriptive words such as “pushes” (for aid), “boost” (aid), and “depends” (on aid). This is a reflection of the West’s tendency to increase aid, despite the growing controversies. The 5 headlines related to poverty, used descriptive words such as “pressed” (over poverty), can poverty be “beaten”? “lift” Africa “out” of poverty, Africa will “miss” poverty goals. This suggests that Africa’s poverty was attracting an increasing amount of international attention, with some western nations, especially Britain, feeling the need for more intervention. Therefore the discourse of aid -increase measures by the world leaders
dominated over that of debt relief and the failure of aid. This is not to suggest that aid flows from Western nations should not be represented in news reports. Rather, it brings to light the editorial fixation with aid disbursements rather than with its actual impact.

Connotations

The words “increase”, “raise”, “spend”, “progress” and “success” are found numerous times in several articles. (Articles 1, 2, 3, 4, 6, 7, 14) These words were used in the context of western nations increasing foreign aid to developing countries. The words “raise”, “spend” and “increase” which were used a total of 26 times in 7 articles, indicate the media fixation with the amount of aid the West is providing to African countries. “success” and “progress” are connotative of positive western perceptions of the effects of aid on recipient countries. In article 2, the Listen to Africa report written as an open letter to Tony Blair stated that the need was for genuinely “selfless” aid to be given to African countries. Here, the reference to selfless aid implies that in the past, aid has not been selfless. This fact is especially significant considering that aid to African countries is often accompanied by stern conditionalities from lending institutions such as the World Bank and the IMF. Even private donors have been known to impose conditions when lending. (Refer to chapter three)

The article further states that, for ‘selfless aid’ to be given to Africa, the World Bank, the IMF, the WTO and the governments of donor countries simply must “listen to Africa”. This portrays Africa as a continent which has not been given a voice in the international arena. During the recent G8 Summit, South Africa was the only African country present. Western decision makers have tended to ignore the wishes of some African governments, especially given that they have acquired a position of dominance as a result of Africa’s heavy debt. Structural Adjustment programs have often given less attention to government demands, while forcing governments to cut spending on important social services and education. ‘Listening to Africa’ implies that western nations will begin to consider the opinions of African governments on the kind of projects that will benefit the local people. On the other hand, while African governments have generally fallen short of setting up sound economic and social policies in the past, some governments have made genuine changes and have begun giving priority to those they govern. Ghana makes a striking example.

The words “poverty” and “poor” (or “the poor”) were used numerous times in 15 out of 16 articles, referring to Africa. Given that the discourse was on foreign aid, it may well be that the poverty context was essential to produce a rounded picture of aid, the conditions that motivated the need for it and the
importance thereof. However, Africa’s poverty has been overstated and the words “poor” (or “the poor”) have been used to the extent that they have become synonymous with Africa. Examples are numerous: “poverty” (Articles 2, 5, 6, 7, 10, 12, 15, 16) “deadly poverty” (Article 6) “world’s poor” (Article 4, 11), “poorest countries/nations” (Article 5, 11), “poorer” (Articles 3, 7, 6), “the poor” (Articles 9, 14, 13, 3). It cannot be refuted that poverty is a sad reality in many African countries. However, to constantly define a continent by its economic incapacity is to suggest that there are no other elements worthy of attention or recognition. The representation of ‘the poor ‘confirms Fairclough’s statement that “where the poor are explicitly referred to, it is not as actors – as people who are doing something- but more as patients – as people who are affected by the actions of others. (1995:47)

Similarly the words “rich”, “wealthy” and “powerful” are used to refer to western industrialised nations, as well as “Wealth” (Articles 1, 2), rich (Articles 5, 8, 15), wealthiest (Article 5), and “world’s most powerful/richest countries” (Article 13, 15). Economic development and wealth is associated with power, and these countries are represented as superior to their counterparts in the South who are represented as poor. These representations convey the power relations between the South and the North. Just as the North’s wealth is associated with power, the South’s poverty is associated with powerlessness. Therefore, by contrasting the “world’s richest/most powerful countries with the “world’s poorest countries”, the writers depict the North as in power over the South. This reflects Bourdieu’s view of foreign aid as symbolic domination and a process that signals and euphemizes social hierarchies. (Bourdieu 1979:73) Because countries of the South have always been the recipients of aid, they have remained below the social ladder in the international hierarchy, while the givers have attained dominance. By representing the North and the South in this light, the writers influence readers’ perceptions of both regions, possibly influencing or reinforcing stereotypes that have already been associated with the two regions.

In article 4, the assistant secretary to the Clinton administration, Susan Rice, is quoted as having said “In Liberia, the United States is like the International 911. There is nowhere else to turn from a humanitarian and moral point of view, as well as a historical and security point of view, we ought to engage”. Before showing the implications of the reference to the US as “the international 911”), this statement needs to be contextualised. The reference to the US as the international 911 shows that they are the most powerful country in the world. When people in distress in the United States seek the help of 911, the police often comes to their rescue, therefore implying that when countries in despair request the help of the United States, they often receive that help. This is a reflection of the extent of US
hegemony over Africa and even the Western world. However, to refer to the US as the international 911 is to fail to recognize some truths about US humanitarian foreign policy. While the US remains politically and financially the most significant actor in the humanitarian system, US assistance is often accompanied by other agendas. In some instances, in the absence of any potential gains for the US, humanitarian assistance becomes unimportant. Some examples in the past such as the historic Rwandan genocide are illustrative.

Photographs

Photographs represented some stereotypes about Africa/Africans, some of which were not explicit in texts, possibly in order to avoid being politically incorrect. They may also have been unconsciously used. This means, the writers did not intentionally want to promote stereotypes about Africans but that the photographs were chosen based on pre-existing beliefs about the region. Of all 36 photographs used, 14 were of Africans. 12 of the 14 articles had negative connotations and reflected some of the stereotypes associated with the region. Article 1 showed an African woman, carrying a baby on her back, while at the same time doing laundry outside a tent. Article 2 shows a picture a baby whose eyes look unhealthy. Article 4 shows an HIV/AIDS infected patient looking extremely ill and emaciated as well as a picture of Liberians protesting in the street. Article 9 shows Africans protesting against unfair elections and a soldier holding a rifle. In article 11, an African woman pours dirty-looking water into a drum. Articles 13, 14 and 16 use pictures of street vendors, half built houses, malnourished and poorly dressed children. These articles all convey images of poverty, thereby reinforcing what was established earlier about the fixation with poverty. They further convey impressions of chaos (Articles 4, 8) the prevalence of diseases (2, 4), hunger, (2, 14) and political instability (4, 8, 9). These representations position Africa in a negative light, reinforcing old stereotypes about the continent, thereby creating distorted perceptions.

15 of the 36 photographs were of westerners. Photographs depicted personalities such as Bob Geldof (Article 2, 15 and 16), Tony Blair (Articles 5, 8, 9, 16), Gordon Brown (Articles 1, 2 10), George Bush (Articles 3, 4, 8) and Bono (Article 6) Photographs of G8 leaders were used in articles 7 and 14. In article 14, the juxtaposition is quite visible. The first picture is of an African child near a dump site. Below the page is a picture of the G8 members. The seemingly expensive suits worn by most of these personalities and their general aura conveyed power and authority. These stand in opposition to Africans in torn clothes (14, 16), disease infected African people and war-torn Africa (articles 9). This reinforces the idea of the “the most powerful nations” against the powerless ones.
The analysis revealed that views on the impact of foreign aid on Africa were positive to a large extent. This illusory idea served as justification for continued aid increases. Articles showed that African countries received a substantial amount of aid between 2002 and 2006 and western nations were still under the impression that more aid was needed in order for the region to reach any significant level of development. With regard to the representation of poverty, writers exaggerated and promoted distorted perceptions. Africans were portrayed as extremely poor. This exaggeration was found in the use of stereotypical words and the selection of photographs which reinforce pre-conceived notions of Africa. With regard to sources, Western authoritarian figures were used to express opinions on foreign aid and poverty. However, a few articles presented the opinions of charity, non-governmental organisations and activist groups.

This pre-crisis overview yields the conventional image of Western benevolence and African need. However, once the donor communities faced severe economic downturn, some aspects of their self image through the BBC, and some attitudes to aid recipients showed some changes.
Chapter Nine

BBC Media Coverage 2008 – 2009

Results and Analysis

How has the current global economic crisis influenced representations of foreign aid to African countries?

What are the implications of these representations for western donors and recipient African states?

This analysis showed that representations of Africa had undergone a major shift. As evident from the previous analysis, articles written before the outset of the crisis in 2007 revealed that several donor states were optimistic about the impact of development assistance on African recipient states. However, this second part of the analysis revealed an increasing amount of pessimism on the part of donors about the actual impact of aid. The articles discussed the impact of the global crisis on western economies and, consequently, African economies. Although several articles showed representatives of donor states appealing for a doubling of aid, and for donors to respect aid promises to the continent, further analysis using the language elements detailed in chapter eight raises some skepticism about present donor commitments to the continent. The same method of analysis used for the previous chapter was applied here.

Topicalisation

9.1 The Impact of the Global Economic Crisis on African Economies

8 out of 14 articles discuss the impact of the current financial crisis on African states. African states are said to be experiencing severe economic problems despite initial speculations on their relative safety. Stock markets fell at the beginning of 2008, with Nairobi’s (Kenya) 20 share index losing more than a quarter of its value and Nigeria experiencing a rapid decline in foreign investment. Investors were not only reported to have stopped putting money into African economies, they were also pulling out. (Article 21) However, some of the problems facing African states are attributed to internal problems relating to governance. Kenya’s economic instability is partly attributed to violence that accompanied the elections in 2008. A South Africa perspective is used to show the condition in Africa during the crisis. According to a Cape Town portfolio manager, “in the last eight years, Africa has become one of the fastest growing parts of the world.” (Article 21) While it is true that Africa has made some progress, using a South African perspective to comment to Africa may be insufficient. South Africa is usually not
included in discourses about extreme poverty in Africa because the country has made significant progress over the years and is rapidly approaching Western standards. The comment is not a reflection of the general situation in Africa, especially Sub-Saharan Africa. Growth is still slow in many countries, with many governments still on the pathway to democracy.

There was the risk of a fall-out within Africa’s banking system, given that most of the banks were foreign-owned, as well as a potential decline in private capital flows (which could affect African countries which relied on it for infrastructure investment), a decline in commodity prices and foreign aid. (Articles 22, 25, 26) More than 900 people were said to be facing starvation because of high food prices, with 10,000 children dying from malnutrition each day. (Article 17, 27) 15 out of the 21 countries which the IMF rated as most vulnerable to the crisis were in Africa and, it predicted that Sub-Saharan Africa’s growth would slow to 3.25% in 2009 half the growth rate (6.7%) previously expected. Africa is represented as being severely affected by the crisis and as facing the possibility of more severe impacts if the crisis were to last longer than expected. This reveals the region’s vulnerability to developments in western nations despite their relatively smaller connections to international markets. The major ways through which Africa was affected by the crisis involved the west not being able to engage in certain activities on the continent; western investors, not only cutting investment, but pulling it out of African markets, western exporters reducing demand for African exports, fall-outs within foreign owned African banks and a decrease in foreign aid on which many poor countries in the region had become dependent. This shows the extent of Africa’s dependence on the West for economic survival.

9.2 Failed Aid Promises

10 out of 14 articles focus on issues relating to foreign aid. However, unlike the articles between 2002 and 2006 which showed a general increase in aid and aid promises, accompanied by donors’ optimism about aid flows to Africa and its impact, these articles reveal critical issues regarding aid. The discourse shifted from western nations spending substantially on aid to elaborations on aid shortfalls, western nations’ failure to keep aid promises, politicians calling on these nations to respect aid promises, interrogating the validity of donor promises and pressing for more aid.

According to a 2008 report (in article 20) from the Organisation for Economic Co-operation and Development (OECD), Greece, Italy, Portugal, Spain, Japan and Norway had failed to meet their aid targets. In 2007, French president Nicholas Sarkozy announced that the aid pledge given at the Gleneagles to provide 0.5% by 2007 had been moved to 2010, with the report showing that France had
provided 0.39%, an amount short of its original promise. (Article 20) An advocacy group set up by Bono and Geldof concluded that the G8 had only delivered one third of its 2005 Gleneagles aid promises and Italy, in particular, was lagging behind. (Article 27) Although total overseas development aid increased in 2008, western nations had still fallen short of promises to double aid. Aid organisations openly criticized the G8 members for failing to deliver on promises made at the Gleneagles Summit in 2005. (Article 28) Some articles made reference to the promises made at the Gleneagles summit to show that these nations have not kept promises of doubling aid by 2010. (Articles 20, 27, 28) As a result of the impact of the crisis on these nations’ economies, aid had been reduced, and was in danger of being reduced further.

9.3 The Role of African Governments in Aid Shortfalls

A report from the Africa progress panel, launched by former British Prime Minister, Tony Blair, showed that aid targets for Africa had significantly fallen below expectation and that the economic situation in the region has been slowed down as a result. The report spread the blame between the West and Africa. While western countries had failed to keep promises on aid, African states had not brought in reforms to improve democracy. (Article 20) By including information that presented the economic situation in Africa from this angle, the writer presents a balanced perspective. Other articles which reference promises made at the Gleneagles summit fail to mention that African leaders also made promises to introduce better reforms, and so far, had failed to keep those promises. Without that information, the G8 alone is portrayed as responsible for the aid shortfalls. The responsibility of African leaders needed to be given equal attention. The OECD report showed that only 23 African states can be considered democracies and according to the writer, “If the industrial world failed Africa, then the continent also failed to live up to its promises.” (Article 20)

9.4 Donor State Representatives Appeal for an Increase in Aid

In 8 of 14 articles, aid organisations and politicians appealed for donors not to cut back on aid. In April 2009, the World Bank and the IMF jointly urged donors to accelerate the delivery of aid commitments and to consider going beyond existing commitments. (Article 24) African Union chairman, Jakaya Kikwete appealed to developed nations not to cut aid (Article 18) and former UN chief, Kofi Anan accused western nations of failing on aid promises (Article 17), while African leaders urged G8 nations to live up to past aid pledges. (Article 28)
At the beginning of 2009, the head of the World Bank, Robert Zoellick, proposed a new “vulnerability fund”, where 0.7% of the money that western nations were using to bail out their own economies would be spent helping developing countries. Only two Western countries had responded to the World Bank’s demands. Japan had responded with $2 million to fund the recapitalization of the banks in poorer countries and another $1 billion for trade assistance. Germany had added $1 billion to assist liquidity in microfinance schemes and infrastructure schemes. (Article 9) This is a reflection that only few donors were still making commitments to aid Africa during the crisis. As the writer stated, there was a need to be “practical and pragmatic” and be mindful that arguing for foreign aid when taxpayers in the developed world were losing their jobs would not be an easy task. By stating the impact of the crisis on taxpayers in the developed world, (which most articles fail to mention) the writer in fact suggested a justification for the aid shortfalls.

The reductions in aid during the crisis have made the West vulnerable to worldwide criticism. In article 17, Pope Benedict XVI blamed world hunger partly on the “egoism” of western nations, implying that these nations were only concerned with their own welfare. However, the facts show that their economies and citizens are also suffering the effects of the crisis, making the keeping of aid promises a major challenge to them. Article 26 states that the IMF itself was expected to ask for a substantial increase in its funding at the G20 Summit of world leaders in London. However, the institution was uncertain considering that “historically, foreign aid declines during an economic downturn.” (Article 26)

9.5 Questioning the Validity of Aid Promises

4 articles criticized the G8 and the Western nations for falling back on earlier promises, also stating the inadequacy of current measures. (Articles 17, 27, 28) Some question the validity of those promises. Kofi Anan questions whether the $12 billion pledged by the G8 in 2005 was genuine (Article 17) and the head of the UN Food and Agriculture Agency, Jacques Diouf stated that the $20 billion pledged by the G98 in 2009 was insufficient. “Is it new money? How much will be loans through institutions like the World Bank? And is it going to the poorest, most affected countries?” (Articles 27) The writer contextualises Mr Diouf’s questions, thereby providing a better understanding of the skepticism that followed the G8 pledges. It is reported that promises to double aid by 2010 had not been kept.

According to Bono’s advocacy group, Sub-Saharan Africa needed at least $25 billion. In article 19, Richard Harvey, former head of one of the world’s biggest insurance companies (Aviva) after working with a charity in Africa concluded that the continent had a bright future, but is reported to have said
that the West (individuals and organisations) were still making mistakes. As the subsequent paragraphs in the article reveal, the mistakes he was referring to relate to the west’s inattention to country ownership. (Refer to chapter three for country ownership of Structural Adjustment Programs) By educating the villagers around project sites about the functioning and importance of a project, donor staffs encourage them to look after the projects when the donors leave. In instances when the villagers are not educated on the project, the project is either misused or damaged after the donors leave because there is no fundamental ownership. Harvey is also critical about donors’ focus on inputs of aid rather on outputs, stating that it is the outcomes of the inputs that need to be measured. This falls in line with the first analysis, which showed an overemphasis on the measures of donors, thereby creating illusions about the impact of aid. As Tendler (1975:85) states, although the objective of the international agencies is poverty reduction, they tend to stress the total amount of aid disbursed more than the final objective of poverty reduction or growth achieved. “A donor’s sense of mission, then, relates not necessarily to economic development, but to the commitment of resources and the moving of money.” This partly explains why donor states continue to provide aid even to countries where there has been little evidence of growth achieved through such assistance.

The analysis showed that the majority of articles had a major focus on the increase in aid. Authoritarian figures were either pressing the G8 to live up to previous aid promises or calling for an increase in aid. With the exception of France, which announced that its aid pledges for 2007 had been moved to 2010, the articles do not show any G8 nation acknowledging its inability to fulfill its promises. However, the numerous calls by several politicians such as Kofi Anan, AU chairman Jakaya Kikwete and UN, World Bank and IMF representatives are an indication that many donors may not be able to make any significant provisions of aid to Africa during the current crisis. These representations may decrease the confidence of the international community in the G8. The image of the G8 is further tarnished by the above-mentioned articles that openly criticize it for not meeting the 2012 promises. Most of the statements that reveal the discontent with the G8 and western governments originate from institutional reports, politicians, World Bank and IMF officials, charity organisations, African governments and aid activists. Therefore, although the authors occasionally offer commentary, these statements in fact reveal the international community’s views and perceptions of the G8.
Sources

9.6 The Use of Authoritarian Sources

Generally, ‘experts’ whose opinions were voiced included aid agencies, representatives from international financial institutions (World Bank and IMF), representatives from the African Union and the United Nations, Tony Blair, Barrack Obama, Bill Clinton and Bob Geldof and WTO representatives. All 17 direct quotations in the articles were from authoritarian sources. These primary sources were used to portray views on Western nations and the G8’s current aid provisions. The fact that most of these authoritarian figures who were calling on Western nations and the G8 to fulfill aid promises are themselves members of the G8, has some implications. Firstly, it may imply that these personalities’ appeals are simply an attempt to show Africans and the world at large that Western nations are not indifferent to Africa’s problems. Secondly, it implies that those making the appeals are acting independent of the G8. Secondary sources constituted of aid agencies, IMF, World Bank and OECD reports. Only 3 articles presented the perspective of Africans. (Articles 18, 21, 30)

Headlines

Headlines were a reflection of the angles taken in articles. Of the 30 headlines, 9 were related to aid (Articles 17, 18, 19, 20, 23, 25, 27, 28, 29), 4 were related to the impact of the financial crisis on African states, while 1 was related to Africa’s current corrupt banking system. The headlines of article related to aid created the impression that Western nations were taking action to help poor African countries through the financial crisis. These headlines mentioned the pleas from authoritarian figures for aid increases and G8 measures to help alleviate poverty. However, the contents of the articles reflected a reluctance or incapacity on the part of Western nations to make aid provisions.

Connotations

In contrast to the previous articles (2002-2006), where the words “increased” “raised”, “spent”, “progress” and “success” were used numerous times, only a few articles made use of the words “increased”. (Articles 17, 19, 20 and 28) Furthermore, the words were not used in the same context as in the other articles. In those articles it was used in relation to previous aid provisions to Africa by western nations and more aid promises to the region. In these articles, the word “increased” was used when referring to the G8’s failure to achieve the promises it made at the 2005 Gleneagles summit. Only one article used “accelerate” in an appeal to western countries to speed up the delivery of aid commitments.
This is a reflection of the changes in donor attitudes towards aid, and the extent to which aid provisions had been reduced.

Furthermore, certain words revealed the status of aid flows to Africa and the attitudes of the international community towards donors and the G8. There was an extensive use of the words “accused”, “blamed” (Article 17), “appealed”, “naming and shaming” “failed”, (Article 19) “failing”, “criticized”, “laggards” (Article 19, 29), “decline”, “warned” (Article 26), “urged”, “skeptical” (Article 27), and “uncertain” (Article 29) These words had negative connotations for the donors and the G8. The word “accused” implies wrongdoing, “blame” implies responsibility for the misdeed and “shame” is associated with dishonor. These representations created a high level of pessimism towards donors and questioned their credibility. However, one article represents the failure of donors to live up to aid commitments as a natural reaction to African leaders’ failure to live up to promises of democracy. The writer states “if the industrialised world failed Africa, the continent also failed to live up to its promise.” (Article 20) It was previously established that only 23 African states are currently democratic. However, the statement suggests that the failure of donors to deliver on aid commitments was justified.

In article 27, President Obama states that western nations have a moral obligation to help.” The word “moral” is associated with principles of right and wrong and conforming to standards of behaviour and character, based on those principles. This suggests that the West is not making aid provisions based on the conditions in poor countries that require humanitarian assistance, but that they perceive aid as something that the world expects of them. This echoes Chester Crocker, former Africa assistant secretary to Ronald Reagan who is reported to have said that Bush’s 2003 trip to Africa “provided an answer to those who say that there is a double standard or that we don’t care, and to reassure not just Africans but “our allies and third-country observers.” (Article 4) This suggests that some courses of action were taken, not in a genuine attempt to aid poor African countries, but in an attempt to avoid contempt from the international community. This may explain the appeals of western nations, particularly, Barack Obama, Tony Blair and World Bank president and IMF representatives. These appeals create the illusion that action is being taken and prevents the readers and the world at large from perceiving them in a negative light.

Similarly to the previous analysis, the words “poverty”, “poorest countries”, “world’s poor” were extensively used, as opposed to “rich countries”, “rich states”, “rich nations”, “richest”. This shows that the same representations of power relations (based on economic capacity) between the North and the South continue to characterize media texts.
The Use of Photographs

15 of the 27 articles used depicted Africans. 10 of the 15 articles had negative connotations; hunger (Article 17, 19), poverty (17, 19, 26, 27) underdevelopment (Article 20, 23, 25, 26, 27), corruption. Article 17 showed a malnourished-looking African woman in a dry corn farm. Article 19 showed 4 malnourished-looking, poorly dressed children and another picture of three African women and one African man tilling the soil. These are depictions of extreme hunger. Article 17 shows a picture of a woman washing clothes near a site filled with waste and dirty water. This depicts the extent of poverty and economic hardship in some African states. Most pictures of Africans conveyed poverty. By using such pictures (in addition to the overuse of the words “poverty” and the characterization of Africans as “the poor”), the writers overstated conditions of poverty, thereby reinforcing long existing stereotypes about the region. Again, these pictorial representations of poverty could be contrasted with those of westerners. 6 of the 27 photographs included pictures of Tony Blair (Article 20), Robert Zoellick, (Article 24), an IMF representative (Article 29) and the G8 and G20 (Article 27). Such photographs conveyed images of wealth and power, as opposed to poverty, underdevelopment and powerlessness.
Conclusion

The analysis revealed a shift in the discourse on foreign aid in Africa. The analysis of articles between 2002 and 2006 showed that, before the outbreak of the crisis, perceptions of foreign aid were largely optimistic. A substantial amount of aid is reported to flow from donor countries and international financial institutions such as the World Bank and the IMF to African countries. Donors were also positive on the impact of aid provisions while media reports focused on the amount of aid that was flowing into poor countries. However, despite this dominant optimistic view, a few articles were critical of the impact of aid in developing countries, particularly Africa. These articles raised the view that, despite decades of a substantial flow of aid to African states, poverty conditions had not undergone any significant change. Even the few countries which had made some progress (such as Ghana) were still dependent on foreign aid (See article 13 Proud Ghana Still Depends on Aid) This showed that the continued increases in aid, despite evidences of some level of progress, were creating a culture of dependence and impeding the ability to African economies to emerge without western intervention. This can be corroborated by the assertion of Azam et al. (as stated in chapter three) that aid has become like a “narcotic”, fostering addictive behavior among recipient states. Aid has created a dependency on external support and led to more underdevelopment, especially since there is no economic progress from within recipient states.

The analysis of articles between 2008 and 2009 showed that the impact of the crisis on foreign aid was extremely severe. There was no emphasis on the flow of aid from donor countries or the World Bank and IMF (as in the previous analysis) because this information was either non-existent or lacked enough significance and depth for coverage. Only 2 articles referred to some courses of action that had been taken. Article 29 showed that Japan and Germany had responded to the World Bank manager’s appeals for the creation of a vulnerability fund. (Refer to page 3) Article 28 showed that the G8 had pledged $20 billion for efforts to boost food supplies to afflicted nations. Even the G8’s $20 billion pledge was met with a high level of skepticism, given that they had fallen short of aid promises made at the Gleneagles summit in 2005. The discourse focused on several appeals from authoritarian figures for donors and the G8 to honour aid commitments. Therefore, it appears that even when many donor states no longer had the capacity to continue to provide the amount of aid that they were previously able to, before the outset of the current global recession, they still showed some optimism about the benefits of aid to the African continent. The extensive appeals for aid reflected this positive view on the impact of aid. The appeals were an indication that these donors saw Africa as a fragile continent that was in dire need of
aid for the survival of its states. The constant usage of the words “poorest” and the pictorial representations of sick, malnourished children were illustrative. Furthermore, the failure to state developmental aspects on the continent or the possibility that African states had the capacity to bring about economic growth on their own effectively emphasized the west’s perception of the continent as a fragile and in need of assistance. This representation of Africa echoes Bourdieu’s (1990:98) who perceives foreign aid as symbolic domination, a kind of unreciprocated giving that affords donors a powerful position, while (African) recipients by implication, remain at the bottom of the social ladder. Therefore, foreign aid, to some extent serves to reinforce global hierarchies. (Refer to chapter eight for references to poverty in Africa)

In addition to the numerous appeals for aid, there was the allocation of blame to the donor countries and the G8 to a larger extent, and to African leaders to a lesser extent. Donor countries and the G8 were represented as having failed in their moral obligation to assist “the poor” in desperate times. Meanwhile, African leaders were considered partly responsible for the aid shortfalls because they had been unsuccessful in bringing about democratic reforms. To an extent, this suggested that some donors were adhering to the good governance requirements for the provision of aid to poor countries. As stated in chapter four, the World Bank’s realization in the 1990’s, that conditionalities had failed to induce political and economic reforms in recipient states, caused it to shift its focus from the application of conditionalities to the selectivity of aid recipients based on good governance. As Nanda (2006:272) states, according to the World Bank, good governance indicated the manner in which power and authority were exercised for development in the management of a country’s economic and social resources. From this perspective, the fact that several African states failed to meet the ‘good governance’ requirement created an expected reaction from donors.

It cannot be refuted that African governments contributed to donor’s failure to respect aid promises, and the general failure of aid on the continent. However, the authors did not sufficiently state the role of external factors in crippling any growth that could have been brought about through aid provisions. For instance, there is no mention of how Africa’s enormous debt meant that repayments to western creditors take priority while ordinary people suffer from poor health services and low quality education. As Adedeji states, according to Jubilee Research report in 2000, of the 32 countries classified as severely indebted, 25 were in Sub-Saharan Africa and each person owed 250 pounds to the west, much more than a year’s wage for many.
Furthermore, the appeals of western authoritarian figures created the impression that the West was not oblivious to the problems of Africa. It reflected their concern with the impact of the crisis on afflicted African states and the severe hunger and poverty that had become a very real problem in many of those states. However, these appeals also came across as donors’ attempt to prove to Africa and the international community that they were genuinely concerned with the problems of Africa, or that although they were concerned, sufficient aid provisions were no longer in their capacity. The analysis further revealed the persistence of certain stereotypes of Africa in western media reports. As evidenced by the texts and photographs, poverty was overstated, while positive developments that could be associated with Africa were ignored.

**Recommendations**

Further research into western media representations of underdevelopment in Africa might reveal a shift in the discourse about the path that Africa should follow in order to achieve meaningful development. These representations suggest that the development of Africa can only be achieved by Africans themselves, through the introduction of genuine social, political and economic reforms. Internal changes relating to governance can set African economies on the path to significant progress. The representations further suggest more trade for Africa, than aid.
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