

## The Conspiracy Against Africa Questions

After carefully reading the article, answer the following questions —

1. Think about the author *Gerald Caplan's* core message. If you were to rename the article, what title would you give it?

Africa cannot develop. The stark recounting of the struggles faced by African countries sums up the "external signs of the larger economic reality." (pg. 60)

Major barrier to development is the "lack [of] basic institutions and capital needed to develop." (pg. 60)

The Economic Report on Africa (2005) concluded that African poverty is "chronic and rising" and "poverty has been unresponsive to economic growth" despite significant improvements in GDP. (pg. 60)

2. Given *Caplan's* title, what is the *conspiracy* against Africa? Who does *Caplan* implicate in this conspiracy?

"rather than being the solution to Africa's plight, Westerners are a very substantial part of the problem and have been for centuries." (pg. 61)

- a. impacts of slave trade, imperialism, colonization" and decolonization. (pg. 61, 62)
- b. "colonies had one purpose only – to serve the interests of the metropole." (pg. 63 dependency theory)
- c. international economic "structures that drained Africa's wealth and resources to the rich world." (pg. 63)
- d. "new African elite and western governments, corporations and new international financial institutions" continue to exploit under a new imperialism. (pg. 63)

3. What is *Caplan* suggesting by the quote, "*we give, they take, we're active and entrepreneurial, they're passive and dependent. We help, they're helpless.*"

contradiction between the realities of the global trade regime and international financial system and the popular political and economic mantra "African solutions for African problems." (pg. 67)

4. *Caplan* discusses the *distortion of historical reality* that plagues many peoples' perceptions of Africa. How does this play into *Caplan's* explanation of the current economic state of many African nations?

"the dark continent"

transatlantic slave trade

imperialism/colonialism

5. How has the *arbitrary divide* of Africa contributed to the stark economic reality in many African nations?

"it's always been Africa's bad luck that it has no Africa of its own to exploit." (pg. 67)

#### WEST'S CURRENT INVOLVEMENT

- a. the west props up tyrannical and rogue governments (pg. 64)
- b. the west actively intervenes in conflicts by bolstering and arming tyrannical regimes (pg.64)
- c. "western commercial and financial activities are overwhelmingly exploitive and destructive." (pg. 64)
- d. "Africa subsidizes the wealthy economies of the world through a net transfer of wealth in the form of payments for illegitimate debts." (pg. 64 Africa Action Report)
- e. "capital flight is far greater." (pg. 64)
- f. "overseas drain of national wealth" and "net loss of wealth."(pg. 64)
- g. "loss of sovereignty to introduce policies that would significantly direct or alter its own destiny." (pg. 64)

6. What is meant by *new imperialism*?

"governments must either implement the demonstrably failed policies of the IMF and WB or forfeit aid, loans, debt relief and general international acceptance." (pg. 64 NEW IMPERIALISM)

7. Explain the characterization of the IMF as the *infant mortality fund*.

J. Sachs quote, "the IMF routinely works with the finance ministers of impoverished countries to set budget ceilings on health, education, water, sanitation, agricultural infrastructure and other basic needs, in the full knowledge that the consequence is mass suffering and death." (pg. 64)

8. How does *Joseph Stiglitz* (a celebrity economist) characterize the IMF? What specific criticisms of the IMF does *Caplan* offer?

J. Stiglitz (former VP of WB) calls it market fundamentalism – extreme free market ideology of the IMF and WB, whose policies are imposed / backed by western governments.

9. A series of paintings accompany the written words in this article. What do they add to *Caplan's* overall message? Are the same themes evident in the paintings or do they differ? How do the paintings add legitimacy to *Caplan's* ideas?

10. Directly link any 2 of the 5 pillars of the *Neoliberal Model* to a term, concept, quote, or example in *Caplan's* article or *Chéri Samba's* paintings. Explain the links.

a. IMF and WB policies failed to grow African economies and increased the poverty and wealth divide (pg. 64)

b. "deliberately severe austerity programs." (pg. 64)

c. "western financiers offered generous loans to African lenders and interest rates rose leading to a debt crisis" and this "led to an enormous outflow of scarce capital," for example, sub-Saharan Africa received 294 B in loans, paid out 268 B in interest payments and yet still owed 210 B." (pg. 65 UNCTAD 2005)

d. "to remain eligible for debt relief, all countries must comply with the same free market policies that have already damaged Africa so brutally." (pg. 65)

e. the “resource curse” – 3% world share of FDI, and all goes to extractive industries (oil, minerals & timber) that does not amount to true investment. (pg. 65)

f. major foreign companies pay little-to-no-taxes, increase corruption via bribery, build no lasting infrastructure, pay starvation wages and destabilize communities through investment. (pg. 65)

g. “at every step Africa finds itself the victim of double standards, the continent is routinely forced to play by the rules of free trade though the west ignore these rules at will.” (pg. 66)

h. “sub-Saharan Africa is 272 B worse off thanks to the free trade policies forced on it as a condition of receiving western money.” (pg. 66 Christian Aid)

i. OECD countries spend 1 B / day on agricultural subsidies, allowing them to flood Africa with commodities at lower prices than African producers to gain a foothold in western markets.” (pg. 66)

j. “the pattern has been the same elsewhere, poor African countries lose substantial and sustainable local industries as they are forced to open their markets to cheap imports.” (pg. 66)

k. “meagre aid, phantom aid, tied aid and pilfered aid by recipient governments distorts the reality of Western and African relations and clearly benefits the private sector of developed donor nations. (pg. 67)

l. “since NEPAD (New Partnership for Africa’s Development) policies rest on discredited neo-liberal assumptions about growth & development, it is likely to fail. (pg. 67)

m. “it’s always been Africa’s bad luck that it has no Africa of its own to exploit.” (pg. 67)

Best hopes –

- a. emergence of political democracy.
- b. emergence of local civil society groups.
- c. “if west [does not] radically change its role few positive results can be expected.” (pg. 68)
- d. “the evidence from success stories beyond Africa tell us that rejecting the dogmas and programs that the WB & IMF unilaterally impose on poor countries is a sin qua non of successful development and poverty reduction.” (pg. 68)
- e. “if the west were truly serious about helping Africa, it would not use the WTO as a tool of the richest against the poorest.” (pg. 68)
- f. stop “dumping its surplus food & clothing on African countries.” (pg. 68)
- g. stop “insisting on growth without redistribution.” (pg. 68)
- h. stop tolerating “tax havens and the massive tax evasion they facilitate.” (pg 68)
- i. stop stripping “Africa of its non-renewable resources without paying a fair price.” (pg. 68)
- j. stop charging “prohibitive prices for medicines.” (pg. 68)
- k. “until we face up honestly to the West’s relationship with Africa, until we acknowledge our culpability and complicity in the African mess, until then we will continue to impose policies that actually make the mess even worse. (pg. 69)