

# Africa May Face 'Centuries' of Poverty

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**Extreme poverty will continue to blight sub-Saharan Africa for another 200 years unless action to overcome it is intensified, a new report has suggested.**

Social Watch, a network of campaigning groups, has devised a measure known as the *basic capabilities index* to assess the level of hardship throughout the world.

Its latest report finds that 80 countries -- home to half the world's population -- fare badly when three criteria are examined: the number of children who die before their fifth birthday, the proportion of children who complete primary education, and the proportion of births that are attended by trained midwives or other medical professionals.

Only 16 of these countries have registered considerable improvement since 2000. Although the countries making progress include India, home to 1.6 billion, regression has been recorded in others with a combined population of 150 million. The latter category includes Chad, Niger, Malawi, Benin and Yemen, while Bangladesh, Uganda, Nigeria, Madagascar and Ghana have been listed as stagnant.

While much of sub-Saharan Africa has recorded strong economic growth in recent years, this has not translated into a major drop in poverty levels. As things stand, the basic needs of millions of Africans will not be met until the 23rd century, with many governments struggling to fulfil pledges they have made. Zambia, for example, has undertaken to provide free basic health care for all citizens, yet continues to have one of the lowest rates of life expectancy on the planet.

Roberto Bissio, coordinator of Social Watch, predicted that the crisis which gripped international capitalism during 2008 will complicate matters further. *Poor countries are very likely going to suffer quite heavily from a crisis which they did not at all create*, he said, indicating that crucial sources of money such as remittances from migrants overseas will probably decline.

Bissio argued that one of the most appropriate responses of governments would be to develop a more coherent response to the fulfilment of human rights, particularly those with an economic and social dimension.

Over the past twenty years, he said, international bodies have been eager to promote the 'rights' of corporations to establish themselves anywhere in the world, forbidding poor countries to *impose on them conditions that contribute to the development of host countries*.

Lax investment rules have often meant that major companies pay little tax to the authorities in countries where they operate.

According to the World Bank up to 800 billion dollars in untaxed capital leaves poor countries or economies in transition each year. This dwarfs the 100 billion dollars that such countries receive in annual development aid.

The Tax Justice Network has argued that an international system for exchanging information on how much tax is paid by corporations should be established. The European Union already has such a scheme in place for its 27 member states, but with significant loopholes. Europeans wishing to hide money from the tax authorities can simply hide it in such havens as Singapore, for example.

Ana Gomes, a Portuguese Socialist member of the European Parliament, complained that Britain's centre-left government has been resisting efforts to crack down on tax havens in order to protect the City of London, the financial district of London. She argued that forthcoming discussions on reforming the world economy, such as meetings of the G20 group of the world's leading economies, must grapple with the surrounding problems.

*Tax havens are a source of inequality, she added. There is no way that the rules (of international finance) are going to be rewritten in a sensible way if tax havens are not banished.*

Reed Brody, a campaigner with Human Rights Watch, said it was *astounding* that 60 percent of the world's countries have made no progress in recent years in expanding female access to education. He called for increased investment in the realisation of basic entitlements as part of a *human rights stimulus package*.

*When you free women from the discrimination and poor health that they face in their daily lives, you unleash the powers of half of humanity to contribute to economic growth, he said.*

Simon Stocker from Eurostep, an alliance of anti-poverty groups, said that the EU's development aid activities pay greater heed to investment opportunities for western firms in poor countries than to health and education needs. Of 70 aid plans drawn up by EU officials for Africa, the Caribbean and the Pacific, health and education have been identified as priorities in less than 10 cases each.

*Partly because the European Union is itself built around an economically liberalised approach to development, this is automatically being exported (in its aid activities), he said. It looks more as if the European Union is promoting its own trade interests rather than the economic development of (aid recipient) countries themselves.*