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THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS

THE REALIZATION OF THE RIGHT TO DEVELOPMENT

Written statement submitted by the American Association of Jurists, a non-governmental organization in special consultative status

The Secretary-General has received the following written statement, which is circulated in accordance with Economic and Social Council resolution 1996/31.

[17 June 1999]

THE REALIZATION OF ECONOMIC, SOCIAL AND CULTURAL RIGHTS

Obstacles to the realization of the right to development on the African continent

1. At the outset of the crisis Africa was the least industrialized continent in terms of both industrial production and industrial structure. This low level of industrialization is the most visible heritage of colonialism. Both during the period of the Great Depression and during the Second World War, colonial policies prevented Africa from beginning the process of import substitution which was able to develop in other parts of the Third World such as Latin America. Thus Africa has remained extremely vulnerable to external factors.

2. By the end of the 1970s many African countries had achieved progress in both the economic and social fields. However, the subordination of the dominant elites in the majority of African countries to neo-colonial powers led to a gradual deterioration of economic and social conditions over a large part of the continent; that deterioration was aggravated during the 1980s by the structural adjustment policies imposed by the IMF.

3. For instance, in Uganda the real minimum wage fell from a base 100 in 1972 to only 9 in 1984; in other words, it had fallen by more than nine tenths. In 1972, the purchase of food for a family took up 60 per cent of real earnings; but by 1984, 450 per cent of real earnings was needed for the same purpose. In non-statistical terms, this means that people were going hungry. [1] The same source gives various examples of Ugandan industries which are totally dependent on foreign sources for raw materials, manufacturing systems, machinery and even packaging. Just one example is quoted here. Mukisa Biscuits operated during the 1950s using local raw materials. In 1982 it was reconstructed with UNDP funds and the technical advice of UNIDO. Now that it has been reconstructed with the aid of the two United Nations agencies mentioned, Mukisa Biscuits only uses local water to boil imported raw materials; it uses foreign moulds to shape its products; and it packs them in imported paper and boxes.

4. Like the majority of African countries, Uganda has to remit abroad much more than it receives as loans or for its exports. In 1992, external debt amounted to the equivalent of 100.1 per cent of GNP in Africa as a whole and 108.1 per cent in sub-Saharan Africa. In 10 years Africa's indebtedness as a proportion of GNP doubled. [2] During the period 1965-1980 the average GDP growth rate in sub-Saharan Africa was 5.6 per cent; during the period 1980-1986 it was nil. [3]

5. The UNICEF document entitled “L'Afrique vers la reprise économique” points out that at the end of the decade the IMF and the World Bank became net beneficiaries of resources coming from Africa and were thus in the abnormal situation of undermining the financial viability of their own structural adjustment policies. [4] The same document pointed out that Africa was “in urgent need of a different development strategy” (page 9).

6. The seventh session of the United Nations Conference on Trade and Development (UNCTAD), held in 1987, forecast the development of tragic situations similar to that existing in Rwanda unless economic and social orientations in the countries crushed by debt and adjustment policies were changed rapidly.

7. Another factor making for the impoverishment of the African countries was the fall in the prices of their export products. For instance, the price of coffee, which made up 77 per cent of Rwanda's exports, fell by almost 50 per cent in the space of a few years.

8. One blow to the levels of living of a number of African peoples was the devaluation of the CFA franc. That devaluation, which was imposed by the IMF and accepted by the Governments concerned, seriously affected the basic consumption patterns of the population, since many of those countries have become importers of food as a result of the disappearance of their traditional production structures. Certainly the victims of the devaluation were not consulted. The ILO Eighth African Regional Conference (Mauritius, 19-26 January 1994) expressed “alarm at the dramatic effects of the devaluation on the living standards of the population including millions of workers and their families, many of whom have already suffered severe cuts in their real income and purchasing power”. [5]

9. In contrast, the IMF stated its satisfaction at the initial results of the devaluation of the CFA franc. It observed that during the first 9 months of 1994 the CFA franc lost about 33 per cent of its real value - a figure roughly in line with forecasts. Wage costs - another barometer of competitiveness - fell by about 40 per cent. The IMF recommended that, to consolidate the progress made, Governments should exercise stricter control of public expenditure, pursue a prudent wage policy and liberalize the price-setting mechanisms, the labour market and foreign trade. [6] In other words, the IMF approved of the 40 per cent drop in the real earnings of workers in French-speaking Africa in the space of a few months and encouraged the Governments concerned to “consolidate the progress made”.

10. According to the United Nations World Economic Survey, in 1992 Africa as a whole suffered an outflow of resources of US$ 1,600 million. This situation did not prevent the present United States Secretary of the Treasury, Mr. Lawrence Summers, from stating, referring to Africa, that “the world cannot maintain forever the current level of aid”. [7]

11. Mr. Summers acquired a measure of notoriety when, as chief economist at the World Bank, he proposed in an internal memorandum that the Bank should promote the export of contaminating industries to the Third World, adding that the dumping of toxic waste in the lowest-income countries was a matter of impeccable economic logic, since the life of an inhabitant of the Third World, in terms of life expectancy and per capita income, was worth much less than that of an inhabitant of a developed country. [8]

12. The objectives of transnational capital in Africa were clearly expressed by Mr George Moose, at the time United States Under-Secretary of State for African Affairs, in a speech to the United States Senate as follows: "We must ensure our access to the immense natural resources of Africa". [9]

13. The dramatic events taking place in Africa - civil wars, interethnic fighting, large-scale population displacements and famine - can to a considerable extent be attributed to these policies of the great powers, transnational enterprises and the Bretton Woods bodies.

14. For example, in Rwanda the average rate of economic growth over the period 1980-1991 was negative (-2.4 per cent); the infantile mortality rate is over 110 per thousand; and in 1990 the proportion of doctors in the population was the lowest in the world - 1 doctor for every 72,990 inhabitants - an even lower ratio than in 1970 (World Bank, World Development Report 1993). Between 1980 and 1991 the external debt of Rwanda rose from 103 per cent of its exports to 591 per cent (World Bank, World Development Report 1993, Table 24).

15. The annual rate of deforestation in Rwanda between 1981 and 1985 was 2.3 per cent (one of the highest in the world). In Africa generally forests have been felled to provide exotic wood for the markets of the so-called civilized countries. It is estimated that between 1930 and 1970 between 25 and 30 per cent of Africa's rain forests were destroyed. Particularly during the most recent decades, this high rate of deforestation, with catastrophic ecological consequences (drought and erosion), is to a considerable extent due to the conversion of forests into land for the cultivation of export crops in a desperate attempt to obtain foreign currency for debt service. [10]

16. The "ideas" of Mr. Summers and the policies of the IMF, the World Bank, transnational enterprises and the great powers in Africa might be described in Hitlerian terms as the "final solution" of the African problem.

Notes

1.Mahmood Mandani, "Uganda: contradictions in the IMF programme and perspective", in The IMF and the South, The Social Impact of Crisis and Adjustment (Dharam Ghai, ed.), UNRISD, 1991.

2.United Nations, World Economic Survey 1993, Tables A.35 and A.36.

3.Thandika Mkandawire, "Crisis and adjustment in sub-Saharan Africa", in Dharam Ghai, op.cit.

4.UNICEF, "L'Afrique vers la reprise économique" (summary published in 1992), p. 32.

5.ILO Governing Body document GB.259/4/7, March 1994, p. 25.

6.Jean Clément, assistant to the Director of the African Department of the IMF, "Bilan après la dévaluation du franc CFA", in Finance and Development (quarterly publication of the World Bank and the IMF), June 1995.

7.United Nations, Africa Recovery, Vol. 7, No. 1, June 1993, p. 3.

8.The Economist, 15-21 February 1992.

9.Le Monde Diplomatique, July 1993.

10.Solon Barraclough and Krishna Guimire, “The social dynamics of deforestation in developing countries”, UNRISD discussion paper No. 16, 1990.

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