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Africa's Immiserization and Declining Development Interventions in a Globalizing World

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Abstract

African countries recorded impressive growth rates in the 1960s and 1970s. However, the global economic crisis of the 1980s dealt a severe anti-developmental blow on African countries. Eventually, African countries embarked on widespread liberalization of their economies following intense pressures from Bretton Wood institutions. This paper explores the notion that globalization have engendered the immiserization (a term used by Karl Marx to indicate increasing misery or depth of poverty) of African countries on the one hand and resulted in a sustained decline in the resources available for development interventions on the other hand. To get out from the underdevelopment quagmire, some specific directions were proffered for the development of African countries and these must of necessity include structural changes that encompass spiritual, economic, social, political, institutional, attitudinal, cultural and ideological transformations.

Keywords: Africa, immiserization, development interventions, globalization

1. Introduction

Knowing that poverty anywhere is a threat to prosperity everywhere, the independent African States in the 1950s and 1960s placed emphasis on achieving a high rate of economic growth in other to alleviate poverty and improve the average living standard of their people. The growth strategy implicitly assumed that rising national income will 'trickle' down to the masses in the form of jobs and other economic opportunities or create the necessary conditions for the wider distribution of the economic and social gains of growth. However, the above approach failed to achieve its target and this led to the re-conceptualization of economic development in late 1960s and 1970s as transcending mere increases in gross national product (GNP) to include changes in socio-economic structures, reduction of unemployment, a more even distribution of income and the eradication of absolute and mass poverty (Todaro, 1977).

However, just as the problem of severe poverty seems to be gradually abating in the 'golden' decade of development – 1970s, then came the early 1980s with global economic recession and the accompanying mounting debt problems of African countries. This situation provided the much needed opportunity for the Bretton Wood institutions, namely, the International Monetary Fund (IMF) and the World Bank, to use the instruments of loan disbursement and debt re-scheduling conditionality to 'forcefully' get African nations to embark on maximum liberalization of their fragile economies through the imposition of structural adjustment programmes, and this in turn, greatly accelerated the pace of economic globalization (Khor 2000). Maximum liberalization of the economies of African countries implied a withdrawal of government or state from the economy and economic-policy making, which invariably led to drastic reduction in development interventions and the exacerbation of the poverty problem.

Therefore, the basic objective of this paper is to explore the notion that accelerated economic globalization has resulted in the immiserization (increasing misery or poverty) of African countries on the one hand and declining financial resources for development interventions on the other hand. Thus, the above dual effects of globalization on African economies appear to be two irreconcilable divergent positions. Suffice to mention here that the concept of immiserization of the proletariat (see Hunt and Sherman, 1975) employed in this study is based on the work of Karl Marx who argued in his famous "doctrine of increasing misery" that the conditions of labour (in our sense, African countries) would worsen relative to the affluence of the capitalists (in our sense, the global capitalists powers located mainly in Western Europe and North America) as average income increases.

The paper is organized into several parts as indicated below. Following the introduction, section two is centred on the review of theoretical and conceptual issues while section three dwell on the immiserization of African countries in a globalizing world and section four focuses on the evidence of declining development interventions in a globalizing world. Section five attempts at providing some directions for Africa's development and section six provides a summary and conclusion of the paper.

2. Brief Review of Theoretical and Conceptual Literature

To place subsequent discussions in a proper perspective, the concepts of poverty, development and globalization are briefly reviewed.

2.1 Concept of Poverty

Ajakaiye and Adeyeye (2001) pointed out that a concise and universally accepted definition of poverty is elusive principally because it affects many aspects of the human conditions. However, Olaide and Essang (1975) averred that the income-based definition of poverty remains the best approach. Todaro (1977) posited that absolute poverty could be defined as the number of people living below a specified minimum level of subsistence income necessary to secure the bare essentials of food, clothing and shelter – a kind of international poverty line.

The World Bank (1983) towed a similar line but distinguished absolute poverty from relative poverty. In the main, the absolutely poor refer to people whose income is too low to afford an " adequate" diet. The relatively poor are more simply defined as those with incomes below one third of the national average. Nwosu (2000) conceptualized severe poverty as a direct consequence of unmet basic human needs and basic human rights. He defined basic human needs as the mainly biophysical requirements for maintaining life, namely the amount of food, clean water, adequate shelter, access to health services, educational opportunity to which every person is entitled by virtue of being born.

The World Bank (2002) indicates that poverty is a multi-faceted concept and the dimensions include:

- Lack of opportunity; this is related to low level and distribution of human capital as
- well as social and physical assets.
- Low capabilities; little or no improvements in health and education indicators among a particular socio-economic group.
- Low level of security; exposure to risk and income shocks that may arise at the national, local, household, or individual levels.
- Empowerment; the ability of the poor to participate in, negotiate with, change, and hold accountable institutions that affect their well being.

Sen (1981) presented the entitlement approach in analyzing and understanding the issues of starvation, famine and general poverty. Poverty is directly related to the ownership bundles possessed by individuals. A person's ownership bundle consists of all assets owned including labour power, and this in turn determines his exchange entitlement, that is, the set of all the alternative bundles of commodities that he can acquire in exchange of what he owns. Thus, a person will be exposed to starvation if, for the ownership that he actually has, the exchange entitlement set does not contain any feasible bundle including enough food.

2.2 Views on Development

Todaro (1977), following the approach of Professor Seers in 1969, reformulated and broadened the questions about the meaning of development as follows:

i. Have general levels of living expanded within a nation to the extent that absolute poverty (that is, deprivation from life-sustaining goods), the degree of inequality in income distribution, the level of employment and the nature and quality of education, health, and other social and cultural services have all improved?

ii. Has economic progress enhanced individual and group esteem both internally *vis- a vis* one another? And externally *vis- a vis* other nations and regions?

iii. Finally, has economic progress expanded the range of human choice and freed people from external dependence and internal servitude to other men and institutions, or has it merely substituted one form of dependence (e.g. economic) for another (e.g. political or cultural) ?"

If the answer to each of the above three questions is positive, then clearly these phenomena constitute real development.

Sundrum (1983) viewed development as transcending a rise in income to include changes in the modes of economic behaviour of individuals in their production activities and economic relationship. Thus, if all government interventions are removed from all spheres of economic and social life, and the full enthronement of market forces is permitted, coupled with massive injection of capital/productive resources as neo-classical economists would prescribe, the less developed countries would still fail to developed and produce rapid increases in national income, primarily because they lack the requisite modernization ideals.

Nwosu (2000) averred that human development is the process whereby economic and non-economic factors interact organically with one another to realize man's creative potential and enhance his overall or integral personality, as well as that of his social, cultural, political and physical environment. Embedded in the non-economic factors or intangible elements are structural changes that promote development.

The South Commission (1990) summed up development as a process of self-reliant growth achieved through the participation of people acting in their own interest as they see them, and under their own control. Its first objective must be to end poverty, provide productive employment, and satisfy the basic needs of all the people, any surplus being fairly shared. This implies that basic goods and services such as food and shelter, basic education and health facilities, and clean water must be accessible to all.

2.3 Globalization and African Countries

Economic globalization refers to the increasing integration of economies around the world through the reduction of barriers to trade, migration, capital flows, technology transfer and direct investment (Uwatt 2004).

Nwosu (2000), in a particularly incisive and pungent attack on the western globalization process observed that the most important causative factors propelling globalization is the bursting production capacity of the advanced capitalist economies attributable to their unjust control of world resources, inequitable modus operandi of international economic relations and the intense explosion in scientific technologic knowledge and skills in the West. With no other way out to release this immense production potential that is tied so much to their prosperity and power, decided to psycho-politically and socio-economically annex the whole world as market, and as a continuing source of resource inputs (raw materials) and, using their tremendous information technology and the democratization and free market appeal, to subdue the entire world under the hysterical drum-beat of a supposedly impending colossal economic well-being of all humanity, provided that everyone and every country provide them with thorough fare and the license to do what they like with everyone and with every nation.

Adei (2004) avers that globalization, whether seen in terms of internationalization, liberalization, universalization, westernization or deterritorization, is irreversible. It is a major reconfiguration of the social geography of the world, with implications for economic advancement or marginalization; global security and insecurity; justice and injustice, democracy or dominance.

Kolodko (2004) added his voice to the variegated views on globalization. To him, globalization implies growing liberalization, which is followed by integration of the markets for capital, for goods, technology and labour. This would create new trends, risks, new opportunities, and possibilities, and as such there is the need for every nation's leaders, intellectuals, businessmen to take advantage of the chances or to be exposed to the risks, noting that some countries are in a better position to reap from globalization because of the legacy from the past, because of the culture component and because of the geo-political position.

The most important route by which globalization unleashes its deleterious and immiserizing impact on African countries is the globalization of national policies and policy-making mechanisms. National policies in economic, social, cultural and technological spheres that until recently were under the control of sovereign African nations have increasingly come under the influence of the World Bank, the International Monetary Fund (IMF), the

World Trade Organization (WTO) and the transnational corporations as well as other big economic/financial players such as the Organization for Economic Cooperation and Development (OECD) and the Paris Club of Creditors (see Koh, 2000). Indeed most developing countries have witnessed the erosion of their independent policy-making capacity and have been 'forced' to implement policies made by other entities, which may on the balance be detrimental to the countries concerned.

As Koh (2000) pointed out, transnational and financial institutions control such huge resources, more than what most governments are able to marshal, that they are thus able to have great policy influence in many countries. In particular, the World Bank and IMF wield tremendous authority on African countries through loan and debt rescheduling conditionality which requires these nations to adopt structural adjustment programmes (SAPs) mainly drawn up by the Bretton Woods institutions. SAPs cover macroeconomic policies, social policies and structural issues which together ultimately constitutes the main driving force of African countries towards liberalization, privatization, deregulation and a withdrawal of national governments from socio-economic activities directed at poverty eradication. Furthermore, the WTO greatly compounds the economic problems of developing countries by compelling them to implement unequal trade treaties that are weighted against their interest. Non-compliance with WTO agreements can result in trade sanctions being taken against a county's export.

3. The Immiserization of African Countries in a Globalizing World

A global overview of the world economic performance indicates that most developing countries have been sidelined. For instance, in 1950, the average income of the 20% of people living in the richest countries was 30 times higher than that of the 20% living in the poorest countries (mostly in Africa). By 1989, this ratio had doubled to 60 times.

Additionally, Khor (2000) observes that the Human Development Report 1996, in reviewing the economic performance of developing countries, noted that only 15 countries have enjoyed high growth, while 89 countries were worse off economically than they were 10 or more years earlier. In 70 developing countries, the present levels were less than in the 1960s and 1970s. Since 1980, economic decline for most part of the developing world has lasted far longer and gone deeper than during the Great Depression of the 1930s. In some cases, people are poorer than 30 years ago, with little hope of rapid improvement.

The World Bank (2005) observes that the population living on less than \$1 a day in sub-Saharan Africa increased from 227 million in 1990 to 313 million in 2001 and is projected to rise to 340 million in 2015. In all other regions of the developing world, the population living below \$1 per day is projected to fall. For instance, in East Asia and the Pacific, the population of the poor actually fell from 472 million in 1990 to 271 million in 2001 and is expected to fall to 19 million in 2015. South Asia achieved a real decline from 462 million to 431 million in 2001 and the expected figure for 2015 is 216 million while China's poor population declined significantly from 375 million in 1990 to 212 million in 2001 and is projected to reached 16 million in 2015.

The World Bank (2010) employed a different international poverty line to evaluate poverty in sub-Saharan Africa. It asserts that the number of poor people living on less than \$1.25 (not \$1) a day in sub-Saharan Africa actually rose from 296 million in 1990 to 388 million in 2005 but for almost all other regions, the trend has declined. Thus, regardless of the measuring yardstick employed, the story has remained pathetic and distressing for sub-Saharan Africa.

Some selected comparative socio-economic indicators for African countries and developed nations are hereby considered.

3.1 GNP Per Capita

Table 1 at the end of this paper provides illustrative data showing the change in GNP per capita between 1990 and 1999. The decade corresponds to the period of unprecedented liberalization and structural adjustment programmes in African countries.

Among the African countries only Benin, Chad and Nigeria recorded marginal increases in income per capita, while the others suffered an outright decline or stagnation. Cameroon was worst hit with a colossal 40% decline in income per capita. On the contrary, all the advanced nations had a field day with income increases (as high as 41% in the case of the United Kingdom). The gap between the world's richest nation, Japan (in term of per capita income in the above table) and the poorest African nation is obvious. In 1990, Japan had almost one hundred and thirty four (134) times the per capita income of Chad while in 1999, the gap further widened to one hundred and sixty one (161) times.

3.2 GDP Per Capita, PPP (Constant 2007 International $)

The poverty and backwardness of African countries is further illustrated when consideration is given to the trend of real per capita gross domestic product (GDP) adjusted for the differing purchasing power parity (PPP) of each country's currency to reflect the cost of living. The data for some African countries and developed nations are shown in Table 2 for the period 1980 to 2007. In general, the GDP per capita of all the African countries declined between 1980 and 2007, except for Nigeria, Chad, Burkina Faso and Gambia. Only Burkina Faso maintained a sustained rise without suffering any dip in the years under consideration.

Using the PPP equivalent, Japan's per capita income was 24 times that of Chad in 1980 but only 23 times in 2007 – a gap that is still considered too wide.

3.3 Inequality

Apart from per capita income disparities, globalization is also associated with regional and within country inequality. A key element of the current globalization agenda is the continued implementation of structural adjustment programmes and other related macroeconomic policies which ultimately enhance the income share of comprador groups/elites to the detriment of the poor masses in many African countries. Table 3 shows the pattern of income distribution among some African countries.

The top quintile enjoys the highest income share, ranging from 41.7% in Ghana to as high as 55.70% in Nigeria. The lowest 40% of the population in both Nigeria and Niger became poorer, while the income share accruing to the top 20% increased in Nigeria, Niger, Zambia and Cote d'Ivoire. It declined in both Ghana and Guinea. The case of Nigeria is particularly repulsive as the richest quintile enhanced their income shares at the expense of the remaining 80% of the population. Besides, according to O'Rourke in Uwatt (2004), the inequality gap – the ratio of the income earned by the income quintile to the income earned by the bottom quintile – increased for African countries from 9.6 in the 1980s to 12.9 in the 1990s. Additionally, the author's calculation based on data from UNDP (2009a) shows that for the fifteen African countries in Table 4 (excluding Eritrea), the inequality gap rose to 13.1 in 2007 (when the richest 10% is compared to the poorest 10% of the population).

3.4 Social Indicators (Health)

The health variable is a key factor influencing the level of human capital. There are several indicators for measuring the health status of nations, and this in turn provides some insight as to whether a country is poor or not. The indicator employed in this paper is the life expectancy at birth, that is, longevity. Table 4 presents comparative data for a number of sub-Saharan African countries and industrially advanced nations. The life expectancy at birth declined absolutely for Zambia and Central African Republic between 1980 and 2010 while other African countries recorded marginal to modest increases.

However, the African nation with the highest life expectancy of 55.663 years in 1980 (Cote d'Ivoire) is no match for the developed countries' minimum of 73.382 years (United Kingdom). Similar reasoning applies to other time periods (see Table 4).

Moreover, according to figures presented in the UNDP (2009a), the probability of not surviving up to 40 years is still very high for many African countries, especially for those below the Sahara. For instance, the following data shows the percentage of the population not likely to reach 40 years in some sub-Saharan African countries: Botswana (31.2%), Namibia (21.2%), Angola (38.5%), Cameroon (34.2%), Nigeria (37.4%), Zambia (42.9%), Benin (19.2%), Togo (18.6%) and Ghana (25.8%). To illustrate the development gap in respect to some other countries, some comparative statistics is given below: Singapore (1.6%), Israel (1.9%), and Poland (2.9%). The figures for the industrially advanced countries in Western Europe and North America are all below 1.6%.

3.5 Social Indicators (Education)

Sound education, both in qualitative and quantitative terms, is another vital component required for human capital development. Unfortunately, sub-Saharan Africa lags behind other regions of the world. From Table 5, the adult population's mean years of schooling is very low for African countries. The case of Burkina Faso, Chad and Niger is particularly worrisome as the average years of schooling are less than two. Compared to the United States, United Kingdom and Japan, the immiserization of African countries is obvious as the mean years of schooling in these countries range from 9.4 to 12.4 years.

Furthermore, the bottom position of the human development index (HDI) seems permanently reserved for sub-Saharan African countries which have consistently made up about 95% of nations with low human development index since the United Nations commenced the computation of HDI two decades ago. All these facts points to the increasing immiserization of African countries in a **rapidly** globalizing world of survival of the fittest.

4. Evidence of Declining Development Interventions in Africa

There has been a massive net outflow of resources from the South to the North by way of debt servicing with the resulting substantial decline in the volume of resources for development interventions in the areas such as improved health, education, food subsidy, infrastructure and other aspects of poverty reduction. Some countries in Sub-Saharan Africa, for many years, spent up to 25% or 30% of their annual budgets servicing debts, thereby leaving little or nothing to pursue growth and developmental aspirations.

It has been pointed out by Ajayi in Uwatt (2004) that trade remains the main vehicle or means for Africa's participation in, and full integration into the global economy. Unfortunately, the terms of trade of primary commodities (where African have comparative advantage) have been falling continually against manufactured goods, with many African countries suffering tremendous losses. This trend constrained foreign exchange earnings required to embark on development interventions geared towards reducing widespread poverty.

According to the UN in Khor (2000), the term of trade of non-fuel commodities in comparison to manufactures fell from 147 in 1980 to 100 in 1985, to 80 in 1990 and 71 in 1992. This sharp 52% falls in the terms of trade between 1980 and 1992 had catastrophic effects. For Sub-Saharan Africa, a 28% fall in the term of trade between 1980 and 1989 led to an income loss of $16 billion in 1989 alone. In the four years 1986-1989, Sub-Saharan Africa suffered a $56 billion income loss or 15 - 16% of GDP in 1987 - 1989. In the 1990s, the general level of commodity prices fell even more in relation to manufactures than in the 1980s. The income losses from falling terms of trade probably constitute the largest single mechanism by which real economic resources are transferred from Africa to the developed countries. These losses adversely affect the sustainable development prospects of Africa.

The United Nation's Trade and Development Report (2009) avers that since 2002 there has been a boom in the prices of primary commodities, including broad categories such as food and tropical beverages, vegetable oilseeds and oils, agricultural raw materials, minerals, ores and metals and crude petroleum . However, this salutary scenario for Africa and other developing countries came to an end in mid-2008 when it was truncated by the global economic crisis. Todaro and Smith (2009) observes that sub-Saharan African countries must still depend on non-mineral primary-product exports for a relatively large fraction of their foreign exchange earnings, which is a serious problem that carries with it a high degree of risk and uncertainty. Despite the positive annual percentage changes in primary-product export prices between 2002 and 2008, the long-term trend for prices of primary goods is downward and the current real price level is below what was obtained between 1960 and 1990.

Due to the structural adjustment policies forced on African countries in 1980s and 1990s as conditionality for loan disbursement and debt rescheduling, the proportion of government expenditure devoted to health fell in most countries of Sub-Saharan Africa in 1980s. According to UNICEF (in the South Commission, 1990), in the thirty-seven poorest nations of the world (mostly in Africa), spending per head on health care was cut by nearly 50%, and on education by nearly 25% in that decade. At a time when the poor were suffering an already substantial drop in income, governments scrapped or sharply reduced, in the name of resource efficiency, food subsidies and other selective distributional measures. The implementation of adjustment policies accentuated the mal-distribution of income within developing countries. These inimical fiscal targets necessitated increase in medical charges, school fees, etc. in desperately poor countries, promoting school dropout, more deaths, and unskilled and consequently cheap labour. Furthermore, fiscal contraction was responsible for a waste of resources in the form of increased unemployment, and under-use of productive capacity. Thus, the massive lay-off in economies where government is the dominant player promoted social unrest, and crime, both negating new investment.

As a result of pressures from the International Monetary Fund (IMF) and the World Bank, African countries embarked on maximum liberalization of import very quickly, leading to massive importation of consumer goods with high profit margins as opposed to producer goods essential for the smooth running of the economy. The usual action in this circumstance is to embark on a larger devaluation that would have been otherwise unnecessary. Outrageous exchange rates are detrimental to development. A country like Tanzania who dutifully implemented IMF's SAP, has devalued its currency to the extent that by 1998, it is now 1500% less than it was in 1985. The number of people now qualified as poor has risen to over 50% (Khor op cit). Additionally, the reduction/elimination of tariffs punished local producer, allowed for dumping of imports, thereby promoting massive layoffs (for instance, in the Nigerian textile industry) and social instability.

The structural adjustment package fostered on African countries by multilateral finance institutions led to the privatization of 'commanding heights' in their economies (see Nwosu 2000). According to Aimiuwu (2004), equity liberalization or privatization of government assets is insensitive to the country's stage of development, by promoting the off-loading of a nation's assets, often to rogue officials, in a process of bandit capitalism. This has further reduced the economic opportunities available to the poor.

5. Directions for African Development

Based on the issues discussed in this paper, the way forward for Africa countries includes the following:

- There is the need for African leaders and policy makers to imbibe or internalize the virtues associated with non-economic factors of development. The absence of these intangible elements has been a principal cause of backwardness in Africa. These non-economic factors include structural changes such as spiritual, social, political, educational, institutional, attitudinal, cultural and ideological transformations. The copious deficiency in this regard is the cause of widespread corruption and embezzlement of foreign loans, which in turn led to substantial liberalization of African economies. Various countries have achieved these transformations through different routes. Examples include the protestant ethics that helped in transforming Europe in the nineteenth century. Tough judicial approaches are in force in countries such as China, where corruption carries the death penalty with the law having no respect of persons. In Ghana, Jerry Rawlings employed the violent approach to sanitize the Ghanaian society.

- A broad – based industrialization that is export-oriented is a *sine qua non* for winning the globalization game. African countries must be able to progress along the industrial pathway by first of all, going through the first stage of import substitution industrialization whereby non-durable consumer goods are produce in sufficient quantity to meet the needs of the population and as such obviate the need for massive importation. Thereafter, we must proceed to the second stage of import substitution industrialization, during which we turn to the exportation of manufactured goods, and the domestic production of intermediate goods (that is, producer and consumer durables). These industries are capital intensive. Next, we must advance further into medium and high technology industries, which constitute the main engine of growth. This is the kind of industrial strategy that can put unemployment perpetually on the run with increasing population.

- The agricultural sector must be modernized in order to play its vital roles of not only providing food for people and raw materials for industries (reducing imports) but providing an important source of foreign exchange earnings through exports.

- State interventions, planning and the market: African nations must decide what economic activities are best undertaken by the state and what are best left to the private sector. Western nations and international financial institutions should not be allowed to dictate domestic policies for African nations.

- Regional Cooperation: African countries should consolidate and further expand the existing levels of cooperation among them. By joint endeavours to use to the maximum their different resources of expertise, capital, or markets, all would be able to address their separate and differing needs more effectively, thereby increasing the available options for development. Regional cooperation would strengthen Africa's bargaining position with the developed countries in a globalizing world; it will enhance autonomous development; will create economies of scale for large number of industries; it will facilitate the provision of the critical minimum of resources necessary for research and development and for strengthening their scientific and technological capabilities.

Some further tips for winning the globalization game are provided below:

- Trade in primary commodities will continue to be important to African countries but both domestic and cross-country producers' cooperation must be brought to bear to curtail the continued unfavorable prices and terms of trade.

- African countries must strive and be allowed to embark on trade liberalization on their own terms. If conditions for success in globalization are not yet present in a country, then to proceed with liberalization and compliance with the 'Washington consensus' will produce negative results and persistent recession.

- Developing countries must resolutely insist against all odds on retaining the ability, freedom and flexibility to make autonomous and strategic choices in finance, trade and investment policies.

- Serious caution must be exercised when considering proposals for measures on further import liberalization at the World Trade Organization (WTO). The present imbalances and inequities in the world trading system should be addressed as a priority instead of any new proposal. The Agricultural Agreement that forbids developing countries from providing support and subsidies to their agricultural sectors, while allowing for massive food imports simultaneously should be reviewed immediately. It is on sound authority (World Bank, 2000/2001) that developed countries spend an estimated sum of $63 billion annually to support and provide subsidies for their farmers.

- African countries must not succumb to the Agreement on Trade-Related Investment Measures (TRIMS) but rather should earnestly and urgently seek for a review. Such investment measures seek to prohibit local content requirement and foreign exchange balancing for foreign investors. If these were prohibited, the attainment of development goals would be difficult.

- The collective loss of developing nations was most acutely felt in the Trade –Related Aspect of Intellectual Poverty Rights (TRIPS) after the Uruguay Round of 1994. This agreement will curb the adoption of modern technology by domestic firms in developing countries; it will lead to increasing Technical payments to transnational corporations; it will have a significant impact in product prices. Therefore, the TRIPS Agreement must be quickly amended.

- There should be greater transparency and regulation of international financial market including proposal for a global tax on short-term financial flows, to penalize speculators.

- African countries should use capital controls to protect themselves from international financial instability.

- WTO meetings must be made transparent.

- There is need to establish a more stable system of currency exchange rates.

- It is imperative to put a stand still on new borrowings from international financial institutions for at least a few years. Excessive debts lead to heavy burden on national resources and provide the leeway for other nations and multilateral financial institutions to formulate domestic policies for us (these externally imposed policies include SAP, deregulation, liberalization, privatization, etc).

- There is need to prudently manage foreign reserves by developing countries.

- Africa countries must develop the individual capacities for international negotiations in WTO, etc. A lot of our predicament in the past is due to lack of knowledge and capacity of public officials attending these meetings, only to sign the final documents to the advantage of developed countries.

(For the above section, see: Khor 2000, Sundrum 1983, World Bank 2001, Todaro 1977, Nwosu 2000, Adei 2004, Aimiuwu 2004, South Commission 1990 and Stiglitz 1996).

6. Summary and Conclusion

The independent African States in the 1950s and 1960s placed emphasis on achieving a high rate of economic growth in order to improve the socio-economic conditions of their people. However, this strategy failed to arrest the problems of mass poverty, unemployment and inequality as the gains from growth failed to trickle-down. In the 1970s, a new development philosophy emerged, namely, growth-with-redistribution. The general standard of living improved for Africans during this 'golden decade'.

Unfortunately, the seeming prosperity of the 1970s was short-lived. In recapitulation, the phenomenon of accelerated globalization especially with respect to African countries commenced in the 1980s following the global economic crisis during which these nations were forced to borrow from the IMF under tough conditionality involving the introduction of structural adjustment programmes ostensibly aimed at macroeconomic stabilization but with real intention of integrating Africa much more rapidly into the global economy. Thereafter, the era of increasing poverty or immiserization began for African countries coupled with declining resources for development interventions, and thus, engendering severe cuts in social services such as education and health. Consequently, this paper examined the notion that globalization has led to the immiserization of African countries coupled with declining development interventions.

It is evident from the analysis in this paper that the problem of poverty aggravated after the 1980s. The per capita income, the population below international poverty lines and income distribution statistics indicates a worsening situation of material deprivation. Furthermore, the health and educational indicators reveal that many countries in sub-Saharan Africa sank deeper into poverty. The above trend is a polar opposite to the increasing level of living standard in the industrially advanced countries as well as the newly industrializing countries.

Since the globalization phenomenon is irreversible, there is the need for African countries to rise up to the challenge, and adopt strategies and policies that would result in winning the globalization game. A multiplicity of strategies has been enunciated in this paper and briefly put, the way forward implies that African countries must of necessity undergo some forms of spiritual, economic, social, political, institutional, attitudinal, cultural and ideological transformations.

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Table 1. Per-Capita Income (U.S$)

Countries	1990	1999	Percentage change (%)
Benin	360	380	6.0
Burkina Faso	330	240	-2.7
Cameroon	960	580	-40.0
Chad	190	200	5.0
Ghana	390	390	0
Kenya	370	360	-3.0%
Nigeria	290	310	7.0
France	19,490	23,480	20.0
Italy	16,830	19,710	17.0
Japan	25,430	32,230	27.0
United kingdom	16,100	22,640	41.0
U.S.A	21,790	30,600	40.0

Sources: (i) World Bank, 2001 (ii) World Bank, 1992.

Table 2. GDP Per Capita (PPP Equivalent)

Countries	1980	1990	2000	2007	Countries	1980	1990	2000	2007
Togo	1147	895	815	788	Guinea-Bissau	530	672	577	477
Malawi	800	654	746	761	Burundi	456	512	358	341
Cote d'Ivoire	2827	1982	1865	1690	Chad	819	1028	929	1477
Zambia	1615	1312	1090	1358	Congo (DR)	794	641	270	298
Eritrea	-	-	722	626	Central Afr Rep.	988	847	777	713
Gambia	1134	1128	1084	1225	Sierra Leone	823	712	403	679
Liberia	1910	520	469	362	Niger	980	717	601	627
Burkina Faso	696	757	949	1124	Japan	19,795	27,544	30,367	33632
Nigeria	1852	1550	1542	1969	United Kingdom	19256	24,588	30,394	35130

Source: UNDP (2009b)

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Table 3. Inequality

Countries	Lowest 40%	Middle 40%	Top 20%
Nigeria (1996/97	12.6	31.8	55.7
,, (1992/94)	12.9	37.8	49.3
Niger (1995)	9.7	37.0	53.3
,, (1992)	19.3	36.6	44.1
Zambia (1996)	12.4	32.9	54.8
,, (1993)	11.9	37.6	50.4
Ghana (1997)	20.6	37.7	41.7
,, (1992)	19.9	37.9	42.2
Guinea (1994)	16.8	36.0	47.2
,, (1991)	11.3	38.5	50.2
Cote d ivoire (1995)	18.3	37.5	44.3
,, (1988)	18.0	38.0	44.1

Compiled from: World Bank (1996) and (2001)

Table 4. Life Expectancy at Birth (Years)

Countries	1980	1990	2000	2010	Countries	1980	1990	2000	2010
Togo	54.823	57.718	59.757	63.272	Guinea-Bissau	40.171	43.812	45.836	48.580
Malawi	44.812	49.278	50.991	54.611	Burundi	46.757	46.355	46.901	51.366
Cote d'Ivoire	55.663	57.297	55.445	58.365	Chad	48.262	51.212	49.299	49.216
Zambia	51.927	51.118	42.041	47.309	Congo (DR)	46.490	47.786	46.344	48.006
Eritrea	44.049	48.093	55.942	60.429	Central Afr Rep.	48.421	49.291	46.405	47.706
Gambia	46.499	51.205	53.928	56.586	Sierra Leone	41.763	39.978	41.882	48.246
Liberia	47.585	48.504	54.442	59.112	Niger	39.415	41.622	46.413	52.485
Burkina Faso	44.946	47.420	50.373	53.701	Japan	76.148	79.023	81.375	83.168
Nigeria	44.755	44.551	45.896	48.420	United Kingdom	73.382	75.726	77.834	79.344
					USA	73.916	75.223	78.006	79.584

Source: UNDP (2010)

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Table 5. Mean Years of Schooling (adults aged 25 years and above)

Countries	1980	1990	2000	2010	Countries	1980	1990	2000	2010
Togo	1.718	3.002	4.374	5.266	Guinea-Bissau	na	na	na	2.260
Malawi	1.754	2.507	3.034	4.261	Burundi	1.081	1.715	1.822	2.690
Cote d'Ivoire	1.312	2.091	2.744	3.307	Chad	na	na	1.509	1.509
Zambia	3.315	7.546	5.893	6.541	Congo (DR)	1.158	1.973	3.160	3.758
Eritrea	na	na	na	na	Central Afr Rep.	1.011	2.042	2.828	3.534
Gambia	0.655	1.237	2.009	2.831	Sierra Leone	0.977	1.553	2.226	2.879
Liberia	1.483	2.425	3.236	3.934	Niger	0.459	0.678	1.084	1.439
Burkina Faso	na	na	na	1.251	Japan	8.886	9.899	10.749	11.484
Nigeria	na	na	na	4.960	United Kingdom	7.967	8.257	8.756	9.469
					United States	10.812	12.260	13.218	12.445

Source: UNDP (2010)