

Reconsidering Corruption, Transnational State Responsibility and the African Debt Crisis

"Indonesia and Nigeria have maintained the dubious distinction as the World's two most consistently corrupt large countries in the annual "corruption perception index"...But heightened controversy greeted the index itself from within the organisation that publishes it, the anti-corruption group Transparency International. Many members and even some directors of Transparency criticized the index, noting that it is perceived in poorer countries as a blanket condemnation by richer nations, when it is often the world's wealthier countries that are the sources of bribes"(1).

The groans of pain from African countries suffering under the crushing weight of debt servicing has lent renewed impetus to the discourse on the debt crises and the crying need for a sustainable development agenda for developing countries. The discourse on the causative factors behind the African debt situation has tended to focus on such themes as the debilitating legacies of colonial rule; the inherent inadequacies of the economic structures inherited by the post-colonial African state at independence; the poor fiscal policies of African states; the inward looking orientation of African economies and the prevalent political instability(2). The passionate calls for "debt forgiveness" by debt lobbyists and other commentators therefore have emphasized the economic and social burdens of repaying Africa's debt, the strain on its fragile economies and the practical impossibility of full debt repayment. The focus, it seems, has been more a quest for immediate debt relief for the overburdened African state. Yet, what has largely been ignored is the role of transnational complicity in the creation and sustenance of Africa's economic underde-

velopment, specifically the debt situation.

Although many writers have commented on the phenomenon of state corruption in Africa and its weakening effect on the continent's economic performance, much of the discourse has focussed rather narrowly on the internal dynamics of state corruption in Africa, without in any way looking to international factors. In some cases this one sided perception of the problem is more than just the result of a poor understanding of the situation. Instead, it fits very well with the argument that the continent's social and economic ills are primarily the fault of the indiscipline and mismanagement of African elites. Yet, the role of external international factors in Africa's legacy of state corruption and debt can hardly be ignored. It is not in dispute that corrupt leaders and public officials in Africa have been the main actors in the entrenchment and proliferation of state corruption. But it is also true that they have found ready associates and accomplices in profit driven Western multinational firms, in the practices of Western states, and finally, in the policies of International Financial Institutions, all of which are continually willing to grant dubious (and very costly) loans to corrupt and unpopular African regimes, which are subsequently misappropriated.

This article explores the complementary roles of domestic state corruption and transnational complicity in the creation and intensification of the African debt situation and attempts to place the discourse within an international human rights framework. The article proceeds from the premise that the quest for a solution to the

scourge of state corruption in Africa must first begin with an identification and full appreciation of both the internal and external dynamics that have sustained it.

The Grip of Debt

Sub-Saharan Africa's socio-economic conditions have never been spectacular. But they have not always been appalling either. Between the era of national independence in the 1960s and 1974, GDP per capita in sub-Saharan African countries grew at an average of 2.6 percent a year.(3) Nigeria and Ghana are illustrative. In 1965 Indonesia's GDP per capita was lower than Nigeria's, and Thailand's lower than Ghana's. However, by the end of the 1970s and the early 1980s things had taken a turn for the worse. In some African countries, GDP stagnated at less than 1 percent a year and in a majority of them it actually declined, in some cases considerably. As one World Bank report indicates, few sub-Saharan countries have kept their per capita GDP growth in line with the rest of the world's. By 1990, to continue with the examples of Nigeria and Ghana, Indonesia's GDP was three times that of Nigeria, and Thailand recorded income levels four times that of Ghana. To press home the significance of these analogies, it is necessary to point out that while Indonesia relied on oil as much as Nigeria, Thailand, like Ghana, is a poor agricultural economy.(4) In a continent of more than 600 million people, the average per capita income is less than one-eighth that of the Middle East countries, half that of Latin American countries and lower than that of South Asian countries.(5) At a micro-

institutions that kept feeding Mobutu's corrupt regime were in any way trying to bring about the harm to the citizens of Zaire that ensued. Rather than any intent to harm, what states continually display instead is "deliberative indifference." Employing the example of Mobutu once again, it can be said with great accuracy that the West simply did not care what the consequences to Zaire were. Rather, their sole interest was in keeping Mobutu — their man in Kinshasa — in power. And if this could only be accomplished by maintaining and feeding a Kleptocracy — notwithstanding the very high price to the people of Zaire — then so be it.

This is not in any way to absolve the African leadership for their corrupt ways. But what is unconscionable is the manner in which the West has been able to absolve itself from any and all responsibility for the creation and perpetuation of the corruption itself. Certainly, African leaders who engage in corrupt practices should be called to task for their actions. But so should those countries and those institutions outside of Africa, without whom most corruption would simply not be possible. ■

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1. *International Herald Tribune*, September 23, 1998, pp. 13 & 14. 2. See World Bank, *Making Adjustment Work for the Poor - Framework for a Policy reform Agenda* (Washington DC), 1990, passim.

3. World Bank, *Adjustment in Africa. Reforms, Results and the Road Ahead*, (Washington DC), 1994, p. 17.

4. *Ibid.*

5. Donald Morrison et al (eds.) *Black Africa: A Comparative Handbook*, (London), 1998, p. 57.

6. Basil Davidson, *The Black Man's Burden: Africa and the Curse of the Nation State*, (London), 1993, p. 9

7. Africa's debt crisis cannot be discussed in isolation of the problem of unfavourable balance of trade as both issue go hand in hand. The African debt situation has deteriorated over the years mainly because unfavourable balance of trade and payments position of most African countries has greatly decreased the resources at their disposal, thus making it impossible to keep up with external debt obligations.

8. See "African Debt: Borrowed Time", *Economist* (London), May 22, 1993, p. 46.

9. See "Debt: The Details Left out of the Deal", *Africa Confidential*, 37, 21, 18 October 1996, p. 1.

10. "The IMF and the World Bank: Arguing about Africa", *Africa Confidential*, 8 October 1993, 34, 20, p. 2.

11. Overseas Development Institute, *Africa's Multilateral Debt: A Modest Proposal*, (London), 1994, p. 9.

12. Gerald Scott, "Who Has Failed Africa? IMF Measures or the African Leadership", *Journal of Asian and African Studies*, XXXIII, 3, 1998, p. 265.

13. Published by Penguin Books, London, 1999.

14. See for example Kenneth Good, "Corruption and Mismanagement in the Botswana: a Best-Case Example", *Journal of Modern African Studies*, 32, 3, 1994, pp. 449-52 and Sahr John Kpundeh, "Limiting administrative Corruption in Sierra Leon", *Journal of Modern African Studies*, 31, 1, 1994, pp. 139-157.

15. Basil Davidson, *Black Man's Burden. Africa and the Curse of the Nation State*, p. 207.

16. Samuel Huntington, *Political order in Changing Societies*, (New haven), 1968, pp. 59-71.

17. Esko Toyo, *Crises and Democracy in Africa*, (Zaria), 1994, p. 3.

18. Morris Szeftel "Corruption and the Spoils System in Zambia" in Michael Clarke (ed) *Corruption: Causes, Consequences and Control* (London) 1983 and Richard Joseph *Democracy and Prebendal Politics in Nigeria* (Cambridge), 1983

19. David Gould *Bureaucratic Corruption and Underdevelopment in the Third World: The Case of Zaire* (New York), 1980 p. 32 Quoted in Earnest Harsch "Accumulators and Democrats: Challenging State Corruption in Africa" *Journal of Modern African Studies* 31.1, 1993 pp.31-48

20. World Bank *Sub-Saharan Africa. From Crises to Sustainable Growth: A Long Term Perspective Study* (Washington D.C.) pp. 55-61

21. Jim Chapin "Zaire: Mobutu's Kleptocracy Rules While the People

Starve" *Food Monitor* 37 Summer, 1996 Quoted in Susan George *A Fate Worse Than Debt* (London) 1988 p. 107

22. See *Ibid*

23. Ndiva Kofele-Kale *International Law for Criminal Responsibility for Economic Crimes* (The Hague) 1995 p. 314

24. Ernest Harsch "Accumulator and Democrats: Challenging State Corruption in Africa" *Journal of Modern African Studies* 31, 1, 1993 p. 39

25. K.B. Richburg "Despite Enormous Potential, Zaire's Economy Left to Wither" *The Dallas Morning News*, Sunday April 12, 1992, p.22 Quoted in Ndiva Kofele-Kale *International Law for Criminal Responsibility for Economic Crimes* p. 316

26. See for example Hyacinth Cabongo Sarassoro "La Corruption et l'enrichissement sans cause en Afrique aujourd'hui in *Afriques Contemporaine* (Paris) 156, 1990 p. 195

27. Quoted in Desmond Davis "Can't Pay, Shouldn't Pay" *West Africa* 2-8 August 1993 p. 1339

28. See Hyacinth Cabongo Sarassoro "La Corruption et l'enrichissement sans cause en Afrique aujourd'hui in *Afriques Contemporaine* Passim

See also *West Africa* 2-8 August 1993 p. 1339

29. Ndiva Kofele-Kale *International Law for Criminal Responsibility for Economic Crimes* p. 135

30. See United Nations, Eight United Nations Congress on the Prevention of Crime and the Treatment of Offenders, Havana 27 - 7 September 1990, UN Doc.A/CONF.144/28/Rev.1.

31. See for example Ndiva Kofele-Kale *International Law of Responsibility for Economic Crimes* (The Hague) 1995

32. Recommendation 1(e) of the Eight United Nations Congress on the Prevention of Crime and the Treatment of Offenders, Havana 27 August - 7 September 1990, UN Doc.A/CONF.144/28/Rev.1

33. Recommendation 3 of the Eight United Nations Congress on the Prevention of Crime and the Treatment of Offenders.

34. See Recommendations 8 and 9 of the Eight United Nations Congress on the Prevention of Crime and the Treatment of Offenders.

35. "Stop Crime: The United Nations Congress on the Prevention of Crime and the Treatment of Offenders" United Nations Department of Public Information, Internet Web Site www.un.org/ecosocdev/geninfo/crime

36. See generally Mark Gibney, Katarina Tomasevski and Jens Vedsted-Hansen "Transnational State Responsibility for Violations of Human Rights" *Harvard Journal of Human Rights* (forthcoming).

lowed to keep their ill-gotten wealth. Accordingly, Recommendation 3 urges Member States to "create legal provisions for the forfeiture of funds and property from corrupt practices".⁽³³⁾ Finally, to underscore the seriousness of the problem of corruption and the determination to bring it under some form of international discipline, the resolution directed a request to the Crime Prevention and Criminal Justice Program of the Secretariat to "develop a draft international code of conduct for public officials" for submission to the Ninth United Nations Congress on the Prevention of the Crime and the Treatment of Offenders. The Unit was charged with the task of soliciting the views of governments and nongovernmental organisations and professional associations as it prepares the draft code⁽³⁴⁾. The Ninth Congress of the CCPTO, which subsequently met in Cairo, Egypt in 1995, further explored these themes in a plenary discussion on "combatting corruption of public officers"⁽³⁵⁾.

Thus, important steps toward the internationalization and criminalization of corruption have been undertaken. In adopting resolutions on crime prevention, the CCPTO has provided a useful framework for setting the standards in the area of transnational responsibility for crimes of state corruption. But this effort, laudable as it is, still remains only a resolution of a specialized congress on the United Nations. Resolutions approved at a congress usually return to the Commission for possible further consideration, before going to the economic and social council (ECOSOC) or the General Assembly for final action. Until then, a resolution, for all that it is worth, still remains a grand declaration of intent.

State Sovereignty and Transnational State Responsibility

There is a strong need, then, to extend the important preparatory work done by the CCPTO and UNCTAD in tackling state corruption at an international front. However, far more than this is needed. What also has to change is the notion of state sovereignty, and along with that, how we view transnational state responsibility.

In certain respects the notion of state sovereignty has undergone an enormous change since World War II. Before that time state sovereignty served to shield oppressive governments, and in doing so it allowed them to treat their citizens in whatever manner they so chose. Mainly in reaction to the horrors carried out by the Nazis, the "human rights revolution" has stripped states of this protection. This is not to say that states do not commit human rights abuses — unfortunately, the countervailing evidence is all too apparent. However, no longer are offending countries able to maintain the position, from a legal perspective or from a political one, that the human rights abuses that they carry out are not the concern of the community of nation-states.

Notwithstanding these sea changes in international law, what is ironic is the fact that the notion of state sovereignty continues to serve as a shield against state responsibility. What has changed, however, is that rather than invoking (and hiding behind) their own state sovereignty, states that provide "aid and assistance" in the commission of human rights violations are much more likely to employ the state sovereignty of another state — in an attempt to protect themselves⁽³⁶⁾.

Foreign corruption is an excellent example of this phenomenon. There is absolutely no secret that most of the money involved in the corruption of one African country after another originates outside the continent, mainly from Western countries. Yet these same states

absolve themselves of any and all responsibility for the existence and perpetuation of this corruption on the very tenuous grounds that they are not able to direct or control any money once it leaves their own hands and enters into the realm of another. In short, to choose just one example, once money passed from the West to the government of Zaire (or to Mobutu, to be accurate), there was simply nothing that the donors could do about how these funds were (mis)appropriated. Instead, these actions are governed and protected by Zairean state sovereignty — or so the Western countries have allowed themselves to believe.

The problem is that "control" is treated as an absolute concept, when in fact it is not. Certainly it would be difficult to attempt to exercise control over the manner in which Zaire (read: Mobutu) spends money provided by the West after the money has changed hands. And perhaps the first time — or even the first few times — that money is then misappropriated the sending countries or institutions will be blameless for feeding the corruption, as well as the destitution and oppression that so often accompany it. But is there no limit? Is there not some point at which those who provide money to thoroughly corrupt regimes share in the responsibility for it?

In addition to the need to come up with a much better notion of control, it is also essential that international law come up with a better notion of transnational state responsibility. Unfortunately, the work of the International Law Commission is heading in the wrong direction. Under Article 27 of the Draft Articles on State Responsibility, in order for one state to be held responsible for wrongdoing committed by another state what is required is that the first state has the "intent" of bringing about this wrongdoing through its actions. In the real world, however, the requisite intent will seldom be present. There is no indication, for example, that states and

Sarassoro goes further to suggest that United Nations' involvement is needed in order to free Africa from the grip of corruption which, he argues, threatens the existence of the African continent. Such intervention would consist of the world body taking the initiative to set up an international convention on the issue similar to the Universal Declaration of Human Rights. The United Nations would then designate a day each year to highlight the ills of state corruption to bring increased world awareness to the "odious, inhuman and criminal character of corruption" (28). Making a similar point, Gerard Scott argues that since African countries seem to lack a capacity to deal with the problem of corruption and "rent seeking", international institutions should adopt a more aggressive role in the process of eliminating corruption, rather than the somewhat lukewarm support for the establishment of democratic institutions. This thesis is put quite succinctly by Kofele-Kale when he argues that:

Although acts of [corruption] are carried out by an indigenous elite, success depends on the assistance, direct or indirect, it receives from the rest of the international community. The consequences that ineluctably follow from these fraudulent activities can therefore be attributed not only to the indigenous elites who treat their national treasuries as their personal accounts but also to their foreign backers and aid donors who overlook their excesses for one reason or another. The silence of inaction by these foreign friends completely changes the character of these acts from a purely local problem to one with global implications. (29)

Towards a United Nations Convention on Economic Crimes

Although they have been painstakingly slow in developing, there have been some advances on the international front in terms of combating corruption. For example, at its 52nd meeting in 1992, the

United Nations Human Rights Commission adopted resolution 1992/50 on the "Fraudulent enrichment of top state officials prejudicial to the public interest, the factors responsible for it, and the agents involved in all countries in such fraudulent enrichment." This resolution placed corruption within a human rights framework at the level of the international organisation. Perhaps the most significant step in the direction of articulating international concern over corruption in the public sector and formulating an agenda of transnational responsibility for the crime of state corruption has come from the United Nations Congress on Crime Prevention and the Treatment of Offenders (CCPTO) and the United Nations Conference on Trade and Development (UNCTAD). In March 1992, member states of UNCTAD met in Cartagena and adopted some broad policy statements that were included in the final act. Part of the statement called on all countries to "increase their efforts to eradicate mismanagement of public and private affairs, including corruption". The statement recognised the growing importance of the market and the private sector for the efficient functioning of economies at all stages of development, but noted that an effective functioning market requires conducive government policies and sound management. It further noted that the prospects of good management are dramatically reduced when public institutions are snarled in the vortex of corruption.

This problem was also extensively addressed when the Eighth Congress of the United Nations Congress on Crime Prevention and the Treatment of Offenders (CCPTO) met in Havana, Cuba in 1990 to consider, among others, the topic "crime prevention and criminal justice in the context of development: realities and perspectives of international cooperation" (30). A resolution on "Corruption in government" was adopted at the close of these de-

liberations. This resolution has attracted the attention and commentaries of a number of legal scholars who have examined the implications and prospects of the document for the principle of transnational state responsibility for state corruption in international law. (31) For our purpose it suffices to note that the Congress in its resolution took the important step of recognising corruption among public officials in developing countries as being the "single most [important] impediment to achieving social and economic development in victim countries". The Congress emphasized that corruption has the potential of destroying the effectiveness of governmental programs, hindering social development and victimizing individuals and groups. Thus, the resolution saw the connection between high level corruption, human rights and economic development on the one hand, and between corruption and other forms of economic crimes such as drug trafficking and money laundering on the other. Most significantly, it made allusion to the transnational nature of official corruption in the recommendation to member states to take necessary steps to improve their banking and financial regulations and machinery so as to "prevent capital flight of the funds acquired through corrupt activities". (32)

The CCPTO resolution also includes two important recommendations that are at the heart of what may be considered an emerging norm. Recommendation 1(d) recognises the principle of the fiduciary obligation of states. It calls on member states to adopt "measures within government agencies to ensure accountability and effective discipline of public servants and remedial action". In addition, the resolution also recognises the principle of restitution in insisting that corrupt public officers must not be al-

state corruption in Africa, their main shortcoming is that they all seek to explain state corruption in terms of the internal political dynamics of the post-colonial state. None of these explanations attempt to link the internal dynamics of state corruption in Africa with the international political economy which drives and sustains it. This is significant, for as several studies have shown the role of Western countries and transnational corporations in Africa's legacy of state corruption can hardly be ignored. Documented instances abound where corrupt African politicians and civil servants, working in concert with multinational companies and other external economic actors, have defrauded the state and stashed the loot in Western European banks.

The link between state corruption and the debt crises in Africa is perhaps best demonstrated in Jim Chapin's report on Mobutu's regime in Zaire in which he states that the debt of [Zaire] standing at \$5 billion is, coincidentally, the estimate of how much General Mobutu and his family have stolen from Zaire.⁽²¹⁾ What is interesting about Mobutu's Kleptocracy is the international flavour it assumed. Even with growing accusations of corrupt enrichment from within and outside Zaire, Mobutu suffered neither isolation nor sanctions from the big players in the West. Instead, the world continued to be his playground, although he displayed an understandable preference for the more luxurious and familiar havens of Western Europe. He was reported to have owned no less than seven mansions in Belgium and France, as well as palatial estates and residences in Spain, Italy and Switzerland. He also owned buildings in Ivory Coast, presidential mansions in each of the country's eight provinces, a plantation empire

and exclusive use or ownership of numerous luxury ships and jets.⁽²²⁾

Yet, even as official theft continued unabated, the Mobutu regime continued to receive a host of loans and grants from international financial institutions and Western donor countries. The World Bank loaned the Mobutu government over \$1 billion, including \$375 million between 1984 and 1986 alone. To guarantee the servicing and repayment of its loans, the IMF recommended the institution of its usual adjustment measures of currency devaluation, withdrawal of state subsidies from public sectors of the economy, trade liberalization and a general deregulation of the economy. It is against this background that some writers, in analysing the problem of state corruption in Africa, have made reference to Western complicity to this corruption that takes the form of studied silence in the face of brazen acts of corruption by ruling elites around the world; a silence that has been maintained by the elites who have used force and repression to get their way.⁽²³⁾

Yet, the external dimension to state corruption in Africa is not limited to the activities of corporate institutions or even the ambivalence of international financial institutions. In some cases, corruption in Africa has been sustained by the active or passive acquiescence of Western governments. Harsch has noted in his study of state corruption in Africa that it is not unusual for donor governments to look the other way when their favoured clients diverted money given as aid⁽²⁴⁾. This attitude of the West sustained Mobutu's thirty year reign because western countries saw him as an ally against communist expansion in an unstable continent. The US was responsible for his ascent to power and American money, intelligence information and political support helped keep him there, with the Americans only distancing themselves from him after the cold war had ended. Under such circumstances,

Mobutu effectively became, as one writer put it, "America's man in Kinshasa", who allowed his country to become the "great American counterweight to Soviet adventurism in Africa"⁽²⁵⁾. Other Western friends, notably Belgium and France, also provided Mobutu with the crucial financial and military backing that sustained him in power for three decades. All these facts underscore the importance of viewing corruption as an international phenomenon in which there exists not only corrupt officials in Africa and other regions of the South, but also of "corrupting states in the North".⁽²⁶⁾

An International Human Rights Issue?

One of the solutions that has been advanced towards addressing the African debt crisis and the legacy of state corruption and international complicity that sustains it is the suggestion that foreign loans or credit to a military dictatorship or one party dictatorship in Africa, without the authorization of its people, should not be paid back. A proponent of this view, George Ayittey, argues that "in the field of international law, a loan to an illegitimate government constitutes an illegitimate debt for its people"⁽²⁷⁾. Reasoning in a similar vein, Hyacinth Sarassoro, a distinguished Ivorian lawyer, argues that state corruption is in all respects an extension of state violations of the human rights of its citizens. Corruption constitutes an infringement of human rights in so far as it exacerbates the public debt of African states and the deepening gap which exists between the industrialized and the non-industrialized countries. The problem of corruption, being Africa's socio-economic enemy number one, can therefore only be adequately addressed through the conclusion of international agreements, anti-corruption leagues and the institution of an international code of conduct governing the activities of multinational corporations in developing countries.

and "internal to Africa and its leaders" as he presents them. State corruption, the scourge of the post-colonial African state, has proven to be a much more complex and multi-dimensional phenomenon, the dynamics of which transcend the borders of Africa.

A Legacy of Corruption

The chilling stories of the rape of Africa by its own "leaders" are familiar and are too well known to bear detailed recounting here. Susan George, in her thought-provoking book appropriately titled *A Fate Worse than Debt*(13), presents us with an incisive exposé of the link between the dynamics of state corruption and the debt crisis in Africa. Similar studies on the phenomenon of state corruption in particular African countries have also been undertaken.(14) In discussing corruption in Africa, Mobutu's Zaire naturally and immediately comes to mind. But it is important to note that the case of Zaire is in no way exceptional. Rather, the institutionalization of state corruption which Mobutu's Zaire has come to represent is replicated in varying degrees in many other African states. Indeed, with a few exceptions, it may be said that the majority of African leaders and elites, military and civilian (particularly of the second generation), have unscrupulously abused their trust by indulging in a get-rich-quick bonanza during the immediate post-independence era.

There has been a range of theoretical analyses of the causes and consequences of corruption in developing countries. The point has been made, for instance, that the institutionalized corruption which has become synonymous with the post-colonial African state is largely a function of what has been termed the "politics of clientelism"—a phenomenon which means that politicians at

regional and national levels gain the support of local leaders by allocating state resources to them. Each, therefore, attempts to maximize this support and the access to resources in competition with rival politicians.(15) Much illicitly acquired wealth is thus dissipated through individual and familial consumption. Some is distributed for patronage purposes, to consolidate political and social ties and to ensure a degree of popular acquiescence. Corruption is thus identified as an integral element in the relations of political power in which state property and jobs are allocated to ethnic or political supporters in intricate and sometimes far-reaching networks of patron-client relations. Within this context, some scholars such as Samuel Huntington view corruption as a virtually inevitable phenomenon of the initial phases of "modernisation", which is likely to diminish as African states move beyond the capitalist stage of development.(16)

Eskor Toyo locates the phenomenon of state corruption in Africa within a broader Marxian framework. In his view, corruption in the contemporary African state stems from the politics of primitive capitalist accumulation within the neo-colonial and multi-ethnic national settings. This process of primitive capitalist accumulation necessarily involves the mobilization of local and foreign resources by the state in favour of the accumulating bourgeois class in the form of: unequal exchange, land speculation, fraudulent appropriation of state funds and the monetisation of the economy to the benefit of the commercial and money accumulating groups. This process of primitive accumulation goes with all forms of corruption.(17) Morris Szeftel writing on state corruption in Zambia, and Joseph Richards writing on "prebendel politics" in Nigeria, both identify the state as the main reservoir of financial resources, where patronage net-

works are sustained by corrupt practices which then result in enormous governmental inefficiencies.(18) David Gould makes a similar point when he stresses that in Zaire, where corruption has been central to the entire system of government and economic activity, the embezzlement of state funds, tax evasion and other dishonest practices have facilitated the "consolidation of the economic base of the bourgeoisie" which has largely arisen out of the state bureaucracy. Corruption is therefore seen as being a primary mechanism of the dominant class formation in the post-colonial African state.(19)

A related framework in which the phenomenon of state corruption in Africa has been located is within the context of the types of private business dealings that characterize state economies. The World Bank, for example, has argued that one of the problems of African economies, and a possible explanation for the prevalence of state corruption, is the wide scope given to "rent seeking" activities—namely the search for financial gain and profit from non-productive economic activities that are especially common among those who depend on state privilege for access to credit, grants, licences, contracts and, often, monopoly markets.(20) This trend guarantees the profitability and attractiveness of the controlled state economic sector to the competitive disadvantage of productive activities in many African countries. This, coupled with the uncertainties of political patronage and the limitations of the broader economic environment, makes state economies adverse to productive investment. The effect of this condition is that it effectively prevents the emergence of a productive bourgeoisie, willing to take risks and independent of state favours and control, a development considered an indispensable step on the road towards development.

While these analyses provide useful frameworks for the study of the phenomenon of

economic level, Africa's economic decline is expressed in the precipitous deterioration of the living conditions of the people of the continent such that the renowned Africanist scholar, Basil Davidson, could state with certainty in 1993 that "the actual and present condition in Africa is one of deep trouble...deeper trouble than the worst imposed during colonial years" (6).

Several studies have attempted to explain the plunge in Africa's economic fortunes in the eighties in terms of specific economic policy failures. Four main points have been raised in this regard. First, is that African economies failed to diversify their export base and instead continued to rely on one or two commodities which made them vulnerable to the international pricing system. Second, is that heavy government spending, sustained by over-valued exchange rates, created staggering budget deficits which impeded sustainable economic growth. Third, is the incidence of political and social instability in Africa. More than half the continent has been rocked either by civil war or by major natural disasters, both of which are extraordinarily disruptive to any efforts at economic growth. Finally, and perhaps most significantly, is the burden of international debt. The repayment of external loans, coupled with deteriorating terms of trade, has had a crippling effect on African economies and has exacerbated the conditions of economic stagnation and poverty on the continent. (7)

Africa's entanglement in the debt trap has its origins in the 1980-1982 worldwide economic recession and the consequent collapse of world commodity prices. It was a time that the gap between the people in Africa and the rest of the world grew into the chasm that exists today. To support their weakening

economies and increase production capacities, many African countries sought refuge in external loans from the IMF, the World Bank and individual Western nations. What began as small "capacity building loans" at "reasonable interest rates" soon grew to proportions that simply overwhelmed the respective national economies. According to the London-based Economist, Africa's debt in 1993 had more than tripled since 1980. This was a direct consequence of new borrowing, but more importantly, it was a result of the enormous buildup of interest over the past decade (8). In 1996, the figure of sub-Saharan Africa's debt was put at some \$200,000 million. If South Africa and the North African States are included, this increases to \$320,000 million, with about half of this debt owed to bilateral creditors, just over a third to multilateral creditors and the rest to commercial creditors. The severity of the African debt situation is further reflected in the fact that in a recent World Bank list of 41 highly indebted poor countries (HIPC's), 25 were African countries. (9) Yet, in an attempt to keep up payments on their debts, many African governments have used up scarce foreign exchange. It is estimated that the total debt stock is more than Africa's gross domestic product, and servicing it takes more than a quarter of export earnings. In Uganda, debt servicing consumes some 80 percent of export earnings. In Ghana and in Zambia (where the debt stock is almost double the GDP of \$3,400 million), it takes more than 25 percent (10). Apart from the obvious economic difficulty it imposes, the repayment of these loans and the interest that has accrued on them has come with other unenvisioned social and political costs.

The emphasis on debt servicing and repayments at the ex-

pense of providing social services, including health and education, have left millions impoverished and unemployed. As one report puts it:

"Many of [Africa's] indebted countries are paying more to external creditors than they are spending on domestic public services, and as a consequence, social conditions faced by large numbers of Africans are at best stagnating and in many regions deteriorating. Excessive debt service obligations are threatening the economic prosperity of a substantial number of sub-Saharan African countries....As a result, Africa's population has experienced frozen or declining per capita incomes, with associated poverty, malnutrition and famine as major problems emerging throughout the continent". (11)

Yet, the debt crisis in Africa is only a symptom of a more fundamental malaise that of ineptitude, mismanagement and corruption in governance. In his analysis of the poor economic performance of Sub-Saharan Africa (SSA) in the past two decades, Gerald Scott argues that beyond the problems of slow growth, high inflation and a chronic balance of payments problem lies corruption. In his categorical words, "the major problem has been gross mismanagement, which has resulted from corruption". (12) To resolve this serious economic problem, Scott argues for the need for African governments and ruling elites to cultivate the political will to attack these "fundamental issues".

To the extent that it identifies corruption and mismanagement as being central to Africa's poor economic performance, and to the extent that this is located within the context of the inadequacies of political leadership, Scott's analysis is apt. What it fails to recognise, however, is that the "fundamental issues" in state corruption in Africa are not quite as simple

and "internal to Africa and its leaders" as he presents them. State corruption, the scourge of the post-colonial African state, has proven to be a much more complex and multi-dimensional phenomenon, the dynamics of which transcend the borders of Africa.

A Legacy of Corruption

The chilling stories of the rape of Africa by its own "leaders" are familiar and are too well known to bear detailed recounting here. Susan George, in her thought-provoking book appropriately titled *A Fate Worse than Debt*(13), presents us with an incisive exposé of the link between the dynamics of state corruption and the debt crisis in Africa. Similar studies on the phenomenon of state corruption in particular African countries have also been undertaken.(14) In discussing corruption in Africa, Mobutu's Zaire naturally and immediately comes to mind. But it is important to note that the case of Zaire is in no way exceptional. Rather, the institutionalization of state corruption which Mobutu's Zaire has come to represent is replicated in varying degrees in many other African states. Indeed, with a few exceptions, it may be said that the majority of African leaders and elites, military and civilian (particularly of the second generation), have unscrupulously abused their trust by indulging in a get-rich-quick bonanza during the immediate post-independence era.

There has been a range of theoretical analyses of the causes and consequences of corruption in developing countries. The point has been made, for instance, that the institutionalized corruption which has become synonymous with the post-colonial African state is largely a function of what has been termed the "politics of clientelism"—a phenomenon which means that politicians at

regional and national levels gain the support of local leaders by allocating state resources to them. Each, therefore, attempts to maximize this support and the access to resources in competition with rival politicians.(15) Much illicitly acquired wealth is thus dissipated through individual and familial consumption. Some is distributed for patronage purposes, to consolidate political and social ties and to ensure a degree of popular acquiescence. Corruption is thus identified as an integral element in the relations of political power in which state property and jobs are allocated to ethnic or political supporters in intricate and sometimes far-reaching networks of patron-client relations. Within this context, some scholars such as Samuel Huntington view corruption as a virtually inevitable phenomenon of the initial phases of "modernisation", which is likely to diminish as African states move beyond the capitalist stage of development.(16)

Eskor Toyo locates the phenomenon of state corruption in Africa within a broader Marxian framework. In his view, corruption in the contemporary African state stems from the politics of primitive capitalist accumulation within the neo-colonial and multi-ethnic national settings. This process of primitive capitalist accumulation necessarily involves the mobilization of local and foreign resources by the state in favour of the accumulating bourgeois class in the form of: unequal exchange, land speculation, fraudulent appropriation of state funds and the monetisation of the economy to the benefit of the commercial and money accumulating groups. This process of primitive accumulation goes with all forms of corruption.(17) Morris Szeftel writing on state corruption in Zambia, and Joseph Richards writing on "prebendal politics" in Nigeria, both identify the state as the main reservoir of financial resources, where patronage net-

works are sustained by corrupt practices which then result in enormous governmental inefficiencies.(18) David Gould makes a similar point when he stresses that in Zaire, where corruption has been central to the entire system of government and economic activity, the embezzlement of state funds, tax evasion and other dishonest practices have facilitated the "consolidation of the economic base of the bourgeoisie" which has largely arisen out of the state bureaucracy. Corruption is therefore seen as being a primary mechanism of the dominant class formation in the post-colonial African state.(19)

A related framework in which the phenomenon of state corruption in Africa has been located is within the context of the types of private business dealings that characterize state economies. The World Bank, for example, has argued that one of the problems of African economies, and a possible explanation for the prevalence of state corruption, is the wide scope given to "rent seeking" activities—namely the search for financial gain and profit from non-productive economic activities that are especially common among those who depend on state privilege for access to credit, grants, licences, contracts and, often, monopoly markets.(20) This trend guarantees the profitability and attractiveness of the controlled state economic sector to the competitive disadvantage of productive activities in many African countries. This, coupled with the uncertainties of political patronage and the limitations of the broader economic environment, makes state economies adverse to productive investment. The effect of this condition is that it effectively prevents the emergence of a productive bourgeoisie, willing to take risks and independent of state favours and control, a development considered an indispensable step on the road towards development.

While these analyses provide useful frameworks for the study of the phenomenon of