

African Debt crisis - a human rights perspective

In this article the writer gives a testimony of AFRODAD (African Forum & Network on Debt and Development) work, insights and strategies on debt and development. He explore how globalization is challenging activist groups that use a human rights framework that has traditionally been used to hold national governments accountable for human rights violations. In the face of Globalization, people's rights are increasingly threatened by problems that are often beyond the control of national governments, How are activities facing this challenge? How are they International Financial Institutions and donors accountable? Are activists still using human rights framework to address these challenges?

Introduction

AFRODAD, among other civil society organisations campaigning for debt cancellation is conceived that the current debt crises faced by many countries of the world including African countries is highly unsustainable and thus cannot be paid back. It has compromised human development efforts leading to massive human rights violations in terms of failure of governments to provide its people with such basic needs such as decent shelter, access to clean water and sanitation, education and health.

In the absence of any positive movement towards unconditional Debt cancellation, Africa continues to be burdened with an unmanageable Debt overhang which is hampering the continent's economic growth. More recent figures estimated the total Debt stock to be at over USD 350 billion; annual Debt service is estimated to be around UD\$ 15.2 billion. For some countries, external Debt Service accounts for more than 40% of Government annual budgets. Debt service is generally higher (at average of 25%) than expenditures on Health and education (average of 14%) for most countries in Africa.

In 1948, governments of the world came together to adopt the United Nations Universal Declaration on Human Rights which established certain rights such as a 'standard of living adequate for.... health and well being... including food, clothing, housing and medical care, and necessary social services and the right to security in the event of unemployment'. It should be known that all human rights are indivisible, interdependent, interrelated and of equal importance for human dignity. Therefore states that are as responsible for violation of economic, social and cultural rights as they are for violations of civil and political rights.

The biggest challenge facing Africa today continues to be one of how to increase and widen economic growth and pace of development in order to improve the standard of living for the majority of its people. This challenge will only be met by a people centered development paradigm which inevitably requires that scarce productive resources be harnessed and channeled to sectors and activities capable of promoting increased production, employment and equitable distribution of the outputs. Resource outflows, including Debt service is a drain on financial resources for development should be eliminated; financial inflows need to be directed to stimulating sustainable development.

AFRODAD adopted a Rights based approach to development that puts the human person at the center of any development process, and engages actively in any participatory process that take human rights into account. The approach involves economic growth, equitable distribution, enhancement of people's capabilities, poverty reduction, elimination, self-reliance and self-determination of people's rights, participation in development, influencing policy decisions advocate for social justice and fairness.

Violations of economic, social and cultural rights

The Masstricht Guidelines on Violations of Economic, Social and Cultural Rights reflected the evolution of international law since the Limburg principles were adopted in 1986. These guidelines were designed to be of use to all who are concerned with understanding and determining violations of these rights, and in providing remedies thereto, in particular monitoring and adjudicating bodies at the national, regional and international levels.

Since the Limburg Principles were adopted in 1986, the economic and social conditions have declined at alarming rates. Globalisation has presented the biggest challenge in addressing violations of economic, social and cultural rights. The realization of these rights depends significantly on the action by the state, but under globalisation the role of the state has been reduced and the market has taken over in resolving problems of human welfare. When popular national leaders seek to satisfy the needs of their people, the dominant neo-liberal development model and conditionalities imposed by the World Bank (WB) and International Monetary Fund (IMF) undermine their efforts. Many African leaders feel intimidated to criticize these institutions but civil society organisations like AFRODAD, in various foras with them pointed out that some of their practices lead to human rights violations, e.g. the right to work, food, housing, health, education and development.

As a matter of international law the state remains ultimately responsible for guaranteeing the realization of economic, social and cultural rights. Governments have made firm commitment within the framework of seven UN World Summits Conferences (1992 – 1996) International Covenant of Economic, Social and Cultural Rights. It is the state's obligation to fulfill these rights, requires states to appropriate legislative, administrative, budgetary, judicial measures toward the full realization of such rights. Governments still have to be held accountable for failures to meet their obligations because they are charged with the formulation of national development policies. States are responsible for creating national and international conditions favorable to human development.

There is no significant consideration by the international community of the fundamental economic and social changes, that would be required at the national and international levels in -order for all human rights to be realized.

International Covenants have been adopted and many resolutions have been passed that reflect the multi-faceted nature of human rights, but emphasis has been on civil and political rights. Economic, social and cultural rights and the right to development have been given little emphasis in the human rights debate. Civil and political rights are important but the causes of the violation of these rights are rooted in the economic and social injustices.

However, genuine democracy at the international level necessitates the complete restructuring of the global economic, financial and trade system in order to meet people's needs. It requires a fundamental change in economic and social relationships. This includes cancellation of foreign debt, fair trade relations among others.

Shared responsibility for the debt crisis

While debtor countries accept part of the responsibility for the debt crisis there are external factors that have had a large impact on debt: the existence of a global trade regime in which debtor countries continue to suffer declines in terms of trade and ongoing lack of global market access, natural disasters and factors, push factors in lending, and the imposition of debt relief initiatives e.g. Highly Indebted Poor Countries Initiative(HIPCs), Multilateral Debt Relief Initiative (MDRI) and Paris Club Rescheduling and Refinancing of loans.

For AFRODAD and the members of the Network, it is also increasingly important to tackle the internal factors contributing to the Debt crisis. The current reality for most African countries includes: the lack of commitment by African political leaders to draw up and implement proactive and sustainable programmes for wealth creation and therefore external viability; lack of accountable governance, inability to allocate and manage financial resources (especially loans) in an effective and efficient manner, lack of parliamentary and people's oversight on borrowing and use of loan resources use, inability to build and strengthen human and institutional capacity to spearhead and sustain development; underutilization of human and natural resources in a way that undermines development and growth; a lack of understanding of the many issues that increase the Debt burden.

The context remains one of under and mal-development which still requires concerted efforts by African civil society and their organisations to intervene at different levels; the national, sub-regional, regional and global levels; in terms of researching to find the underlying causes of the crisis and how it can be redressed; participating in policy making environments to influence key decisions and providing information to the civil society so that they can be empowered to challenge their immediate leaders on these issues.

Failure to cancel the Debt, as proposed by global civil society and the debtor countries themselves, will need to be resolved in the context of the international relations and in particular in relation to the need to change the power imbalances between the rich Creditor and the poor African debtor countries. The need for the establishment of a Fair and Transparent Arbitration mechanism on Debt (FTA) that AFRODAD supports is now receiving increasing support.

Call for establishment of International arbitration Court on debt

With no convincing solutions offered by international creditors there is clearly a need for a continued focus on the debt problem. Various strategies need to be adopted by CSOs in the future. These include strengthening the options for establishment of global governance structures such as international arbitration Court, finding channels and institutions to whom such issues as illegitimate debt, the plight of debtor countries in terms of debt repayment against access to health and education as a Rights issue could be presented. Such institutions as the Human Rights Commission, the international Court of Justice and the Permanent Court of Arbitration in the Hague could be used in helping civil society map out strategies of finding structural solutions to the Debt crisis.

The real challenge for dealing with the above context is to intensify research and advocacy on specific areas which are aggravating the debt problem, continuous dialogue with African governments and intergovernmental institutions to influence the positions and issues they take up in dialogue with creditors, and better coordination and coalition building within civil society to sustain the movement for debt cancellation. This situation affirms the need for AFRODAD to continue with its work and build its own capacities in this respect.

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