Africa is rising – but for whom? Winnie Byanyima captivates a full house at LSE

Times are changing, and so too must charities. After 75 years in Oxford, Oxfam International will soon be relocating its headquarters to Nairobi, the charity's executive director Winnie Byanyima announced last night.



Dr Duncan Green, LSE and Oxfam GB, and Ms Winnie Byanyima, Executive Director of Oxfam International

00:00

Addressing a sold-out Old Theatre, Ms Byanyima spoke about her experience growing up in Uganda and the problems that still beset the continent, before announcing that the company headquarters would be moving to Africa to remain dynamic and relevant.

Determined not to be 'Afro-pessimist', she spoke of her pride as an African woman, coupled with her concerns about poverty and income inequality that maintain gender and wealth division.

Born to parents who were both schoolteachers, the home in which she was raised became a stronghold for resistance against oppression. Her father ran for parliament, but as the opposition party gained influence it was soon suppressed. Allies of her family were seduced towards the majority government and the country became coerced into a one-party rule.

Within a decade of independence in Uganda, it had become clear that this independence was a false dawn, she said.

Rising for whom?

On the day when Angus Deaton received a Nobel Prize for his focus on economic inequality and poverty reduction, Ms Byanyima was keen to highlight how prevalent these problems still are across Africa.

Looking at the issues that the continent now faces, she highlighted a strong rate of growth across African economies – reportedly an average of 5% – but questioned what the benefits were for African people.

One in two Africans still lives in poverty, she said – four times the global average. That number is projected to increase by tens of millions by 2030 if the continent's growth trajectory remains the same.

What this shows is a clear disparity in income inequality, which is compounding both poverty and gender inequality. Fewer than a dozen people have the same wealth as the poorest 50% of the African population.

In countries such as Angola, where income inequality is widespread, strong growth has had little impact on the problem. However, in countries where income inequality has been reduced, figures suggest that poverty levels fall by a factor of three or four times.



Some solutions are blatantly obvious. Serious investment in agriculture, for example, would reach 75% of the rural poor. But the dynamics of power are making it difficult to achieve such farreaching gains.

Instead, African nations are finding themselves at the whim of corporate giants, who are offering huge investment opportunities in exchange for tax breaks. Offers typically come with ruthless time pressures and a warning that if the country does not accept, their neighbours will.

This brand of tax competition is both unhealthy and unsettling, Ms Byanyima said.

Minerals and other major sources of wealth are too easily captured by elites, meaning that inbound cash benefits only the wealthiest and further perpetuates income inequality. Such structures also create little in the way of quality employment, which is more likely to keep people trapped in poverty than alleviate it.

The power of multinational corporations means that much of Africa's riches are going back to rich countries.

To those ends, Africa *is* rising, she concludes. But rising for whom?

Global Powers, and Speaking Truth

I love this job, because I can speak truth to power.

Winnie Byanyima

Having listened to discussions involving the World Bank, the IMF and other major organisations, Ms Byanyima says it's clear that what is missing is a proper analysis of global power dynamics.

Consequently, at the top of Oxfam's agenda is a focus on international tax reform to stop the exploitation of African nations.

There is also a need to address the relationship between states and corporations in Africa, she said, to ensure that good investments for companies also represent good investments for the countries involved.

Speaking about the relocation and her role in Oxfam, she notes (with shades of fellow Ugandan expert Tim Allen), "I love this job, because I can speak truth to power".

"It does get me in trouble from time to time", she adds, though she also points out that leaders will only be as effective for their people as we are able to hold them accountable. We shouldn't hold out too much hope in rich people, she jibed.

"Two words", guipped Duncan Green, who chaired the evening. "Donald Trump!"



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