

Views on stealing africa

[Business](#)



Views on Stealing Africa This is a video or documentary on how multinationals conduct their businesses in the African continent. It shows that despite the many and profitable resources Africa has, it is still wallowing in poverty, poverty imposed by the multinational through underhanded tactics. The video tries to give an insight as to why Africa is rich in resources yet so poor.

Specifically this refers to the nation of Zambia which has the third largest copper supply in the world and the related copper mining industry therein.

The mine is known as Mopani Copper Mine. The mine is owned by Glencore International Plc, a public company listed in London and Hongkong, registered in Jersey and head quartered in Switzerland (Stealing Africa).

The company has consistently evaded corporate tax in Zambia by claiming losses in business. This has been through artificial inflation of operational costs and even under valuing the mined copper. The copper is sold to Switzerland at below market price. Therefore, the company has managed to pay minimal taxes while reaping huge benefits.

Despite Zambia having a third of the world's copper supply, she is still among the poorest countries in the world. Between 60-70% of Zambians live on less than \$1 a day and the unemployment rate is staggering 80%. The money from copper bypasses the needy Zambians and only helps Switzerland, home of the company. The situation obtaining here can only be described as catastrophic and dire.

The organizations that are mentioned here are the ' World Bank' (WB) and the ' International Monetary Fund' (IMF). It was as because of the recommendations of the structural adjustment programme that the Zambian government embarked on privatization leading to sale of the mine to

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Glencore (Stealing Africa). What they did was simply a disservice to Zambia. Privatization opened the door for flow of cash out from Zambia. This being a private company its bottom line is profit and making money. Politics and business are intertwined hence frequent interactions. The government is responsible for the economic policies that will guide how trade and business is conducted. Business cannot thrive in a vacuum where there is no regulation or order (Stealing Africa).

In the Zambian situation, the policy of privatization did not at all help the citizens. There is still abject poverty since unemployment rate is unbelievable. Why all this? It is because the fund for empowering the citizens is whisked away to the mother country. Even the tax paid is not low one since the product has been undervalued.

The issues in this video basically down to the question as to why Africa is blessed with resources yet remain poor. This scenario obtaining here has been played all over the continent of Africa and can be said to be the law. Many have blamed the Africans themselves, but this is wrong as the video shows (Stealing Africa).

One of the most important things that can be done is to sensitize the international financial organizations to the unique needs of African countries. The financial measures i. e. structural adjustments should be tailored for the specific needs of a specific country and not where one size fits all. The international community should monitor the operations of multinational companies in Africa (Stealing Africa). The way they do their business must be interrogated since the African governments might not have the capacity to do this. The situation in the video is wrong morally or otherwise and should not continue.

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Work Cited

Stealing Africa. Web. April 1st, 2013. Available at

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