

## Help the aided

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Map of Zambia

**Second-hand clothes donated by western charities are harming local businesses in Zambia, according to a report released by the campaign group World Development Movement (*The Observer*, 23 May 2004).**

Free provision of second-hand clothes – known locally as *salaula* – is essential for many Zambians living on around £1 a day. There is often little shortage, as British charities export around 80% of all donated clothes to struggling nations such as this. However, charity clothes donations have begun to result in severe difficulties for small textile businesses in Zambia now that key economic reforms ordered by the World Bank are taking place.

### The poorest country in the world?

Development can be measured using a range of economic or social criteria. Whatever measures are applied, Zambia scores very badly.

- Zambia has the lowest life expectancy in the world (33)
- The country is ranked 163<sup>rd</sup> in the world **Human Development Index (HDI)** table (33 places lower than in 1990)
- 50% of the population are malnourished (45% in 1990)
- Zambia is experiencing an HIV / AIDS epidemic

The clothing problem developed as follows:

1. Very poor countries, such as Zambia, need major financial assistance from the world's principal lending institutions, the World Bank and the International Monetary Fund (IMF). This is the serious money required for schools, hospital-building and infrastructure improvements.
2. In order to qualify for such large-scale international aid, developing countries are asked to adopt free market principles. They are expected to privatise most state-subsidised industries and to open up their markets to international competition. IMF economists insist that this will stimulate growth and innovation. It is especially required when there has been a history of financial mismanagement (which is certainly true of Zambia).
3. Small manufacturers – such as Zambia's textile makers – are often left unprotected and unsupported following such reforms.
4. Waves of donated clothing from private charities are flooding the Zambian market – albeit with quite honourable intentions on the part of the donors – leaving clothes manufacturers with greatly reduced sales.

The overall aim of the IMF reforms has been to stimulate economic development and to encourage local multiplier effects. According to the new report featured in *The Observer*, the opposite has occurred.

- Since 1991, the number of textile manufacturers in Zambia has fallen from 140 to eight.

- The clothing manufacturer *Swarp* has had to cut its workforce by nine-tenths, down from 200 to just 20 employees. Whereas they used to supply retailers with 3,500 tons of clothing annually, the figure is now 500 tons.
- Since 1990, when IMF reforms were first introduced, Zambia has had “the worst-performing economy of any African country that has not had large-scale conflict”

Has World Bank insistence of adherence to free trade principles gone too far? Perhaps so, if well-intentioned acts of charity are now causing some Zambians to lose their jobs.

**Africa round-up** Other recent stories looking at development in Africa include:

**Chocolate wars in Ivory Coast** ([The Guardian, 14 May 2004](#)) This story highlights Africa’s over-dependence of food exports, the prices of which fluctuate wildly from year to year. In a country that exports half the world’s chocolate, falling international prices in the 1990s appear to have resulted in devastating and often deadly instability for the region.

**700,000 South African children have HIV** ([The Guardian, 14 May 2004](#)) See our previous article on South Africa.

**Prince Harry heads for Lesotho** ([The Daily Telegraph, 04 March 2004](#)) Drawing attention to the plight of Lesothans, Prince Harry recently visited the tiny African nation where one third of the population have HIV or AIDS. Life expectancy is only 36 in this country of 1.8 million people, most of whom still depend upon subsistence farming for a living.

**Pop star inspires African Commission** ([The Guardian, 24 February 2004](#)) Bob Geldof, the rock star responsible for Live Aid, has been instrumental in setting up a new commission to re-examine the relationships between Africa and its aid donors.

**Africa leads the way with mobiles** ([The Guardian, 05 May 2004](#)) Here’s one measure of development that at first glance puts the African continent at the top of the list: *Africa is the world’s fastest growing mobile phone market!* However, this is largely due to the lack of ordinary telephone services that exists. Only 2.8% of Africans have ever had access to a fixed landline. Therefore, the growing middle classes in all African nations are turning straight to mobile phones, “leap-frogging” a stage of development that older industrial nations have already passed through. 60 million Africans now use mobiles, compared to just 27 million that have a landline. However, that still leaves hundreds of millions that have access to neither.