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Analyze Factors That Have Led to Africa's Economic Crisis

The economic crisis faced by many African countries was exacerbated by the IMF supposedly looking to help these countries recover economically post-colonialism. Upon achieving independence many African countries had been lured into borrowing money from banks to develop their post-colonial economies, eventually, becoming heavily indebted by the 1980s. As a result, the International Monetary Fund instituted a framework supposedly meant to alleviate African countries' debt: the Structural Adjustment Programs. They were, in reality, a scheme created to exploit African countries for their resources. These ultimately served to transition to neo-colonialism where despite having political autonomy African governments are still economically controlled by Western society. The SAPs are the driving force behind much of Africa's economic crisis with their impact having been felt in multiple countries.

In the case of African countries, the IMF's policies resulted in a devaluation of African currencies. Consequently, African countries under the Structural Adjustment Programs saw an increase in the price of imported goods (it became more expensive to buy foreign currency) while other countries saw cheaper prices of exported goods from these countries. Overall, this system was exploitative and one-sided as it only allowed other countries easier access to export natural resources from African societies. Africans having subsequently seen an increase in the price of essential goods and services such as food and healthcare now found it a struggle to obtain these resources, and experienced a decrease in living standards.

The African standard of living, however, was only worsened by other policies the IMF implemented. One such policy is the elimination of subsidies. After the increase in the prices of essential commodities for Africans, the government normally would use subsidies as a tool to lower them; however, as prices for basic commodities have increased the government has not been able to stop it. Another condition imposed by the SAPs was the removal of government intervention in the markets. Many Africans rely on jobs that the government assigns in the public sector, and without it, Africans have lost a significant source of employment. Due to the increasingly limited capacity of governments, there has been high unemployment and a recent decrease in infrastructure and services. Trade liberalization has removed the protection of local industries from foreign manufacturers under the pretense that local industries are supposedly too corrupt and overstaffed resulting in worse unemployment.

The SAPs have ultimately resulted in people withdrawing from a corrupt political system that has mistreated them. This has resulted in African people withdrawing from the state by, for instance, growing subsistence crops in rural areas. Even so, Farmers struggle to do this as country roads fall into disrepair and farm inputs such as tools grow increasingly expensive and scarce. Furthermore, there is an increased strain on the environment as a growing African population exploits more and more environmental resources such as wood, an issue that is made worse by the economic struggle brought on by the SAPs.

Ultimately, the Structural Adjustment Programs of third-world countries under heavy debt were responsible for their collapse it can even be argued that this was their true purpose. This is because, conveniently for Western nations, these policies prevent African countries from developing and at some point overcoming them. These only served to benefit Western societies whose colonial rule is the reason African countries face so much hardship.