



REPARATIONS, DEBT CANCELLATION, AND REFORMING THE WORLD ORDER: SOUTH AFRICA'S G20 PRESIDENCY AND THE WORLD

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Introduction

South Africa assumed the G20 Presidency at a critical juncture: the world is experiencing significant geostrategic, geoeconomic, geoengineering, and geopolitical ruptures reminiscent of the epochal periods of the Great Depression, global wars, the Great Recession, and the COVID-19 pandemic. Reading its G20 Presidency's chosen theme, 'Solidarity, Equality, Sustainability', from the South, I argue that South Africa has a herculean task at hand to upend the present global governance architecture, the pendulum of which is lopsided against the global south majority. One strategic way to achieve this grandiose objective is to pursue and demand (and, if need be, fight) for the reparations of the crimes and injustices of colonialism, neocolonialism, apartheid, and slavery. Based on the findings of the study titled ['Pursuing an African Agenda for Reparations for Colonial Crimes and Slavery'](#), which I conducted in Southern Africa, this piece explores the alternative forms of reparations (Southern) Africans are demanding from their former colonisers, besides the traditional form of financial compensation. This piece argues that although colonialism, apartheid, and slavery are things of the past in (Southern) Africa, their legacies and vestiges still linger in this postcolonial period. The findings establish that they manifest as a continuity of a 'function of colonial capitalism', i.e., where continued colonial violence, racism, injustice, and widespread global racialised inequalities are distinct features of the postcolonial Southern Africa global world. This logic aids and facilitates postcolonial capital accumulation through similar primitive colonial accumulation processes of appropriation, expropriation, exploitation, and involuntary displacements. Thus, this piece explores the following two alternative forms of reparations for colonial crimes and slavery: (a) debt cancellation and (b) reforming and decolonising the multilateral institutions.

Debt forgiveness as a form of colonial reparations

Interestingly, findings have established that the arguments about whether debt cancellation, relief, or forgiveness is, or can be, a form of reparations for colonial crimes and slavery in (Southern) Africa are fluid, slippery, and contentious, as they are assorted and stratified. Amazingly, all the controversial arguments regarding this phenomenon wield great intellectual power and potential, and they are all strong and convincing in their own right, thereby competing for explanatory and intellectual supremacy and dominance. The following are the contentious arguments that reveal conflicting feelings and emotions about the phenomenon:

- Unconditional debt cancellation is indeed a strategic and critical form of reparations;
- Our leaders are scapegoating their incompetence, corruption, and mismanagement of public resources by demanding and pursuing debt cancellation as a form of reparations.
- If Southern Africa truly owes international multilateral institutions and the Global North some financial debt, then let the region receive complete reparations for colonialism and slavery, and witness how minimal SADC's debt to global economic and financial institutions is.
- Former colonisers (and their multilateral institutions' extensions) are actually the ones indebted to Southern Africans, as the funds the region receives as loans are merely an insignificant fraction of the wealth looted from the area during years of colonialism, slavery, and apartheid—even now during neocolonialism.

Many participants have agreed that the processes involved in the issuance, administration, distribution, and repayment of international public debt have largely been (and still are) a function of colonial capitalism. The average interest rates for African countries [are eight times higher than those for Germany and four times higher than those for the United States of America \(USA\)](#). Furthermore, African countries spend more on interest payments than they do on either health or education.

To put this issue further into perspective, [“on average, low-income countries are likely to allocate more than twice as much funding to servicing net interest payments as they do to social assistance, and 1.4 times more than to healthcare. Debt servicing accounts for 60% of education expenditures in these nations.”](#)

Out of the 54 low-income countries suffering from a debt trap globally, [24 of them are African countries](#). Also, of the 25 poorest countries spending more on debt payments than on social protection, health, and education, 16 of them are from Africa. In Southern Africa, Zambia serves as a good case in point. Currently, many Southern African member countries have a public debt-to-GDP ratio of more than 60%, a troubling situation that ensures unstable and unsustainable financial and socioeconomic conditions in the region. For example, [South Africa’s current public debt](#) of R6.7 trillion is 72.7% of GDP and is projected to rise to 77.7% in 2025/26—compared to 23% in 2009—representing a staggering increase of 662% in 15 years. Zimbabwe’s in 2022 was [92.6% and is expected to reach 102% by the end of 2023; Malawi’s is 67%; Mozambique’s is 101%; and Namibia’s is 68%](#). The graph below is from the World Bank and shows how debt-stressed Sub-Saharan African countries.

What does African debt look like?

External debt of sub-Saharan African countries in 2022 (%)

External debt stock/exports	157
Debt service/exports	16
Bilateral	20
China	11
France	2
Others	7
Multilateral	38
World Bank-IDA	17
IMF	7
Others	14
Private	42
Bondholders	28
Others	14
Total external debt stock	US\$ 833 bn

Source:
World Bank



It thus stands to reason that from the analysis and discussion above, in Southern Africa, the cost of debt overhang presents significant state-building and development spillover challenges. For instance, due to concerning country risk analysis scores, stemming from debt overhang challenges, countries like Zimbabwe are struggling to attract foreign direct investments and earn foreign currency reserves—thereby heavily compromising the achievement of the AU Agenda 2063 and the Sustainable Development Goals (SDGs).

To demonstrate that debt relief would be a strategic form of colonial and slavery reparations in Southern Africa, it is important to note that the debt overhang in the region and the exorbitant costs of debt servicing occur amidst [several socioeconomic challenges plaguing the area](#):

- 52% of SADC’s population lacks electricity, with those with access to electricity experiencing power cuts of unprecedented proportions;
- Over 31% of youth unemployment in the region;
- More than 80% of the region’s urban dwellers are considered homeless as they live in shacks and slums;
- Over 40% of the regional population lacks access to basic drinking water and sanitation;
- More than 80% of the regional retirees are without pension;
- Over 32% of the regional students are illiterate, as they cannot write or read;
- About 5.4 million Southern Africans suffer from malnutrition and undernourishment;
- More than 30.9% of the regional population is food insecure.

According to one civil society respondent, the global financial and economic institutions were designed to advance, maintain, and perpetuate “an unequal, unjust and unsustainable global economic, financial and tax architecture, which is lopsided in favour of capital-exporting countries.” In all this, African countries are on the receiving end.

Regarding odious debt, many Southern African countries inherited colonial debts; for instance, Zimbabwe inherited US\$700 million, while South Africa inherited US\$25 billion.

In Southern Africa, according to many respondents, the debt crisis largely stems from failed global economic and financial frameworks, protocols, and conventions established by international multilateral institutions designed for Africa and its people. These frameworks address several important issues: debt, international trade, tax, climate financing, and foreign direct investment. In this context, a genuine way to atone for Southern Africa through debt relief as reparations for colonial crimes and slavery is for Africa to shift from being a ‘rule-taker’ to a ‘rule-maker’ in all crucial debt-related decisions and processes that affect the continent.

To further illuminate the dastardly acts of these international multilateral financial and lending institutions on poor Southern African countries, of the US\$395 million Zimbabwe owes, arrears and penalties to the European Investment Bank amount to US\$384 million, representing 97% of the loan; of the US\$692 million the country owes to the African Development Bank, [arrears amount to US\\$664 million, representing 96% of the loan; and of the US\\$1.546 billion Zimbabwe owes to the World Bank, arrears amount to US\\$1.412 billion, representing 91% of the loan.](#) The Zimbabwean government is on record reiterating that the debt trap continues to weigh down the country’s development efforts, as credit lines, including from international multilateral institutions such as the African Development Bank, the IMF, and the World Bank, are closed due to the country’s high credit risk status.

Findings have further shown that one reason Southern Africans see debt relief as a strategic form of colonial reparations is that current debt laws and conventions have left the region at the intersection of precarity, marginality, and vulnerability.

This condition means that member countries face three difficult, stark choices whose short-to-medium-long-term consequences are as far-reaching as they are regrettable. Pursuing either of these choices is bound to generate wicked, complex, and sticky public and social policy problems. These choices are (a) defaulting on their loans, (b) negotiating with the lenders for the rescheduling or restructuring of their loans, and (c) taking on new loans at the current exorbitant interest rates.

In summary, the implication of all this is that Southern Africa is facing a debt overhang more quickly than it is generating and accumulating sustainable savings. Therefore, in an effort to shield themselves from future debt-related difficulties, many SADC member countries are significantly reducing spending on economic, welfare, and social goods and services, which has disastrous effects on the already vulnerable and exposed populations.

It has also been established from the findings that (Southern) African leaders are scapegoating their incompetence, corruption, mismanagement, and leadership failure on colonialism; hence the strong voices when it comes to demanding colonial reparations—especially debt cancellation. According to two academic respondents interviewed, while the colonialists committed numerous unspeakable atrocities in (Southern) Africa, which results in them owing us a lot, it should be noted that it is senseless for us to demand colonial reparations now—more than 40 years into independence.

According to one of the civil society respondents interviewed, the Triangle Approach (shown in Figure 1.1 below) is a critical tool to be deployed when analyzing and demanding colonial reparations in (Southern) Africa. The Triangle encompasses Debt, Aid, and Trade at its three points, and any SADC member country is placed inside the Triangle. One must analyze holistically (i.e., not analyzing the three elements in isolation); you can observe that all the countries are trapped in similar circumstances of endless dependency, precarity, and depravity that are carefully and deliberately crafted by international multilateral institutions.

Put differently, using this approach, one can easily see that debt cancellation cannot occur without true and proper reforms in international trade and the removal of aid conditionalities, and it is unrealistic to expect any meaningful improvements in that country's political, social, and economic developments.

Figure 1: Triangle approach to the analysis of colonial and slavery reparations



Source: Author's creation based on findings

According to this line of reasoning, the three should be undertaken simultaneously and unconditionally for them to be interpreted as practical and real forms of colonial and slavery reparations in the region. Without these, such reforms in the international governance system are merely a farce, sham, and meaningless to Southern Africans. The reason is that “in as long as Malawi, is trapped between those three angles inside it, of debt, aid and trade, there's no way Malawi can forge its own policy path... You only come out of that Triangle if you have got very strong leadership and if you can put your economy in place” (Civil Society Respondent).

The case of Malawi is revealing and illustrative here. The Southern African country had [90% of its US\\$2.9 billion debt cancelled in 2006](#), leaving it with only US\$400 million. However, today it finds itself in a worse situation than in 2006 before the debt cancellation.

In 2021, the country's debt rose to US\$8.1 billion. To further illustrate this, the country's public and external debts have increased to an unsustainable level. Total public debt grew from 45.3% of GDP in 2019 to 64.0% in 2021 to finance a significant fiscal deficit in the financial year 2021/22. Foreign debt was 32.8% of GDP in 2021 compared to 27.8% in 2019. In conclusion, true colonial, slavery, and postcolonial reparations for Southern Africa will only occur when debt is cancelled unconditionally, international trade laws are reformed unconditionally by the WTO, and aid conditionalities are entirely removed.

This would allow the region [to do the right thing, in the right way, in the right place, for the right people, in open, sustainable, transparent, timely, inclusive, and accountable ways when prioritising and financing regional socioeconomic development.](#) Therefore, this piece argues that the protracted debt overhang in Southern Africa is due to the region's lack of economic agency in all strategic decisions made in international economic markets by global financial and economic institutions. Without exception, all SADC member countries lack influence in recommending borrowing terms and only act as rule-takers rather than rule-makers. Overall, the analysis and discussion of the presented findings largely justify the idea that unconditional debt cancellation is a strategic form of colonial and slavery reparations for Southern Africa.

To conclude, the above analysis has shown that for Southern Africa to extricate itself from the current clutches and trappings of widespread underdevelopment, poverty, inequality, and unemployment, an overhaul and radical decolonisation and reformation of the international debt issuance, administration, and distribution processes should not be underestimated. Furthermore, as debt and tax are two sides of a single coin, there is also a need for a complete overhaul of the unjust and vicious global tax systems.

Reforming and decolonising multilateral institutions as a form of reparations

The findings indicate that the existing global governance system's structure and architecture are designed to promote, protect, and sustain what scholars like Cedric J. Robinson term 'racial capitalism' and what Charles W. Mills describes as 'The Racial Contract.' In other words, the supra-national institutions, along with the laws, conventions, protocols, and covenants they create and enforce, stem from colonial capitalism. The foundational logic and philosophy underlying Euro-American approaches to global governance foster white privilege and supremacy in both direct and indirect manners, allowing for ongoing [appropriation, expropriation, exploitation, oppression, and subjugation of non-white individuals](#), even long after the period of colonisation.

Commenting on this, one civil society and academic respondent interviewed supported what he termed 'a radical and decolonial reformation' of these institutions, where Africa is completely delinking from the Global North. If cooperation occurs, Africa's voice and agency should both be heard and heeded. In support of this perspective, another civil society respondent interviewed mentioned the issue of global relational capital that is tilted in favour of the Global North and to the disfavour of the Global South, with Africa bearing the brunt of it all as the poorest continent on earth.

These international multilateral institutions, one civil society respondent called 'global economic and financial institutions', are creatures of the developed North, and their founding objective is to further develop the Global North by under-developing the Global South. Therefore, against this background, we argue that it is only when the UN, WTO, the World Bank, the IMF, and many other multilateral institutions open up to third-world countries in an equal, just, and fair process that we can say colonial and slavery reparations are fully paid to (Southern) Africans.

The reason is that these institutions are still heavily dominated by the same countries, and the laws and conventions that govern them serve the interests of these countries, not the poorer third-world countries.

Recommendations

The need for effective political reforms

What also emerged from the findings is that without effective, proper, and serious internal political and economic reforms, unconditional debt cancellation and the reformation of the global governance systems would mean nothing for (Southern) Africa's pursuit of either colonial and slavery reparations or pathways for socioeconomic development. First and foremost, there is a need for effective, sustainable, responsive, democratic, and strong institutions in (Southern) Africa to ensure that any form of reparations is beneficial and meaningful to us. Furthermore, there is a need for a convergence of ideas, demands, and interests on this important and righteous issue of reparations from all stakeholders.

The need for international solidarity and buy-in

The findings further establish that the demand for reparations by Southern African civil society is too weak and meaningless, as it is made in localized settings without regional and international solidarity and buy-in. While these reparations demands are legal, moral, and legitimate, there is a need for two essential elements before we yell into the vacuum without anyone hearing or heeding us. First, regional solidarity among all progressive forces in SADC is necessary, including student movements, scholars, activists, scholar-activists, governments, political parties, social movements, and citizens in general. Second, SADC and Africa as a whole must speak with one strong voice, condemning past colonial atrocities, violence, and crimes, and begin making Afrocentric demands for the payment of these reparations based on terms and conditions that favour Africa and no one else.

An international solidarity call for (Southern) African reparations is necessary to sensitize the world about the legality, morality, and legitimacy of these reparations, illustrating how they can significantly enhance (Southern) Africa's position on the world map.

Conclusion

This piece discusses two themes regarding alternative forms of reparations for colonial crimes and slavery in Southern Africa that South Africa's G20 Presidency should focus on: (a) debt cancellation; and (b) reforming and decolonising multilateral institutions. The piece argues that the issue of reparations for colonialism, apartheid, slavery, genocide, and many other past atrocities in Southern Africa should be holistic. This means that multiple wrongs need to be atoned for simultaneously to prevent a situation where atoning for one wrong renders others meaningless in the larger context. For instance, debt cancellation without reforming international multilateral institutions and ensuring that Southern Africans own, control, and manage both the means and factors of production, finance, consumption, and distribution in their respective nation-states would be insufficient. Addressing the issues of reparations in isolation creates recidivism, as we are likely to revert to previous states of, for example, debt-trapped populations.