A Comparison of Westerners and Africans Attitudes Towards Money and Resources

These observations are based on those made by David Maranz in his book, African Friends and Money Matters. His book grew out of his own frustrations traveling and living in Africa . While generally true, these observations may not apply to all Westerners or African individually, especially in urban situations where Western and African cultures are interacting. They do indicate the differences .between two cultures regarding money and resources. And these differences will have a significant impact as they interact with each other.

Average Income (1999) Westerner: $31,500

Unemployment is low. Families are small.
Life expectancy long. Health-care readily accessible.

"The Westerner has a much higher income and lives among people who are equally well off; and lives in a society that is focused on the individual; and therefore is free to make economic decisions according to purely personal criteria. He is free to choose his own lifestyle, within limits of his finances. He has few constraints on his use of resources from his extended family, friends and community. Others of his peer group have very similar incomes and make virtually no demands on his resources. Most people are able to cover their needs and they do no look to other individuals for economic support. Those who are impoverished generally look to Government programs or Charities for help."

In the West, condition of lives, governments and institutions are stable and predictable. Westerners have generally a positive outlook towards the future. Westerners like clearly defined relationships with their agreements spelled out on paper. There is careful planning and budgeting of resources and careful accounting. Business and personal finances are kept separate. But while working, saving and giving are accepted values, increasingly Westerners live beyond their means with a over-extended system of credit and debt, and spend most of their resources on self interests.

Independence

Westerners look to their own material resources to meet their needs. They expect to work and make a surplus, planning ahead, living within your income, budgeting and careful accounting are expected in financial dealings and repayment of debts. However, today's Westerner in a consumer society and relies on a overextended system of credit and debt, and often lives beyond his means. Westerners generally distrust individual requests for money or loans of resources, but accept those of institutions.

Banks and financial institutions are readily available in the West for those who have show themselves fiscally responsible.

Westerners try to separate personal friendships and financial matters, except when disasters or major-unexpected events such as illness, death, fire or flood arise. But in business friendships material interests are of paramount concern usually with self-advancing motives.

Average Income (1999) African: $1,036

Unemployment is often 50%. Families are large and extended.
Life expectancy is short. Health Care frequently not available.

"For the average African the situation is reversed. He has a much lower income that at best meets minimal personal and family needs. Among his extended family, friends and neighbors are many people who are unemployed and virtually without income. Often these people cannot meet their own survival needs. In addition to these economic facts of life, the society itself demands that its members live in community, not just as autonomous individuals. Those with more are expected to share with those who have less. Those who have less expect to receive from those who have more. Those who have more willingly accept this because the tables may turn and they might be in need tomorrow.

In Africa Life is very uncertain. Governments are often corrupt, their polices unclear, and power dominates rather than law. Resources are limited and there is hidden competition and conflict over them. Africans are skeptical and cautious about the future, preferring to focus on the immediate needs of the present. With life so uncertain, Africans like to keep arrangements and agreements with each other ambiguous. Saving is risky with the constant demands of a network of family and friends, so resources are usually applied to immediate needs, regardless of what they were intended for, or whether future needs can be met.

Interdependence

Community life is in fact a high value that is inculcated in every individual, so they do not even consider being autonomous. They grow up wanting to be a valued member of society, fully participating in it. This means that each person feels close to others and sensitive to their material needs." The average African is always looking outside himself when considering material resources and needs. Survival depends on living in community and sharing resources. Many of those encountered asking for money or the loan of resources are not genuine and are generally not trusted.

With the absence of secure banking systems in Africa Africans have to look their network of friends for personal loans, or create private tontines or savings clubs. Most people have little access to loans.

Africans work at maintaining their networks of friends. They are generous with sharing things and resources. Frequently visits and gift giving are important. Maintaining their network of relationships is more important than their obligations, as it also a network of resources.

Not to be confused with today's consumer society, after the Protestant Reformation and with the industrial revolution, Westerners built a work ethic around money and capitalization. Hard work was expected, along with re-investment back into ones business for growth – but that had its social consequences as well – resulting in the creation of social programs and charities. Savings was also stressed, as was giving for those in need. Charles Wesley in 1772 stated the Protestant Work Ethic as "Work as hard as you can; Save as much as you can; give as much as you can – all for God's Glory." Wealth brought social responsibilities. Andrew Carnegie said "Who dies rich, dies disgraced."

The West has developed a complicated economy built around production, technology, trade, banks and stock markets, and corporations that has become global. There is a large middle class. Information has become as valuable as money. However the current economic crisis reveals how interdependent we have become and how shaky that economy has become, and that has global implications as well, for the environment as well as nations.

Westerners put a high value on repayment of loans and prompt fulfillment of obligations. Westerners are free sharing personal knowledge, but tight with sharing their things and space. They like privacy, but they freely talk about themselves and their feelings even with complete strangers.

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In the west, the care of the needy has largely been given over to government and non-Government agencies and charities.

In Western cultures, everyone should be equal and treated the same. Justice should be blind. Prices for goods and services are public information. They feel irritated, rather than honored when frequently approached to be givers.

In the West, success in life is a matter of working hard, perseverance, and personal capability. Of course, this is partly dependent up on educational and employment opportunities, a dynamic economy and stable government, rule of law, etc.

Unfortunately, a Westerner in Africa is "fabulously wealthy" compared to even Africans with means and has access to all sorts of resources. So he can expect to be frequently approached for help even by friends. He needs to cultivate a respectful and generous spirit, not be afraid to build friendships, nor hesitant to invest in the lives of promising needy people – knowing that investment will go beyond them to their extended families and social networks.

Money is new to Africa, introduced by Westerners who understood it well, having created it. Before money came, property and land was shared, held in common by members of the extended family and clan. Everybody contributed a share, everybody received a share. There was general security and relative affluence. When nature brought hunger, everyone was hungry. When things were needed, there was barter. The value of things was determined by the needs of the two making the exchange.

When money was introduced to Africa, everything changed – it could be grasped and a great deal of individualization of possession took place. It takes time to learn the ins and outs of handling money. People haven't yet learned to handle it well. And the whole economy was also shifted to money – meaning all things became inter-changeable with it. Money now was needed for taxes, education, clothes, travel and bribes. People had to sell their things and agricultural products, livestock for money and this sometimes led to hunger and impoverishment.

Africans are frequently delinquent in repaying loans, especially if the borrower has less means than the loaner. They are also much more tolerant with defaulted loans or lost things, as maintaining their network of resources is more important. Africans are generous with sharing their things and space, but tight with sharing personal knowledge.

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Africans are notable for their extraordinary hospitality, but generally are not charitable.

In Africa, those with means are supposed to pay more and are expected to be generous with their relative wealth. "Equal prices for everyone" is not an African concept. There are all sorts of "giver-receiver" relationships assuming inequality of social rank that are often reflected in the way and order in which people are greeted. Relationships are not one sided, one gains needed help, the other receives prestige, honor and deference. The "Big man" is expected to be a generous one, though some wisely hide their wealth.

The way to get ahead in African society is to attach oneself to someone as high as possible in society, i.e. the "Big Man." Educational, employment and other ways to upward mobility are closed to the majority of the population. So they try to establish long term relationships with as many patrons as possible from those who have resources. They will cultivate these with visits and gifts. When special needs arise, people have to weigh the recent and past history of relationships, temperaments and past obligations still owed in choosing a benefactor.