



# Africa's External Indebtness: Causes, Challenges and Solutions

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## **Executive Summary**

In recent years, Africa has seen outrageous external debt levels. According to UNCTAD (2015) between 2011 to 2013, the annual average external debt stock rose to \$ 443 billion compared to \$ 303 billion between 2006 to 2009. According to Benedict et al (2014), the word debt is derived from a Latin word "debere" meaning to owe. There are many theoretical reasons which explain why countries plunge into external debt, availing the root cause of external indebtedness, the consequences they suffer as a result of that, availing the challenges of external indebtedness and thereafter solutions are also proffered in this article.