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Sub-Saharan Africa Report

FOUO No. 643



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SUB-SAHARAN AFRICA REPORT

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INTER-AFRICAN AFFAIRS

COMMENTARY ON AFRICA, HAVANA SUMMIT

Paris AFRIQUE-ASIE in French 11 Jun 79 p 28

[Article by Fode Amadou: "Africa and the Havana Summit Conference"]

[Text] Coming to plead "respect for the original principles of nonalignment" on the eve of the preparatory meeting of Colombo and the Havana summit, President Josip Broz Tito was heard with attention by the Algerian and Libyan leaders. The latter also feel that the movement of the nonaligned is faced today with an "imperialist strategy of fragmentation" which threatens its existence as a henceforth determining factor on the international political scene.

Very few men in the world inspire as much respect and consideration among the Algerian and Libyan leaders as President Tito, the former leader of the [Yugoslav] partisans, the artisan of this country's national liberation, the statesman who for more than 30 years has been striving to give a socialist content to a dearly acquired independence, and finally the patriarch of the movement of nonaligned nations of which Tito was one of the founders together with Nasir, Nehru, and Sukarno.

Since the time of the Algiers summit of September 1973 which marked in a sense the climax of the movement of nonaligned nations, the latter has been experiencing an identity crisis. It must again position itself with reference to the major political currents which agitate the world and to the worldwide strategies which are being set up. The quantity (that is, the number of its followers) has in the last analysis militated against quality, and the ideological conflicts, carefully held aside so far, have ended up by surfacing. Even the idea of a new international economic order, voiced in Algiers as a rallying cry and as the battle horse of the nonaligned nations against exploitation and the imperialist plunder of the Third World, has been marking time. There has been an increasing tendency to replace it with partial makeshift solutions. Similarly, Cuba's militant action and its active support of the struggles of national liberation in Africa have provided a pretext to those who nevertheless enjoy "privileged ties" with the Eastern camp to denounce interferences from outside of the movement and demand the replacement of Havana by a capital that is "less conspicuous" for the holding of the Sixth Summit [of Nonaligned Nations].

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A rear-guard battle is even taking place now in order to "provide cadres" for the president of the movement who, following tradition, will have to be the Cuban head of state, Fidel Castro. Yugoslavia and India are the driving forces of this campaign. Algeria and Libya (visited a few days apart by President Tito) expressed their reservations regarding the solutions that he advocated.

The question of Egypt's participation at the forthcoming summit conference was also the subject of an exchange of views between Algerian and Yugoslav leaders. While condemning firmly the separate Egyptian-Israeli peace treaty and while calling for the "unconditional withdrawal" of Israel from the [Arab] territories that it has occupied since 1967, Algiers and Belgrade are not against an Egyptian presence at the Havana summit for fear that the movement would crumble. But for Algeria the "suspension of Egypt, which has failed to honor its commitments as a nonaligned nation by making a quasi-alliance with imperialism and Zionism, is necessary. Egypt would be able to retrieve its place in the family of nonaligned nations as soon as it would uphold once more the Egyptian people's tradition of anti-imperialist struggle.

One of the major beneficiaries of Tito's visit in Algeria is unquestionably the POLISARIO Front. Applauded at length by the Algerian deputies during the formal session held by the People's National Assembly in his honor, the Yugoslav head of state in effect came out in favor of the "right to independence of the Saharan people." On the eve of the Havana summit where the POLISARIO Front will try to consolidate the gains it had made in Colombo, this new support to the struggle of the Saharan people is significant. It is not excluded that Yugoslavia will soon recognize the SDAR [Saharan Democratic Arab Republic].

Whereas Morocco has already begun its major diplomatic maneuvers on the eve of the OAU's summit slated to be held in Monrovia in July 1979, that of the nonaligned nations in Havana, and of the United Nations General Assembly in September 1979, the resignation of the Mauritanian president, Moustapha Ould Mohamed Saleck following the death of Prime Minister Ahmed Ould Bousseif undoubtedly creates a new political situation whose dimensions and consequences will have to be analyzed. But for the time being the essential thing is that the Saharan political leaders feel that they have excellent prospects on the international level while, on the battlefield, their fighters continue to win impressive victories.

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FUTURE DEVELOPMENT OF AFRICA EXAMINED

Paris JEUNE AFRIQUE in French 21 Mar 79 pp 32-42

[File prepared by Habib Boulares: "What is Africa Preparing for Its Children?" Based on statements of Edem Kodjo and Adebayo Adedeji.]

[Text] What Development for Which Africans?

Africa of the year 2000 is already here. A child born in 1979 will be 21 years old by the turn of the century. Today's youth will then be in political and economic control of their countries. Many adults of today will still be alive. Africa of the year 2000 is being shaped, at least essentially, by established systems of government, education and development.

Since 1960--the "year of Africa"--the continent has undergone 2 decades of development. The results are mediocre; in any case, highly questionable. If nothing has changed in terms of methods and concepts, the future hardly appears brilliant. On the eve of the 3rd decade and in light of the results obtained, Africans are wondering: Does Africa have a chance of emerging from underdevelopment? What strategy must be adopted to achieve this goal? First of all, what is the actual goal which we should seek to achieve? In other words, what development for which Africans?

Thought and Action . . .

To answer all these questions and many others, of a more technical nature, the OAU (Organization of African Unity), supported by the ECA (United Nations Economic Commission for Africa) and UNDP (United Nations Development Program), organized a conference in Monrovia (Liberia) from 12 to 16 February 1979, to which it invited about 40 African figures from the world of economics, science, culture, finance, diplomacy, education, health and developmental forecasting.

. . . to Control the Future

JA [JEUNE AFRIQUE] responded to this meeting, which represents an original effort to consider such questions. This "tell-all" file gives African

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readers, citizens and leaders the opportunity to go deeper than permitted by the fleeting present into examining the major questions determining our survival. It is based on documents of the Monrovia conference. Although broad passages have been excerpted from the document submitted by Edem Kodjo and Adebayo Adedeji, OAU and ECA secretaries, we have been careful to retain only that which represented a consensus in this conference.

Such as it is, this file is intended to reflect the general opinion of the participants and it must be approached in this way even if, out of concern for reference, we have made a point of mentioning the origin of certain texts. In doing so, JA is fulfilling a function in keeping with its mission to make available to Africans items for thought and action, which will enable them to control their future.

Preparing for the "2000 Horizon"

With the acquisition of national sovereignty by most African countries, the continent entered a new era of transformation in all areas. Of course, neocolonialism has ruined some of our programs in several areas, introduced to us the Cold War and conflicts which, just yesterday, were ravaging other parts of the world. We have fought against these forces for the last 20 years and the frontiers of colonization are gradually becoming less distinct.

Everything has not been perfect economically. But positive results have turned up here and there, evidencing a (relative) success of our efforts. Various reports of international bodies, such as the IMF (International Monetary Fund) or the UNCTAD (United Nations Conference on Trade and Development), bear this out very well. The real problem nevertheless remains: What development for Africa in the future and particularly on the horizon of the year 2000?

Where Are We?

In view of the situation of our countries, it would be tempting to answer that Africa has not yet started down the path of development and that the results obtained are hardly satisfactory. What is Africa's situation in the world? What image does it project? Where are we?

It must be admitted that the continent is in a state of absolute poverty: it contains the 25 poorest countries in the world, those which have experienced droughts and the most terrible natural disasters. Against this background of poverty, unemployment and inflation, it is time to reexamine our structures, to reexamine ourselves, to free ourselves.

We must act quickly in view of the important impending international negotiations, with which we will soon be faced. We must reinvent a strategy of development.

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"Counterdevelopment"

What must be done? What kind of development? Until now, the path which we have followed has led us only to "counterdevelopment," with its harmful effects and passion for growth at any price. Africa needs a development which will guarantee its peoples a consistent standard of living. This requirement has been pointed out in various international bodies, particularly at the World Employment Conference in 1976. The satisfaction of basic needs was recommended: food, housing, health, education and jobs. But in considering this more deeply, we realize that these basic needs do not constitute development in its entirety. "Man does not live by bread alone." Moreover, will what we consider basic and vital today be so tomorrow? Needs, even vital needs, change. That is why our strategy of development must be dynamic and must change in relation to the new realities of the world in which we live.

How can we come to terms with the economic reality of the world through an intelligent acquisition of science and technology? How could the educational system train creative Africans capable of assimilating other civilizations?

Formulating a Code

How can we overcome obstacles of an internal nature: political difficulties, economic isolation, enduring colonial structures, a limited market? How can we overcome natural obstacles: enclavement, insularity, exposure to natural disasters? How can we overcome major international obstacles which are the result of a world economic order, a source of injustice and exploitation? This does not mean challenging the interdependence on which international trade is based, but rather refusing to have the fruits of investment diverted abroad via multinational corporations.

Faced with this situation, we cannot accept throwing up our hands in desperation. We must formulate a code capable of establishing, under good conditions, development prospects for the horizon of the year 2000.

A Disturbing Analysis

After 2 decades of political independence, the economic emancipation which in theory was to closely follow political independence and bring about a noticeable improvement in the standard of living of the masses, a standard of living which would then have continued to improve, is still only a hope for most African countries.

Despite the structural modifications of the last 20 years, the fact is that the African economy is still basically underdeveloped: low per capita income, a very considerable percentage of the population employed in agriculture, low levels of productivity, a limited and fragmented industrial infrastructure, dependence on a limited, and thus vulnerable, range of basic products for export, a transportation system basically centered

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around exports, total separation between traditional and modern sectors, a high percentage of illiterates, short life expectancy, predominance of foreign companies in banking, trade, finance, industry and management.

Foreign Dependence

Although these are only a few signs of Africa's underdevelopment, they nevertheless suggest the extent of the task facing African nations.

The African economy is presently the most open and most vulnerable in the world. It depends excessively on foreign trade and other foreign stimuli, technologies and skills. The development strategies which governments have implemented since independence are themselves of foreign origin, since they are based on economic development theories conceived during colonial and neocolonial periods to rationalize the colonial production structure in Africa.

Undeveloped Resources

As may be expected, these foreign theories of development and economic growth tend to reinforce Africa's economic dependence. They actually link the rate and direction of internal socioeconomic development and its orientation to export markets and to the importation of skills, technologies, durable goods, services and modern consumer products. These theories place great importance on parameters such as savings and investments, imports and exports, the balance of payments, foreign aid and investment, but do not place adequate importance on natural available resources, the abilities of African contractors, skilled labor and local technology, or on the nature and dynamics of the domestic market.

The policies, programs and projects based on these theories and strategies only reinforce the existing production process, destabilizing export prices and reducing the means available to African governments to finance the implementation of their development programs.

The result of all these factors is that the African economy has not achieved high growth rates, has not been able to diversify its activities or to increase its autonomy and internal development.

The vertical orientation, centered toward the north, of the African economy has also made it difficult to establish intra-African economic cooperation. Even if they maintain the contrary in their speeches, many African countries remain conditioned by their loyalty to economic ties established prior to independence. Twenty years after independence, this loyalty has inevitably prevented the development of policies and instruments vital to the establishment of intra-African economic cooperation effective at the regional and subregional level.

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Dependent on the Past

But it would be dishonest to claim that it is exclusively the fault of others than ourselves if we have not made decisive progress in the area of regional cooperation. In fact, despite all our declarations and even despite the many reasons favoring the establishment of closer economic cooperation, the national problems which absorb every African government daily have prevented them from devoting much time and attention to a detailed analysis of the basic principles of socioeconomic development, such as recognizing the urgent need to establish economic cooperation in a region composed of relatively small and economically weak countries.

Thus the absence of both national and regional progress has combined to keep the African economy in an underdeveloped state with a production structure which has basically remained the same as it was during the colonial period. Rather than satisfying our own needs, we continue to devote our resources to producing goods for export, since that was the old economic order. At the same time, we are dependent on the rest of the world, which provides us with the basic goods that we need.

Satisfying Needs

We seem to have forgotten that agricultural production for export, for example, was encouraged, maintained and supported by the colonial administration because this was in the interest of manufacturing industries in the mother country. Why must we continue to implement this aspect of colonial economic policy 20 years after independence? Isn't it high time that we begin to produce to satisfy the needs of our economies and our peoples and to promote the internal development of the African economy?

You only have to walk through certain African urban centers to note the existence and aggravation of situations which governments say they want to correct and change: slums, traffic jams, begging and unemployment, affecting young and old people desperately seeking a means of subsistence, with all of this flanked by a display of wealth, high income and lavish consumption. Our department stores and shops are filled with imported consumer goods for the wealthy, which proves that our urban distribution systems continue to be an extension of the marketing systems of advanced industrial countries.

But the situation in the cities could be described as tolerable in comparison to that of rural areas, where most of our people work and spend their lives. Not only is there a shortage of drinking water and electricity, but education and health services are inadequate, the environment is hostile to man and services necessary for production activities are insufficient. Urbanization proceeds chaotically, as does the exodus of young people to the cities, leaving behind them a population of aging farmers.

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Drain of Currency

Today we are up against an alarming phenomenon: our inability to satisfy our food needs ourselves; thus we are obliged to import staple foods, which results in making the drain of currency worse and making us even more dependent on the rest of the world.

How have we reached this deplorable situation during the period following independence, a period which we initially thought was filled with so much promise?

First of all, it seems to me that we have established goals and objectives for development without duly considering our values and without correctly measuring our needs, resources and possibilities. It is at this level that it is urgent to clarify our concepts and definitions, to understand processes and their effects, to develop mechanisms to control the results, to rectify processes and correctly adjust their effects. Thus the way in which economic growth is traditionally measured leads to placing emphasis on developmental factors which are not the ones which should be considered.

Stress has always been placed on currency and investments, which have been considered essential for development. To the extent that money is converted into fixed and reproducible assets ultimately representing the implementation of the technological process, investments are of critical importance for development. Therefore, we should not forget the pertinent questions which should come to mind every time that investments are discussed: What type of investment is appropriate? Could it be financed locally or is it necessary to appeal to foreign sources of financing? These questions have not always been asked and when they have, they have not always been answered.

Moreover, if economic growth can be obtained to some extent by using foreign production factors, this method is very expensive. It is necessary to pay for the services provided by these production factors, resulting in a significant drain of resources in African countries as well as in other developing countries. Furthermore, when all attention is given to considering foreign production factors, there is a tendency to forget that it is necessary to define local production factors. Finally, when a country is largely dependent on foreign production factors, it is less able to establish its sovereignty over its own natural resources and to have the upper hand over its development policy.

True Autonomy

There has almost never been an attempt to analyze the factors on which development depends: quantity, composition and quality of natural available resources; volume, composition and quality of human resources, particularly at the level of business leaders, who contribute so actively to promoting change; situation and features of domestic markets; techniques to be used,

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particularly with a view to taking advantage of the most precious resource of African countries: labor; probable development of these factors. Added to this is the fact that the guide variable used to formulate projections is inevitably the growth rate of foreign economies.

We have acknowledged that it was reasonable to hope that trade with advanced countries would in one way or another bring about the internal socioeconomic upheavals required to achieve autonomous development and economic growth.

And that was in spite of the fact that the raw materials which we were able to export were much too limited for their exportation to mean that we could acquire a broad range of skills in the areas of management, technology, production and marketing through the transfer, adaptation and development of techniques at the local level and through stimulation of local businesses for producing durable goods and providing services.

New Demand

We did not realize that the Third World could not continue to try to export an increasing amount of the same range of products--regardless of whether they are staple foods, agricultural produce or raw materials--to advanced countries, which constitute a much more limited group.

We did not clearly perceive the major changes which have occurred in the lifestyle and consumption patterns of advanced countries, which have caused a change in the demand for imports. The result has been that the share of world trade represented by exchanges among advanced countries has grown considerably, since they alone had the technology, means of production and marketing necessary to meet the new demand.

It is partly for this reason that we have subsequently witnessed a concentration of actual demand for goods and services subject to international trade among these countries and that Africa and the rest of the Third World have experienced problems of assistance and indebtedness.

If Nothing Were to Change . . .

What will Africa be like in the year 2000? In the absence of a radical--and rapid--change in method, the prospects are very gloomy. Here are the projections:

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The United Nations predicts that the population of developing Africa, which was 401 million inhabitants in 1975, will reach 813 million by the year 2000. These disturbing projections were made on the basis of optimistic hypotheses.*

According to these projections, life expectancy at birth, which is currently 45 years for all developing African countries (i.e., 10 years less than the world average), would theoretically reach 56.6 years toward the year 2000. The projections also indicate an increase in population between 15 and 65 years old, which would rise from 212 million in 1975 to 437 million in the year 2000. The African population of working age would increase approximately 3 percent annually between 1975 and the year 2000, or approximately at the same rate as the population as a whole. The annual growth rate of the working population should accelerate, reaching 2.8 percent in the 1990's.

It also follows from these projections that there will be 216 million children between 5 and 15 years old by the year 2000 (as opposed to 105 million in 1975). Today only 60 percent of school-age children receive a primary education. If we want to educate all school-age children from now to the year 2000, it would be necessary to build elementary schools at an average rate of 5 percent per year.

Even assuming that the fertility rate should start to decline and that infantile and juvenile mortality rates would remain stable, the age pyramid would gradually become wider toward the top; children of school age, adults of working age and married couples between 20 and 25 years old represent an increasing percentage of the total population. The birth rate will remain high until this widening of the pyramid reaches women who have passed child-bearing age.

With some difficulty, therefore, we can accredit the view according to which the gross birth rate would drop from 46.3 percent in 1970-75 to 39.1 percent in 1995-2000.

And even if family planning becomes a reality in future years, Africa will not be able to avoid a population explosion during the next 20 or 30 years.

It is also predicted that 37 percent of the African population (or 306.5 million as opposed to 100 million in 1975) will live in cities around the year 2000.

If they occur, the population explosion, the increase in the school-age and working population, the development of urbanization and the increase in

* Reduction of gross birth rate from 46.3 percent in 1970-75 to 39.1 percent in 1995-2000, of reproduction rate (3.10 and 2.55 percent, respectively) and of mortality rate (19.8 and 11.4 percent, respectively).

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demand for social services will have serious effects on food, clothing, education, housing, health services, job opportunities, urban congestion and general political and social stability.

According to preliminary projections, the working population would reach 225 million toward the year 2000 and only half of those in the job market between now and then could obtain a paying job, with the other half becoming part of the mass of unemployed already present in Africa.

In 1975, more than 30 percent of the entire African working population, or a total of more than 60 million persons, were victims of unemployment or underemployment. If no effective policy were established, by the year 2000 more than 70 million persons, or 39 percent of the working population, would be without jobs or underemployed.

Proceeds and Incomes

On the entire continent, only the four main oil-producing countries plus six countries which do not export oil, but which have high per capita incomes, achieved the developmental goal established for the 2nd decade by the United Nations. This means that 10 countries controlled 45 percent of Africa's gross domestic product (PIB) in 1977 and that only 25 percent of the entire African population had an income increasing at an annual rate of 3 to 4 percent, which was the goal to be achieved. The other 39 developing African countries, especially those with a low income and the least advanced countries, were far behind.

The largest sector of the African economy is agriculture, on which more than 65 percent of the population depended in 1977, as opposed to 75 percent in 1970. More than 50 percent of those employed worked in this sector. Per capita income in 1977, other than agricultural income, was 4.8 times higher than per capita agricultural income (as opposed to 4.9 in 1970). Since per capita income is very low in developing African countries (\$200 in 1977 at current prices), the fact that such income gaps are still being recorded suggests that extreme poverty is widespread in agriculture and that the living conditions of persons whose incomes are below the poverty level are not improving. Within the agricultural sector itself, there are huge disparities in the distribution of incomes.

Food Shortage

If food production continues to increase at only 1.9 percent annually, as in the 1970's, the increase in supply between now and the year 2000 will represent only 60 percent of demand. Thus the self-sufficiency of developing African countries will not be more than 60 to 68 percent by the year 2000. This situation would be very serious. Even today, more than one-fourth of the African population does not consume the minimum allowance of essential calories.

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It is the seriousness of the food situation which caused African ministers of agriculture to publish in November 1976 the Freetown declaration, which urged the FAO and ECA to cooperate with the OAU to develop a regional food plan which would enable OAU member nations to provide for their own food needs within 10 years. This food plan was developed and approved at the agricultural ministers conference held in Arusha in September 1978, but first it is up to the various governments to implement it.

Based on current trends, however, it is conceivable that if African countries do not resolutely implement strategies enabling them to cope with the growing demand for staple foods, they will not be able to provide for more than 81 percent of their needs in 1985, as opposed to 90 percent in 1972-74. Thus in general, nations would have to firmly demonstrate their political will to develop agriculture and rural areas and make a particularly intense effort in this direction in order to be able to provide for 94 percent of their needs in 1990, as planned. If agricultural production does not increase at least 3.5 to 4 percent annually, undernourishment will become widespread, exports will diminish and Africa will not have the means to import necessary staple foods.

For nearly 2 decades, the value added, at constant prices, in the manufacturing sector for all developing African countries has increased an average of 6 percent annually and its share of the PIB has risen from about 8.6 percent in 1960 to about 10 percent in 1970 and 11 percent in 1977. And it is satisfying to note that the percentage of heavy industries in total manufacturing production has increased noticeably, rising from 32 percent in 1970 to 39.8 percent in 1977.

Weakness of Industrialization

Extrapolating these trends to the year 2000 and using 1977 as a reference year, we note that the manufacturing sector's share of the overall PIB of developing African countries would increase from 11 percent in 1977 to only 16 percent by the year 2000. The percentage of heavy industries in manufacturing production as a whole would be 67 percent as opposed to 39.8 percent currently and the share of developing African nations in world production from the manufacturing sector would increase from 0.6 percent to 0.9 percent. The strong disparities among the various African countries would become more accentuated.

Even more disturbing, employment in the manufacturing sector would absorb only 12 percent, or 27 million, of the additional 225 million workers.

To develop the manufacturing sector at an annual rate of 11 to 12 percent, the group of developing African nations should show an annual PIB growth rate of approximately 8.8 percent. In the case of nations which are not oil producers, the PIB growth rate corresponding to a 9.1 percent increase in manufacturing production would be 6.6 percent annually, which is much higher than the 4.7 percent achieved during the 1970's. For oil-producing

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countries, the PIB growth rate corresponding to an annual 14 percent increase in manufacturing production would be 11.7 percent annually. And this average, to be maintained until the year 2000, would represent an historic record.

Good and Bad Surprises

The chances of achieving the African development which we want in future years may be affected by both good and bad surprises.

Among the bad surprises, let us point out four possibilities:

1. The failure of development efforts of so-called front-line nations as a result of a more tragic development in southern Africa, and particularly in South Africa, and leading to a true war of liberation. We only have to see the effects of Zimbabwe's war of liberation on a country like Mozambique to measure the possible economic consequences of such a possibility.

It is obvious that the continent's total liberation, while putting us in control of the enormous wealth which we are not yet or only insufficiently using, would promote an accelerated development of our nations. But the effort which that requires on our part could also, during the next 10 or 20 years, affect the economic development of several of our nations.

2. The decline of Africa's share of the world market because of inadequate policies followed by the continent's nations. For example, it may be noted that Africa has forfeited to Asia the first place which it occupied 10 years ago in the world lumber market and now controls only one-third of this market, as opposed to two-thirds formerly.

3. The continuation or worsening of crises affecting certain countries or the creation of other centers of crisis. Our collective well-being thus demands better management of our economies and that the continent be a zone of peace.

4. A world economic crisis whose consequences on our economies would be significant and difficult to predict.

The good surprises could include situations completely opposite to those which we have just mentioned, such as significant mining discoveries in our countries, particularly in the least advanced countries.

How to Emerge from the Dilemma

How can we rise above the distressing forecasts and projections? To answer this question, we must ask ourselves what kind of development Africa needs. It seems to me that any reply must include the following basic features: autonomy and self-sustained development, democratization of the developmental process, disalienation, creation of a different political and social

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environment, restoration of the self-confidence of African peoples and the will to achieve effective and significant cooperation among African nations.

None of these features is new. And in the various declarations of African governments, a number of these concepts have been praised to the skies. But the time has come to make them the basic pillars of an African strategy of development, to endeavor to see that they are no longer just political slogans, but a framework of policy and action.

With imagination, willpower and hard work, Africa will be able to avoid the disastrous future which seems to be implicit in the projections. But our action and strategy must be based on the features of the framework of action described above.

In my opinion, it would first be necessary to state clearly that the ultimate goal of development must be the development of human beings--i.e., the realization and actualization of their creative potential, due not only to improvement of their material living conditions, but also to satisfaction of their mental needs.

In other words, African leaders and planners must first accept that development is in the service of the people, that it represents something more than the analyses of economists or mere quantifiable concepts: capital-production ratio, disparity between savings and investment, gross domestic product.

In almost all national plans for development as well as in the statements of our leaders, goals and objectives have often been defined in terms of development. However, when it is a question of translating these goals into policies, programs and projects, we revert to variables and parameters of growth. Growth of the PIB (gross domestic product) and PNB (gross national product), capital-production ratio, savings-investment ratio, foreign aid, etc.

It has often been noted that a very brief analysis has been made of the status and probable development of the factors determining development: availability, composition and quality of human resources; situation and features of domestic markets; technologies to be used and their ability to absorb labor; popular values, culture, aspirations and preferences, just to mention a few of these factors.

This leads us to the second point of this new framework of action: autonomy and self-sustained progress. We other Africans have always vigorously stressed the necessity of achieving an increasing degree of national autonomy. There is no doubt that we are sincere in our statements. But have we asked ourselves what are the effects of this principle with regard to policies and programs? Have we tried to state clearly in practical terms the relationships between autonomy and self-sustained development on one hand and a domestically produced developmental process on the other? If we had

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done so, we would have realized that all other variables are dependent variables with respect to the population.

In such a development, the population (and here I am including skills, inventive abilities, creativity and business ventures as well as the tendency to consume and to supply an adequate and growing market), natural resources (availability of fertile lands, forests, ores, water, energy . . .), monetary wealth (total revenue and its distribution, savings and its conversion into stocks of durable goods within the economy) and technology--resulting from human ability to devise methods making it possible to solve problems more effectively--all have vital roles to play.

The population is the initial factor and driving force, as well as the end to which all development leads. For the population to be able to play this dynamic role in the process of development, the individuals composing the population must develop values proper to autonomy. This will require the cultivation, both individually and collectively, of attitudes such as the will to succeed in life through productive labor, to experiment, to demonstrate initiative and to broaden one's horizons. Autonomy implies undertaking economic activities which will increase society's ability to operate in the long term for the well-being of all its members.

It should be said that autonomy and self-sustained progress do not necessarily mean self-sufficiency.

Obviously, autonomy can develop only in an environment favorable to democratization of the process of development, i.e., to the active participation of the population. It is understood that governments must control the strategic levels of the economy, define policies and stipulate the direction of change. But if they do not provide ample possibilities for the people to participate actively in devising, planning, programming and implementing programs, development will continue to be considered something which concerns only the government and not the population.

This development of self-confidence among the population is also linked to disalienation and to restoration of national self-confidence. As a result of colonialism, the African is today alienated from his own society and has been transformed into a being experiencing a feeling of inferiority/superiority.

As a result, one of the vital needs of a characteristically African concept of development will consist of vigorously tackling a process of disalienation. In other words, all factors tending to inhibit the full expression of "man's natural identification with work giving him pleasure and satisfaction and with a society which alone enables him to discover his identity" must be radically eliminated. In their place, there should be a system permitting constant innovation without disintegration and a society which, while being differentiated, remains flexible and permits social mobility based on ability, which is in turn the result of equal opportunity.

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Self-Confidence

All these factors should lead to the restoration of African peoples' self-confidence, that precious asset which was lost during the colonial period. So strong was colonial domination that Africans themselves came to participate in denigrating their own history and their own culture. If a large amount of lost ground has been recovered, much still remains to be done before Africans fully rediscover their ability to formulate and organize their own concepts, which are essential for assuring the socioeconomic transformations to achieve growth drawing its strength from Africa itself.

One factor affecting self-confidence--both individual and national--is the staggering and growing number of African scholars, technicians and specialists who, in an effort to escape from intolerance in their countries or discouraged by the unfavorable working conditions which they find there, settle abroad, thus strengthening the skilled labor force on which such a large part of the power of advanced countries is based.

I do not see how we can achieve structural modification of our economies and our societies, or avoid the dangers of stagnation or decline as well as those of poverty and increasing unemployment, without making realistic efforts to retain or recover the factors of change, in which the member nations themselves have invested such a great deal. I have reasons for believing that conditions making it possible to contribute significantly to national development and recognizing the value of such contributions would in this respect prove to be much more effective tools than purely financial compensation.

Therefore, to the question of what is the kind of development which Africa needs, I will answer that we must implement a developmental process placing the individual at the very center of the developmental effort; a developmental process which is simultaneously human and humanitarian without necessarily relaxing the discipline required for development, but permitting the human personality to develop; finally, a developmental process which does not alienate man from his society and his culture, but which strengthens his self-confidence and enables him to identify his interests with those of his society and to develop his abilities and determination for autonomy. To achieve these developmental goals, society must actualize and stimulate latent energies and, by assuring their interaction with material resources through the use of technology, satisfy social needs in a just and equitable way.

Identifying Interests

How can we achieve this type of development? Action must be taken on three different levels: domestic, multinational African and multinational extra-African. In this respect, the central role of the state-nation must be borne in mind. Whether desired or not, as William Bundy said, "The 20th century has been a period of nationalism. Although pierced by internal

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subgroups on one hand and on the other by aspirations, concerns and organizations transcending it, the state-nation remains the principal driving force of organized human action. For a more considerable part of the world population for which this has never been the case, the state-nation represents something which the people can consider their own, regardless of the extent to which they disapprove of its policies or even suffer the repressive action of the state-nation." The state-nation must consequently assume a very large share of responsibility to help its citizens to satisfy most of their needs in terms of an improvement in living conditions. However, that does not imply autarky by any means.

Three Levels

In the course of human history, no state-nation has ever been able to achieve complete self-sufficiency for all its needs. This is why there has always been international trade and other forms of international economic relations. Therefore, the important thing for us is the extent and form of interdependence involved. And in our quest in this direction, we must always bear in mind that the stronger the autonomy of a country, the stronger is its ability to resist the effects of adverse external economic conditions and to formulate and implement autonomous decisions in regard to other nations.

As for African countries, there are reasons why it will not be enough for them to concentrate on domestic factors of production, distribution and consumption to assure autonomous, internal and self-sustained development. In the first place, many African nations are too small and too weak to assure an autonomous, internal and self-sustained development. Secondly, there are enclaved countries whose development is inevitably tied to possibilities of economic cooperation with other nations. Finally, even in nations of reasonable geographic size and in which income levels are appreciable, economic cooperation arrangements may be very useful, especially when they are concluded with countries having different climatic and socio-economic features.

An important complement to national autonomy is collective regional autonomy, which can and must be considered at various levels (bilateral, multi-lateral, subregional and regional), as we are already doing.

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INTER-AFRICAN AFFAIRS

AFRICAN DEVELOPMENT FINANCING REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Jun 79 pp 1529-1532

[Article by Jacques Latremoliere]

[Text] The 15th annual meeting of the board of governors of the ADB [African Development Bank] was held in Abidjan from 14 to 19 May. It coincided with the sixth annual meeting of the fund of the same name (the FAD [African Development Fund]), which the bank manages. Since 1976 the bank has also managed the Nigeria Trust Fund (NTF), whose funds are provided solely by the Federal Republic of Nigeria.

Those organizations are in fact independent. Ninety percent of the African Development Fund's resources are contributed by the major industrialized countries of Europe, America, and Asia, with the bank itself providing only 2.8 percent. The bank obtains its own funds from loans that it floats on the international financial market and backs with capital that is still entirely African. Under the bylaws, the nonregional states--to use the customary vocabulary--are entitled to 50 percent of the votes on the fund's board of directors, but so far they have remained absent from that of the bank, on which all of the independent African states except Angola are represented. Their economic orientations also differ, since the bank reserves the highly profitable projects for itself, with the FAD and the NTF supporting the more risky operations and those spread over a longer period, particularly those in the agricultural area. Lastly, the bank is not legally responsible for the fund's obligations. Despite those differences, the activities of the three entities are often presented under the single label of the "bank group"--a generalization that may be challenged in principle but is justified by the long-term objectives and the upcoming offering of shares of the bank's capital to nonregional states.

Certain figures in the balance sheets presented at the annual meeting encourage optimism. But others, on the contrary, inspire a more reserved judgment.

The former certainly include those reflecting the very development of the institution. The bank began its work around 1966 with 45 employees. Today

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it has 505, including a managerial staff of 164. Its budget, which totaled 12.03 million units of account* in 1978 (an increase of 33 percent over 1977), will be increased to 15.5 million in 1979 owing to the additional expense of operating and maintaining the new headquarters in Abidjan. The bank's authorized capital, which was initially set at \$300 million, totaled \$1,024.23 million on 31 December 1978, and of that amount, 391 million represented fully paid-up capital, while the uncalled capital amounted to 633.37 million.

The FAD's initial subscriptions totaled \$86 million. The first increase amounted to 45 million. The first buildup of funds, for the period from 1976 to 1978, took place through subscriptions that totaled \$359 million thanks to contributions from new participants (Italy, the United States, Saudi Arabia, and Kuwait) and additional Japanese and American commitments of 45 million and 27 million respectively. The second general buildup of funds will cover the period from 1979 to 1981, and the participants, now numbering 23 following the addition of Argentina, the United Arab Emirates, and South Korea, have agreed in principle to pay in \$840 million. Lastly, Nigeria has furnished a total of \$63 million for the NTF's operations.

Table 1: FAD Participants and Their Contributions
as of 31 December 1978 (in millions of UCF's)

1. FRG	37.50	12. Italy	30.00
2. Saudi Arabia	18.00	13. Japan	82.94
3. ADB	11.50	14. Kuwait	14.40
4. Belgium	9.00	15. Norway	22.00
5. Brazil	6.00	16. Netherlands	18.00
6. Canada	67.50	17. United Kingdom	21.89
7. Denmark	17.00	18. Sweden	27.00
8. Spain	9.00	19. Switzerland	18.57
9. United States	50.00	20. Yugoslavia	6.00
10. Finland	6.00		
11. France	9.56	Total	476.86

Later we will see what sort of performance has accompanied the considerable increase in the technical means and funds utilized by the bank group. But the moral and psychological effects are not the least interesting aspects. The most significant element here is the fact that African elites have taken over in practice the responsibilities of development. In this connection, it is not insignificant that Abidjan was chosen as the headquarters of the

* The dollar conversion rate for the bank's units of account [UC's] is as follows for the various years: 1967 to 1971: 1 UC = \$1; 1972: 1 UC = \$1.08571; 1973 to 1976: 1 UC = \$1.20635; 1977: 1 UC = \$1.21471; and 1978: 1 UC = \$1.30279.

Conversion rates for the FAD's units of account [UCF's] are as follows: 1974 to 1977: 1 UCF = \$1.11111; and 1978: 1 UCF = \$1.199937.

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ADB, which now has a modern building in that city. More than any other city on the African continent, Abidjan has shown not only unequalled development in the area of town planning but also such maturity of mind, procedural organization, and tranquil adaptation to the requirements of business that it is far ahead of the others.

High-level economic teams recruited from the governments of the various member countries have now been brought together, with the help of international technicians, at a center for general and advanced training where salutary and permanent debate concerning plans and objectives is possible. As was pointed out by the president of the Republic of Ivory Coast in his opening speech, the bank group's institutions currently represent the best image we have of the union of Africa.

Houphouet-Boigny recalled: "The work done in common happily transcends the quarrels we have not succeeded in eradicating in other areas. This has been possible because a human ideal--that of our continent's progress--has been pursued by technical and economic means leaving no place for any passion other than that for the quality of one's work and the high awareness that each has of his role."

The confidence that the nonregional states have just manifested by agreeing to subscribe the bank's capital under conditions of representativity that assure the African managers of a majority voice whatever the circumstances constitutes the touchstone of the seriousness and competence of the ADB's departments. Its managers like to recall that within the framework of the initial objectives set for the bank--that is, to finance economic and social development programs for the member states, with priority being given to interstate projects fostering complementary economies--they intend to stick strictly to purely banking techniques and to refrain from seeking out and selecting objectives and priorities, a job they leave to others.

But considering the upcoming considerable increase in the bank's financial resources and the role as a mainspring that it will be called upon to play to an increasing extent in relation to other credit organizations in the financial planning of projects, it seems improbable that its know-how will not gradually prevail over doctrine. For all financial backers, that will be a guarantee of sound utilization and, in the long run, a more effective factor for unity than theoretical pacts or even institutionalized communities, which more often than not are devoid of any real economic substance.

Unfavorable Economic Conditions

But while the bank's development and the greater initiative which an almost general consensus sees for it in the economic construction of Africa bear witness to the activity and methodical spirit of its managers, one cannot ignore the fact that while the increase in the volume and number of loans by the bank group in 1978 has made it possible to lessen the difficulties being encountered by the member countries, there are some respects in which

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it also mirrors the effects of the difficult financial situation being forced on those countries by the worldwide crisis.

Economic activity in all of Africa slowed down in comparison with the 2.2-percent growth rate recorded in 1977--and the 1977 rate was already inadequate, considering that population growth averaged about 2.6 percent. By causing a general decline in farm production and a food shortage in some of the member countries, drought, the invasions of locusts in East Africa, and the slowdown in investments constitute the internal factors of that decline. The drop in the value of exports, tied to the sudden drop in the exchange rate of the U.S. dollar--the currency in which the value of primary products is quoted--inadequate demand in the industrialized countries, and higher import prices are the chief external components, and they are made worse in some countries by the need to devote a large share of the volume of imports to cereals.

It is true that the decline is unevenly distributed. Some countries, such as Cameroon, Kenya, and Ivory Coast, have withstood it better than others thanks to favorable weather conditions enabling them to offset the effects of a sizable decline in the price of products such as cocoa and coffee. Other countries, on the other hand--examples are Tanzania and Egypt--have tried to find an answer in the intensification of foreign aid or a stimulation of the tourist industry.

In this picture, the member countries that export minerals have not been more favored proportionately than the others. Sagging demand in the industrialized countries for petroleum and its byproducts has been the chief cause of the drop in export earnings in the producing countries. Elsewhere, as in Zaire or Zambia, the decline in copper export earnings has led to a drop in treasury funds and a worsening of the burden of public debt. The setback in production and low iron ore prices have had similar effects in Mauritania and Liberia. The stagnation of phosphate prices at a low level in comparison with the boom experienced in 1975 has seriously affected the trade balances and payments balances of Morocco, Tunisia, Senegal, and Togo.

All in all, we see a high rate of inflation that may have reached and exceeded 20 percent in some countries and a trade deficit that is more of a handicap in countries with low national income levels than in the others (for Africa as a whole, the rate at which imports covered exports fell from 105.5 percent to 96.6 percent between 1972-1975 (taking an annual average) and 1977, but during the same period in the countries where the per capita GNP is less than \$400, it fell from 73.6 percent to a probable rate of 64 percent in 1978. Lastly, the deficit in the balance of private services and transfers rose from \$2.3 billion in 1973 to \$4.5 billion in 1977 because of the rise in freight and the cost of insurance.

The net intake of foreign capital may have concealed these overall deficits, but they have led to a rapid expansion of external public debt in most of the member countries. For the member countries as a whole, that debt now

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totals \$48,823 million, representing an increase of 115 percent over the 1975 figure, which totaled \$22,683.2 million.

The bank's 1978 annual report notes: "What is particularly troubling in this regard is the fact that an increasing share of this external public debt represents short-term loans from private sources. This state of things has the effect of lessening the element of liberality present in the running total of the external public debt and thus of increasing the burden of debt service in the member countries."

The circumstance that the level of overall production has been declining steadily and progressively in Africa since 1974, with the resulting decline in per capita real income, has necessarily had an unfavorable effect on the formation of domestic savings. This can be seen in the lower percentage of investment credits--when they exist--within national budgets. The ADB makes it possible to guarantee those investments under infinitely more favorable conditions than would be possible by turning to "private sources." As a supplementary source of indebtedness, however, the bank nevertheless constitutes a lesser financial evil, although it meets an economic need. By opening up its share capital to nonregional states, the bank is assuring itself on the international financial market of a lift that was becoming essential by the fact of its development, to be sure, but also because of the debtor position of most of the African states in relation to the rest of the world.

Operational Activities

It is in this context that one must evaluate the development of the bank's loan operations and also the effort it has begun to make to vary the nature of the chosen investments by directing them more intensively toward vital sectors such as agriculture and agroindustries. Considering the rising demand, the African Development Fund's resources alone would rapidly be in danger of becoming inadequate to meet that demand.

In 1978, for example, the bank financed 33 projects, three of which were multinational, in 28 member countries for a total amount of 157.91 million units of account. The corresponding figures for 1977 were 31 projects, including one multinational, for an amount of 126.78 million units of account, the increase being about 20 percent. Loans in 1978 averaged 4.79 million units of account per project and 5.74 million per country, compared to 4.09 and 5.76 million in 1977. All the projects that the bank has cofinanced with other lenders and the borrowing countries themselves total 814.91 million units of account, giving the bank a participation rate of 19.38 percent, up 2.38 percent over the 1977 rate, while the contribution by foreign lenders comes to 47 percent and that of the member countries represents 31.17 percent of the commitments.

For its part, the FAD in 1978 increased its activities by 22 percent in comparison with 1977. It granted 31 loans totaling 155.07 million FAD units of account (UCF) and covering 27 projects, including four studies. They

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were divided among 24 countries. This compares to 24 projects [as published, possibly loans intended] totaling 127.5 million UCF's covering 24 projects and involving 17 countries in 1977. For 1978, therefore, there was an average of 5.3 million per project, compared to 5.2 million in 1977.

The Nigeria Trust Fund had granted 13 loans by the end of 1978 for a total of 50.94 million UCF's. These covered projects of very diverse kinds in 15 different African countries.

Considered as a whole, therefore, the bank group (ADB, FAD, and NTF) granted loans totaling \$423 million in 1978, compared to \$326 million in 1977. The two fiscal years of 1977 and 1978 represent a total of \$749 million, while the total loans granted from 1967 through 1976 totaled only \$631 million.

Payments by the bank improved by 18.43 percent between 1977 and 1978, thanks to a considerable loosening up of procedures. At the end of 1978, the accumulated payments totaled 272.24 million units of account, or about 44 percent of the total amount of the loans granted up to that time.

In the case of the FAD, the increase in payments was even more noticeable (53.32 percent) between 1977 and 1978. As of 31 December 1978, they totaled 73.26 million UCF's, or 16.71 percent of the loans granted. The corresponding figure for the NTF on the same date was only 4.13 million UCF's, but that figure cannot be regarded as indicative of the fund's activities, since 12 out of the total of 13 projects it has financed were not approved until 1977 and 1978.

Most of the financing granted by the bank in 1978 was devoted to government services, chiefly because of the size of two multinational projects in that sector. But on the whole, a certain decline in investments of this type is noted, since they fell from 44.6 percent of the total in 1977 to 40 percent in 1978. A similar decline is noted in the area of transportation (from 26.2 percent in 1977 to 15.5 percent in 1978). On the other hand, loan operations on behalf of agriculture and industry rose from 12 and 17 percent in 1977 to 22.42 and 20.96 percent in 1978, a development reflecting the bank's desire to begin supporting a sector that has long been neglected for reasons of bank profitability. Agriculture was only in fourth place in the sectoral distribution of the ADB's accumulated commitments on 31 December 1978, with a rate of 14.2 percent--behind government services (telecommunications, electricity, water supply, and sanitation) with 39.5 percent, transportation with 26.4 percent, and industry and development banking with 19.6 percent. The regional distribution reflects some degree of evolution in favor of North and Central Africa over West and East Africa, which remain far out in front, however, as far as accumulated commitments are concerned.

Commitments to agriculture are naturally much more prominent in the FAD. In 1978, at 59.25 million UCF's, they represented 38.5 percent of the total loans, thus further improving the 1977 rate, which itself was 35.5 percent. They involve improvements and equipment (well drilling and silos) as well

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Table 2: Summary of Bank Group Activities, 1967-1978 (in millions of dollars)

	1967	1968	1969	1970	1971	1972	1973	1974	1975	1976	1977	1978
Activités opérationnelles (1)												
Total pour le groupe (2)												
Prêts (3)	1	2	5	7	12	17	13	42	51	44	60	70
Montants (4)	2.30	2.98	7.82	11.15	24.69	27.38	43.13	135.28	196.62	179.40	325.59	423.47
Décèsiments (5)	-	0.14	0.76	2.30	6.30	13.46	20.27	23.89	51.89	62.03	99.46	141.86
Prêts de la BAD: (6)												
Prêts de la BAD: (7)	1	2	5	7	12	17	13	25	28	25	30	33
Montants	2.30	2.98	7.82	11.15	24.69	27.38	43.13	88.61	100.64	97.05	154.00	205.72
Décèsiments	-	0.14	0.76	2.30	6.30	13.46	20.27	23.89	48.01	51.39	73.06	92.80
Prêts du FAD: (8)												
Prêts du FAD: (8)	-	-	-	-	-	-	-	17	23	18	24	31
Montants	-	-	-	-	-	-	-	46.67	92.98	79.54	141.68	166.07
Décèsiments	-	-	-	-	-	-	-	-	3.88	10.54	26.40	43.71
Prêts du MTF: (9)												
Prêts du MTF: (9)	-	-	-	-	-	-	-	-	-	1	6	6
Montants	-	-	-	-	-	-	-	-	-	2.41	29.91	31.68
Décèsiments	-	-	-	-	-	-	-	-	-	-	-	5.38
Ressources et moyens de financement (10)												
BAD: (11)												
BAD: (11)	250.00	250.00	250.00	250.00	250.00	276.20	386.00	482.54	506.67	565.08	571.76	1,042.23
Capital autorisé (12)	215.00	217.80	217.80	218.80	220.40	276.20	309.30	447.75	485.48	764.89	862.25	1,029.80
Capital souscrit (13)	71.78	88.38	105.08	106.86	108.50	126.48	116.59	171.10	232.74	309.91	391.14	638.67
Fraction soustraite à l'appel (14)	143.22	129.42	112.72	111.94	111.90	149.72	193.01	276.65	232.74	436.98	522.34	838.67
Fraction soustraite à l'appel (15)	-	-	-	-	-	-	-	-	43.38	133.27	301.93	425.35
Encours de la dette (16)	-	-	-	-	-	-	-	-	23.38	104.90	161.90	199.64
Encours de la dette (17)	0.87	2.84	6.02	4.17	2.08	3.42	17.42	26.97	39.40	51.67	73.94	98.85
Réserve (18)	2.85	3.49	5.57	6.45	5.07	5.07	6.94	14.50	16.45	18.00	24.63	37.45
Réserve brut (19)	1.40	1.82	3.47	3.53	0.075	1.00	2.71	8.38	11.52	10.93	12.11	10.00
Autres ressources (20)	-	-	-	-	-	-	-	89.82	147.67	339.98	443.25	500.29
Autres ressources (21)	-	-	-	-	-	-	-	0.57	1.23	4.56	10.79	20.48
MTF: (22)	-	-	-	-	-	-	-	-	-	-	-	-
Ressources (autres) (23)	-	-	-	-	-	-	-	-	-	40.83	84.28	90.64

Key:

- 1. Operational activities
- 2. Total for the group
- 3. Loans
- 4. Number of financing (at end of fiscal year)
- 5. Amount of financing (at end of fiscal year)
- 6. Payments
- 7. ADB loans
- 8. FAD loans
- 9. NTF loans
- 10. Resources and means
- 11. ADB
- 12. Authorized capital
- 13. Subscribed capital
- 14. Present capital
- 15. Uncalled capital
- 16. Loans (total)
- 17. Current total
- 18. Reserves
- 19. Gross income
- 20. Net income
- 21. Subscriptions
- 22. Other resources
- 23. Resources (total)

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as the dissemination of new methods, notably in irrigation, and the modernization of plantations. Since 1974, agriculture's share of the FAD's accumulated loans (480.22 million UCF's) has amounted to 165.92 million divided among 40 projects--ahead of transportation, education and public health, other government services, and industry.

Nonregional Participation in Bank Capital

As far back as the ADB's 13th annual meeting, in Mauritius in 1977, it was decided to begin a study of the problem of mobilizing new funds. That study was submitted to the board of governors at the meeting in Libreville in 1978. It concluded that the time was appropriate for opening up the bank's capital to nonregional states.

According to the bylaws, the amount available for the bank's operations--commitments in the form of loans and guarantees granted by the bank--cannot exceed an amount equal to the total of its subscribed capital, reserves (excluding the special reserve), and surplus. The increase in needs, which was tied simultaneously to development and to a particularly critical economic situation in the African countries, therefore made it essential to increase the capital, and the African states were not equal to the task.

Table 3: Sectoral and Regional Distribution of ADB Commitments, 1967-1978 (in millions of units of account)

	East <u>Africa</u>	Central <u>Africa</u>	North <u>Africa</u>	West <u>Africa</u>	Multi- national <u>projects</u>	<u>Total</u>
Agriculture	31.07	23.85	15.36	18.11	-	88.39
Transportation	43.90	35.02	26.70	36.75	21.97	164.34
Telecommunications	13.60	19.80	1.65	11.40	10.00	56.45
Electricity	14.31	3.25	48.55	28.55	10.00	104.66
Water supply and sanitation	13.84	20.21	10.00	40.75	-	84.80
Industry and develop- ment banking	34.96	12.30	27.91	31.49	15.20	121.86
Public health	-	-	-	2.00	-	2.00
Total	151.68	114.43	130.17	169.05	57.17	622.50

Table 4: Sectoral Distribution of Accumulated FAD Commitments, 1974-1978 (in millions of UCF's)

	Number of <u>projects</u>	<u>Amount</u>	Average amount <u>of loans</u>
Agriculture	40	165.92	4.15
Transportation	32	139.97	4.37
Government services	21	81.01	3.86
Social sector	19	88.32	4.65
Industry	1	5.00	5.00
Total	113	480.22	4.25

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It also became apparent that it would become increasingly difficult to let the FAD--that is, in fact, the large industrialized nations with liberal economies--enjoy the key position in, if not the responsibility for, basic operations (chiefly agricultural) consisting of 50-year loans with 10-year payment deferrals and a management commission of 0.75 percent at a time when most of the bank's loans were maturing in from 12 to 20 years with a 2- to 5-year grace period for repaying the principal, with interest rates ranging from 5 to 7 percent, and with an annual commitment commission of 0.63 percent being charged, moreover, on the portions of the loans not yet paid out.

Lastly, the presence of nonregional members on the board of directors should in itself considerably facilitate negotiation on the international financial market of the loans necessary for the bank's operations.

At Libreville, however, the ADB's board of governors immediately established two basic criteria for the selection of new partners: membership in the FAD and the existence of large bilateral aid programs linking the nonregional states to states belonging to the bank. Those criteria correspond, in fact, to two values that cannot be measured: the interest shown in Africa's economic growth by the newcomers and the resulting confidence that would permit their joining the board of directors. Allowing them on the board of directors is a logical necessity, but it seemed essential to set certain limits on the consequences of that logic, and such limits would be acceptable only to those who have shown such an interest from the start.

The decision to open up the bank's capital to those nonregional states--a decision that has now been reached in Abidjan--is therefore the result of a series of bilateral and multilateral talks spread over a year following the selection of 25 countries having different political and social systems. None of them, however--with the significant exception of Yugoslavia--has a socialist structure, and this despite the fact that at least nine of the current member states officially claim to be based on a collectivist economic system and even a Marxist-Leninist ideology. That is not the least of the many reasons justifying use of the term "historic" to describe this decision.

Two-thirds of the bank's new capital, which will total \$6.3 billion, will be supplied by the regional states. What this represents for them, in substance, is the quite heavy obligation to increase their participation in the paid-up capital by \$690 million, with the possibility of paying 50 percent of that amount in national currency or of spreading their payments over 15 years in the form of foreign exchange. The contribution by regional states in terms of paid-up capital and loans susceptible of subscription on the basis of their uncalled capital is estimated at \$1,943 million.

In other words, 56 percent of the total additional funds will come from countries which have agreed that regardless of the number of directors representing them on the board (the new ratio will be 12 regional directors to six nonregional directors), they together will have only 33 percent of the

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votes. This insures the durability of the African character of the institution, its objectives, and its procedures and will make it possible to reach an annual amount of ADB loans totaling \$1.3 billion in 1986, or 6.5 times more than in 1978. The short-term objective, which will be achieved by then, is to reach the point of having \$2.50 in loans for each African inhabitant.

A link has also been established between subscriptions of the ADB's capital by the nonregional states and their contributions to the FAD's future moves to build up its resources, the purpose being to allay the fear, expressed in Libreville, of seeing the FAD weakened by the increase in the bank's capital. Theoretically, the resources of the ADB and the FAD will grow at the same rate even though the terms of their loans are to become increasingly similar.

The "historic decision" to open up the bank's capital to nonregional states was adopted unanimously by the board of governors, the only exceptions being Algeria and Libya. Since such an opening up cannot in reality be avoided if the bank intends to achieve the objectives it has set for itself, why did they object? Libya's objection seems to be in the nature of segregation on principle and of hostility toward any responsibility by non-Africans in Africa's development. Algeria, on the other hand, bases its stand on an auktarkical conception of continental growth in which it, owing to its technological lead over the current member states, would assume a prime position in the designing and carrying out of major projects and the leading role in industrial development. Attention should also be drawn to a quite unexpected speech by Tanzania in favor of worldwide calls for tenders in connection with projects financed by the bank, without limiting the competition to enterprises in the current and future member states. Since the list of "nonregionals" admitted to the group of stockholders is still officially unknown, it is difficult to gage the significance and consequences that such a step would have.

It was Kwame D. Fordwor, chairman of the bank and the fund, who best expressed the significance of this annual meeting, the perfect organization of which is a tribute to the services he has rendered. In a speech delivered on 14 May, he recalled that "since history has hardly been kind to the Africans, they decided to make history themselves, with no action likely to compromise or shake their firm determination being tolerated." But, he added, "Since 1966 the world has learned a lot. It has gained in understanding and in maturity, and perhaps it has also become more capable of compassion. And we ourselves have finally realized that we need the outside world as much as the outside world needs us." It is a fact that mankind's progress is not possible without the generous and serene optimism of certain great-hearted men of quality.

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NIGERIA, LIBYA SAID TO BE IMPOSING QUARANTINE ON CHAD

Paris JEUNE AFRIQUE in French 13 Jun 79 pp 14-16

[Article by Siradiou Diallo: "Chad in Quarantine"]

[Text] In the political arena in which nations confront each other as cold monsters without pity or sentiment, it is not good to be weak. This truth is borne out among African nations as well.

Proof is seen in the case of Chad. Exposed for years to Libya, which has occupied a part of its territory (the Aouzou Strip) by force, Ndjama has never succeeded in pushing its rich and powerful aggressor back. Nor even getting it condemned by the OAU or the UN, generally so quick to defend just causes. Strong in the guilty silence of the majority of the nations in Africa and the world, Colonel Qadhafi has become still more arrogant. He demands a government in Chad devoted to his ends.

A Moslem government? The religion, physique and ideological color of its members matter little. Provided that they take orders from Tripoli. With a view, doubtless, to confirming de jure the de facto occupation of the Aouzou Strip. Unless the head of the Libyan state is dreaming of annexing all of Chad? Who knows? In any case, since his former proteges, in particular Hissein Habre and Goukouni Oueddei, refuse to cooperate, he has sworn to have their hides, even moreover if he has to make a pact with those he denounced and combatted just a few months ago--Gen Felix Malloum and Col Wadal Abdelkader Kamougue.

These are two men who, when they served as chief of state and minister of foreign affairs in Ndjama, respectively, were the targets of attacks of rare violence on the part of the representatives of Colonel Qadhafi. But complete reversals by the Libyan leader no longer surprise anyone. In this instance, the contradiction is only a seeming one. Basically, Colonel Qadhafi retains an implacable logic.

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Men mutter little in his unshakeable determination to impose his will on Ndjama. Moreover, this is not the first time that the end has justified the means in politics. It should succeed again! Only the thing is that, to date Colonel Qadhdhafi has not had luck with those he has sponsored. Is this why, without changing his strategy at all, he has modified his tactics? Perhaps. The fact remains that the Libyan chief of state, whose actions in Chad were countered for a long time by powerful Nigeria, decided, against all expectations, to make common cause with that nation henceforth.

Of course this is but a surface alliance. But the fact is there. Lagos and Tripoli, the two congenital enemies, have just coolly shaken hands, in order to launch a veritable ultimatum to the "national unity" government established in Ndjama. Following the third conference on "national reconciliation in Chad," held on 26 and 27 May in Lagos, the neighboring countries called upon Hissein Habre and Goukouri to form a "legal government."

The present leadership team is accused not only of being "illegal" but also "dictatorial, fascist and unrepresentative." This is an astonishing condemnation on the part of representatives of governments which are the product of military coups d'etat, who have never consulted the people in the slightest way to know whether they themselves are represented or not. Curiously, the five governments in Lagos--Libya, Nigeria, Niger, the Central African Empire and Cameroon--only the last mentioned had the courage to disassociate itself from this decision.

Yaounde believes in fact that the role of the neighboring countries should be limited to "aiding the people of Chad to achieve reconciliation, and not to impose a government or to take the place of the authorities in Ndjama." It should be noted that the government of Cameroon is the only one of the five which is the product of a legal regime, and the only one to observe strict neutrality in its procedures with a view to helping the sick man of Africa survive.

As to the four signatories of the Lagos ultimatum, each is pursuing a goal which is admitted to a greater or lesser extent, but is real. For example, Sudan, which supported the citizens of Chad opposed to the expansionist intentions of Libya for a long time, seems to want to reverse direction. Not that the differences separating Khartoum and Tripoli have been magically smoothed away, but because by abandoning his allies in Chad, General Numayri hopes to win compensation from Colonel Qadhdhafi. There is talk of financial aid and oil supplies. In particular since the Iraqi oil faucet was shut off following the boycott decisions adopted at the Bagdad summit against Egypt and its allies, which in fact include Sudan, this latter country has been experiencing difficulties. And this is the reason for the reversal of Khartoum, which has opted for closing its eyes to the agitation of Tripoli in Chad.

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Similarly, Emperor Bokassa I, who sent no representative either to the Kano I nor the Kano II conference, did not hesitate to send a delegation to the most recent Lagos conference, or to countersign the ultimatum addressed to Ndjamena. Given this "understanding," Qadhafi is believed to have promised the emperor substantial aid, which would offset the losses resulting from a possible break with Paris. We would wager that if Qadhafi will pay the price, the emperor, whose coffers are always equally empty, would not hesitate to make arrangements to the advantage of Colonel Kamougue's southern forces. The Libyan chief of state is believed to have asked him to allow his new proteges henceforth to establish logistic spaces in the Central African Empire, not far from the boundary with Chad. This matter is said to be under study in Berengo at present.

As to Niger, squeezed between Algeria and Libya to the north, and Nigeria to the south, its diplomats must walk a tightrope. Qadhafi demanded and obtained from former president Hamani Diori not long ago permission to install a powerful radio transmitter in Niamey. Gen Yakubu Gowon, then in power in Lagos, immediately made a point of protesting that, as he said, "This broadcasting station is designed solely to spread destructive propaganda among the Moslem masses in the northern part of Nigeria." And he fumed: "We will not let Qadhafi do what he wants in the region." Thus the Libyan undertaking called "The Voice of Islam" never came into existence.

Now that Lagos and Tripoli are making a show of alliance at the expense of the people of Chad, Niger has little choice. It is falling into a step to avoid having to displease either one or the other. The new love between Nigeria and Libya saw the light of day during the first conference on reconciliation in Chad held in Kano in the month of March. Or, more precisely, at the end of the conference, for the provisions of Nigeria and Libya were at the beginning diametrically opposed. The rapprochement was, in the view of all observers, brough about by the haughty, if not downright contemptuous, attitude of Hissein Habre toward the head of the delegation from Nigeria, General Yar 'Adua.

He had wanted to force Hissein Habre to join in the unity government established at the conclusion of the conference. He came up against a categorical refusal from the former jailer of Mrs Claustre. Instead of abandoning his proposal, he insisted in such a clumsy fashion that Hissein Habre, vulnerable and stormy by nature, thought the Nigerian officer wanted to impose his conditions upon him. Increasingly irritated, the head of the armies of the north ended up by shouting in his face: "I don't have to take orders from you. From now on keep out of other people's business. I am not at your disposal."

The Nigerians, who up to then had hoped to make of Hissein Habre their protege, along with Mohamat Choua, the leader of the old third army, were thunderstruck. They realized suddenly that with his intransigence, the Tubu chieftain is not easy to manipulate. The rage of the chief of the general staff of the army of Nigeria was to erupt again in April, during the so-called Kano II conference.

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On that occasion, Goukouni and Hissein Habre joined together to oppose to the end any proposed expansion of the Ndjamenan government to include other liberation movements, some of which it is true are purely fictional. Gen Yar 'Adua utilized every stratagem to get these two interlocutors to yield. He even summoned to aid him the imam of the Ndjamenan mosque and some Chadian businessmen known for their ties with the two former rebel chieftains. A waste of time. The Nigerians could not however accept the loss of face. And so, having failed in dialogue, they prepared to have recourse to stronger methods.

Late at night, Gen Yar 'Adua made the rounds of the heads of the delegations from the neighboring countries, to inform them of the decision of the Lagos authorities to arrest Hissein Habre and Goukouni on the spot. In order, he explained, to "facilitate understanding and reconciliation among all the children of Chad." No sooner said than done. A government established with the blessing of Lagos and Tripoli was even hastily drafted on paper. The Nigerian authorities intended to impose their will on Ndjamenan by any means.

To this end, Colonel Magoro, the commander of the Nigerian detachment stationed in the capital of Chad, received orders to surround the city and disarm all the supporters of Hissein Habre and Goukouni. But the plan failed, for before it could be put into operation, these two leaders succeeded, no one knows how, in warning their supporters in Ndjamenan.

And so Chad radio began to rale against Lagos and Tripoli. A general mobilization in Ndjamenan was ordered. Weapons were distributed, even to young recruits. The capital airport, as well as the area of the ferry service across the river, occupied previously by Nigerian forces, were retaken without firing a shot by the Armed Forces of the North (FAN) and the People's Armed Forces (FAP), controlled by Hissein Habre and Goukouni, respectively. Twice Nigerian military aircraft tried to land in Ndjamenan but were prevented.

Then Tripoli and Lagos, their plans for hegemony blocked, stepped up their pressure on Ndjamenan. Libyan columns ventured ever deeper into the territory of Chad, while Colonel Qadhdhafi's military planes flew to the aid of the southern forces of Colonel Kamougue. Mystere 20's, DC 3's, and Fokkers from the Tobruk base in Libya unloaded weapons and Libyan advisers in Moundou and Sahr. Some of these planes flew from Libya to the south of Chad, to Niger via Agades, sometimes landing in Garoua, in the northern part of Cameroon, without the authorization of the government in Yaounde. The Libyan ambassador in that city was summoned to the Ministry of Foreign Affairs more than once to hear the admonishments of the government of Cameroon.

Lagos, for its part, was not idle. Nigeria closed its frontiers with Chad. But since the two countries only share the boundary at Lake Chad, this decision had little practical effect. Only the trucks which regularly carry Nigerian merchandise across the territory of the Cameroon were halted. On the other hand, the Lagos decision to interrupt supplies and fuel were immediately reflected in real difficulties in the capital of Chad. And so a number of towns, including Ndjamenan, were threatened with an electrical blackout within a short time.

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In view of these open hostilities, the government in Ndjamaena reacted soon enough. First of all it violently condemns the decisions adopted in Lagos, which it termed "intervention in the domestic affairs of Chad." Then the immediate withdrawal of the Nigerian contingent based in Ndjamaena was demanded. And to add to the confusion, the French government spoke of withdrawing its expeditionary corps. Against the wishes of the "national unity" government!

What will be the outcome of this sombre drama being played out both in Lagos and in Tripoli? It is likely to lead to the splintering of Chad. In any case, having begun as they did, Nigeria and Libya seem decided, now that the deadline of the ultimatum they issued has passed, to recognize, if not to establish, a government in their service in Moundou. With this in view, Gen Olusegun Obasanjo has issued a call to arms to all his friends in Africa and elsewhere. Indeed he was seen in Dakar at the end of May, where he tried unsuccessfully to rally the chiefs of state of the member nations of the CEDEAO [West African States Economic Community]. Just as he was seen in Kigali, interposed by Niger (See JEUNE AFRIQUE, No 961).

If any such operation should succeed, it would set a dangerous precedent. It would very simply illustrate the saying to the effect that the stronger of two adversaries is always right. In any case, the present regimes in Nigeria and Libya are, we repeat, ill qualified to speak of "legitimacy" or "degree of representation." Above all to such men as Goukouni and Hissein Habre, whose legitimacy is based on rebel armies. And who need no lessons in patriotism from anyone, quick to rise up, weapons in hand, against all forms of injustice and imperialism.

Whether it be the doing of Tombalbaye, of France, of Libya or Nigeria.

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INTER AFRICAN AFFAIRS

AUTHOR'S REVIEW OF BOOK ON INDUSTRIAL AFRICA

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Jun 79 p 1645

[Review by the author of his book "L'Afrique Industrielle," by Pierre Chauleur of the Academy of Overseas Sciences. Preface by Gaston Leduc, member of the Institute of France, president of the Academy of Overseas Sciences. Published by G. P. Maisonneuve and Larose, 15 rue Victor Cousin, 75005 Paris: one volume, 344 pages, 16 x 24 cms, 12 photographs; price: 120 French francs.]

[Text] Beyond the political eddies that the independence of African states has provoked and which periodically return to the forefront of events, another aspect of Africa is beginning to emerge in the background, gradually giving it a different character.

Indeed, the industrialization of Africa came into the picture 30 years ago.

Industrialization continues, with each state having in view achievement of economic independence, which is the only thing that can give political independence its true worth.

In the Republic of South Africa, industrialization, which has taken off in an impressive manner since the war, has been structured on the initiative of private companies, but within a framework prescribed by the state.

In North Africa, the situation is different. In Algeria, the impetus of the state has been fundamental and decisive. It is the expression of a modified Marxist philosophy, according to which the other industrial sectors, metallurgical industries as well as mechanical industries or construction, originate in heavy industry, considered to be industrializing. At the same time it determines, starting with oil, the most elaborate chemical industries, and above all, the fertilizer industry, which is essential to the progress of agriculture.

Tunisia, on the contrary, has practised, with respect to industrialization, a more traditional liberal policy, as has also, incidentally, Morocco, where, promoted by the king, it made an encouraging start, checked since the war in the Western Sahara.

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For black Africa, two trends have marked and continue to mark industrial efforts by the states; one, deliberately marxist, at least in theory, as in Guinea, Angola, and Ethiopia, and the other, derived from state capitalism, as in the Ivory Coast, Senegal, and in particular in powerful Nigeria, but the efforts of all of them fit into a socialistic national climate, as a reaction to what was formerly colonialism.

The geographical characters of the states, the ideological struggles, the language differences, and the specific aspirations of each region have resulted in industrialization's being developed in a very variable way.

Many works have dealt, and continue to deal, with the progress of the African economy. Every day brings new elements to the awareness of the efforts being made. Every day at least one book devoted to Africa comes out somewhere in the world. Every state, moreover, has its own experts or the international experts seeking out a more comprehensive economy. Numerous magazines, including MARCHES TROPICAUX ET MEDITERRANEENS and INDUSTRIES ET TRAVAUX D'OUTRE-MER, have published thorough studies on the tropical products, the commerce, economy, and industrialization of the various states.

However, the work is generally undertaken along the lines of the "colonial" tradition, expressed by the language differences. English speaking persons mostly study English-speaking countries, while French speakers study the French-speaking countries more.

Now, industrialization is essentially a function, not only of the way raw materials, techniques, and technicians are utilized, but also, and above all, of the range of markets for disposal of their products.

The ECA (United Nations Economic Commission for Africa) had outlined the desirable development of the African economy, but its application has long been hindered by the nationalistic policies, sometimes blind ones, of certain states. Many plans have been made without taking into account the plans and programs of neighboring states, resulting ultimately in aberrant situations.'

Fortunately, some time ago, the leaders of the African states, having learned from experience, undertook to reconstitute gradually some regional spaces in which industrialization will be able to develop. I have had the privilege of observing the rise of African industry for over 30 years, and of directing in MARCHES TROPICAUX and in INDUSTRIES ET TRAVAUX D'OUTRE-MER the studies devoted to its evolution, in particular by Pierre Platon and Rene Charbonneau. It seemed worthwhile to present an over-all view of the various studies, which, while it could not claim to be exhaustive, nevertheless offers some reference elements useful for establishing which projects will henceforth be situated to advantage in a regional setting.

As is stated by Professor Gaston Leduc, who kindly wrote a preface to the general survey of these articles, a certain number of lessons emerge from them: industrialization assumes the existence of able men, materials to be

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processed, capital to invest, an energy supply, often a very large one, and of course, markets where buyers can be found for the products resulting from the multiple combinations of these different factors.

In the ceaseless search for structure, it is obvious that Europe has a role to play. It laid the first markers for this cooperation in the establishment of the Yaounde Convention, and it has broadened its prospects, on the industrial level, by the Lome Convention, which, incidentally, is in process of being renewed.

The new opportunities for dialogue which the United Nations offer to African countries and industrialized countries are of a sort that permit the needed organization of a more harmonious interdependence, profitable to all.

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INTER AFRICAN AFFAIRS

REPORTAGE ON VARIOUS EURO-AFRICAN SYMPOSIUMS

Paris MARCHES TROPICAUX ET MEDITERRANEENS 22 Jun 79 p 1646

[Dakar Club's French-African Symposium in Lyon]

[Text] On Thursday 7 June, at the Lyon-Satolas airport, Mr Diawara, president of the Dakar Club, had assembled nearly 200 heads of enterprises or management personnel of enterprises, from the Rhone-Alpes area and several neighboring areas, mainly from enterprises in the PMI [Small and Medium-Sized Industries] sector, around 11 African delegations.

From now on, it is the vast, dynamic PMI sector that Mr Diawara hopes to reach, being convinced, and for good reason, that effective industrial cooperation between Europe and Africa must be achieved with the PMI, most of which are at the level of the African enterprises.

In 1977 at Royaumont and in 1978 in Birmingham, the Dakar Club had already organized some very useful meetings between officials of the African administrations and French and British businessmen.

In Lyon, on 7 June, the participants discussed the problem of establishing industries, emphasizing the need for industrialists to form associations with local partners very quickly, and to consider, above all, the country's needs, setting aside the typically French criteria for the creation of enterprises.

Numerous industrialists were received by the African delegations, those of Tunisia, Morocco, Ivory Coast, and Senegal experiencing the largest flow of visitors.

The day ended with speeches by the president of the Lyon professional group, Mr Robatel, and by Mr Diawara, who reminded the industrialists in attendance that "Africa constitutes for France, for Europe, and for the regions an opportunity that should be seized." He hoped that this day would have as an extension the establishment of a regional site for coordination "between

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the French and African public authorities and the industrialists." This initiative, if it were spread on a Europe-wide scale, "would enable the EEC to gather valuable information that could lead to a more discriminating specialization in the European regions and the European industrial sectors," concluded the former Ivory Coast minister of Planning.

Euro-African Symposium in Paris

Last 12 and 13 June, RENCONTRES AFRICAINES organized a Euro-African symposium that was held at the Europe House, rue des Francs-Bourgeois, in Paris.

The great majority of the participants, about 60 in number, were French and German businessmen and African representatives of banks, chambers of commerce, or organizations concerned with small and medium-sized enterprises.

The object of this meeting, a sequel to the meeting at Wildbad Kreuth (Bavaria), on which we reported in No 1749 of this publication, 18 May 1979, was to facilitate contacts between European investors in the medium range and African states concerned with furthering their industrial development.

During the talks, chaired successively by Jean-Paul Benoit, head of departmental staff for Mr Prouteau, secretary of state for Small and Medium-Sized Industries, and by Paul Huvelin, president of the French Center for the Promotion of Industry in Africa (CEPIA), the main speakers were Pierre-Claver Damiba, president of the West African Development Bank (BOAD); Lakoure Derant, general manager of the Central African States Bank (BEAC); Jacques Ferrandi, formerly general manager of the European Development Bank (EDF); Christian Megrelis, general manager of Export Assistance International; Sheikh Hamidou Kane, delegate for Europe of the industrial zone of Dakar; Nikolaus Graf, director of international affairs of Siemens AG; Paul Huvelin; and Mr Dupressoir, head of the industry division of the Central Fund for Economic Cooperation (CCCE). The latter provided congress participants with interesting details on the Society for Promotion and Participation for Economic Cooperation (PROPARIO), an organization founded in 1977 and intended to encourage concerted action among French industrialists and public and private promoters in developing countries, to contribute to improvement in the conditions of technological transfer, and to participate in the creation and development of industrial enterprises of medium size in the PVD [Developing Countries].

The symposium was closed by Jean-Pierre Prouteau, secretary of state for PMI. The minister assured participants of the assistance of his services, with a view to extending cooperation, to which France is particularly attached.

New Symposium on Industrial Redeployment in Africa

On Monday, 2 July and Tuesday, 3 July, at the University of Paris-Dauphine, place du Marechal-de-Lattre-de-Tassigny (Porte

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University of Paris-Dauphine and the DMTPL [expansion unknown] Research Center, with the Institute for Enterprise, are holding an important symposium on the theme of "western enterprises and industrialization policies in Africa."

So it will not be a solely university symposium, but a University-Industry meeting, like the one in 1977, also due to the University of Paris-Dauphine, on the "geographic redeployment of industry throughout the world."

Participating in the symposium on 2 July and 3 July, under the chairmanship of Jean Bailly, president of Lafarge, and Alain Bienayme, professor at Paris-Dauphine, will be Djim Sylla, general delegate of the Inter-Africa Bank Company; Georges Nestorenko, chairman of SCOA [West African Trading Company]; Faly Ba, chairman of Dakar Marine; Paul Huvelin, president of CEPIA; Albert Teneodire, director of the ILO International Institute for Social Studies in Geneva; Claude Millet, PUK [Pechiney-Ugine-Kulhmann Company] delegate in Central Africa; Michel de Vos, of the Batelle Institute and the University of Geneva; Jean Duhamel, adviser to the president of OPTORG [expansion unknown]; Abdoulaye Fadiga, governor of the BCEAO [Central Bank of the West African States]; Jean Dromer, president of BIAO [International Bank for West Africa]; Rainet Steckhan, director of the European Office of the World Bank; Yves Rolland-Billecart, director general of the CCCE; and Nicolas Thiery, vice president of the Institute for Enterprise.

During the symposium, concrete problems of an economic, social, fiscal, and financial order will be studied.

Information may be obtained at the Institute for Enterprise, 6 rue Clement Marot, 75008 Paris

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BRIEFS

NETO'S REPORTED INTERMEDIARY ROLE--The Angolan chief of state as goodwill ambassador between Mozambique and Portugal? The request was addressed to President Agostinho Neto by Commander Melo Antunes, one of the prime movers of the Portuguese revolution of April 1974. The objective is to influence President Samora Machel to obtain improved relations between Maputo and Lisbon, disturbed by Portugal's financial claims in connection with the Cahora Bassa Dam, and by the nationalization of Portuguese banks in Mozambique. [Paris JEUNE AFRIQUE in French No 965 p 37, 4 Jul 79]

SAVIMBI ON SOUTH AFRICA--Jonas Savimbi, leader of UNITA, has declared that white South Africans are Africans. Everything that affects South Africa affects us too and everything that affects us affects that country as well. When we shall assume power in Angola, we shall seek a dialog with the Republic of South Africa and not the path of war. [Text] [Paris JEUNE AFRIQUE in French 18 Jul 79 p 39]

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ANGOLA

BRIEFS

COOPERATION WITH GDR--The German Democratic Republic and Angola have signed a number of agreements on scientific and technical cooperation, on the training of cadres and on the delivery of East German urban equipment. These agreements were concluded during a visit to the GDR by Carlos Alberto Van-Dunem, the Angolan minister of coordination, who met with Udo-Dieter Wange, the East German minister for light industry and the food industry. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1943]

ANTICIPATED COFFEE CROP RESULTS--Minister of Planning Jose Eduardo dos Santos has reported to the national commission created for coordinating harvest operations that the fourth Angolan coffee crop since independence is estimated at 32,000 tons, or 7,000 tons more than last year. According to the International Coffee Organization's latest figures, the last coffee season prior to independence produced 3.451 million 60-kg bags of coffee (or 207,000 tons). At the same time last year, Luanda authorities were forced to mobilize the population in order to pick 80,000 tons. That goal was far from having been attained. The minister went on to say that, counting existing reserves, Angola hopes to export 70,000 tons of coffee this year, which will bring in almost \$190 million. [Excerpt] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Jun 79 p 1623] 11466

IRON ORE CONTRACT--A branch of the Austrian consortium VOEST-ALPINE AG, the AUSTROMINERAL [expansion unknown] acting as an independent entity of consulting engineers, has signed a consultation agreement with the People's Republic of Angola. According to the terms of the contract, AUSTROMINERAL must study the possibility to continue the exploitation of the Cassinga iron ore mine which was interrupted by the civil war. AUSTROMINERAL will also draw the plans for a new iron ore mine in the vicinity of Quissala-Quitungo, which will be slated to produce approximately 2 million tons of super-pellets per year. [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1943]

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CHAD

BRIEFS

FROZEN FUNDS--Some 30 billion CFA francs (600 million French francs) are reported frozen in the coffers of the Central Bank of Chad in Ndjamena. French military guards are blocking the access of government authorities to bank premises, such that they are having the greatest difficulty in paying the salaries of their employees. [Text] [Paris JEUNE AFRIQUE in French 27 Jun 79 p 34] 5157

HEADQUARTERS TRANSFERRED--The officials of the majority of the mixed economic companies in Chad have transferred their headquarters from Ndjamena to Moundou, and their funds as well, out of fidelity to their southern origins. Colonel Kamogue's team is thus able to cover its payroll, since it has collected some 12 billion CFA francs elsewhere. [Text] [Paris JEUNE AFRIQUE in French 27 Jun 79 p 34] 5157

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CENTRAL AFRICAN EMPIRE

POSSIBLE SUCCESSORS OF BOKASSA SUGGESTED

Paris JEUNE AFRIQUE in French 27 Jun 79 pp 21-11

[Article by Jos-Blaise Alima: "Bokassa Has...Successors"]

[Text] Has the countdown really begun for Emperor Bokassa? The inquiry commission which reached Bangui on 13 June (see JEUNE AFRIQUE, No 963) will not of course publish its conclusions for some weeks. African magistrates will again have had difficulty in carrying out their work under desirable conditions. Already it is doubtful if the imperial horde will allow them to investigate in full freedom and calm. The families of some victims have already been removed far from the capital. As for those who remain, they were warned in advance, on pain of reprisal, to give only accounts of the facts favorable to the Berengo monarch.

Under such conditions, it is somewhat surprising that a leader of an opposition movement would link the outbreak of a possible popular rebellion with the publication of the report of the inquiry commission. In reality, matters are developing as if the pretenders were surprised by the suddenness of recent events to the point of being incapable of deriving any advantage from them. One cannot, however, say that Bokassa is confronted by a totally empty field. On the contrary, there is even a worrisome plethora threatening to deal a fatal blow to the people of the Central African republic who are thirsty for change.

For there are now emerging from every quarter men determined to be done with the imperial dictatorship but at the same time incapable of believing in a "holy alliance" which would allow them to achieve a common goal. To date, the names most frequently mentioned have been those of Sylvestre Bangui and Antoine Patasse.

The two men have in common the fact that they established their headquarters in Paris and have thus benefitted--even if the latter denies it--from the discreet and benevolent complicity of the French authorities. Both were also high-ranking servants of the emperor. A fact which may work against them. Former prime minister Ange Patasse defends his position: "Not everyone can work on the outside. For my part I preferred to struggle within the system and the Central Africal people know this very well." Indeed. The fact that

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Bangui and Patasse are in France may constitute a serious handicap. They are distant from the theater of operations. And, most important, a French guarantee--assuming that Paris has the means and the desire to establish one of its proteges in power in Bangui--is likely to be viewed askance by the other African leaders, who will certainly remain aloof from the beneficiaries of any such operation.

And that is why there is an increasing effort to spot the rara avis in Africa itself. This individual has a name, Abel Goumba, and a political record. It was he who, following the accidental death of Barthelemy Boganda, the founder of the Central African Empire, in 1959, served as interim head of the government for several months. Abel Goumba, 46 years of age, a former teacher who turned his departure into exile in 1962 to advantage to take up medical studies, still has his future before him. An employee of the World Health Organization in Cotonou, he has the reputation of a moderate liberal and, it is said, the support of the Ubangi Patriotic Front (FPO) which has its headquarters in Brazzaville. It is in fact on the choice made by this organization that the outcome of the struggle being waged by men who have brutally discovered the delights of the political game will depend.

While the FPO is being courted by one and all, negotiations have begun between Abel Goumba and Ange Patasse with a view to rapprochement. But one cannot exclude a priori the emergence of a man from the interior such as Barthelemy Yangongo, former minister of information and the nephew of Barthelemy Boganda, or again former president David Dacko, whose lack of personality, it will be recalled, was the determining factor leading to his fall in 1966. The development of the succession process may very well hold some surprises.

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CENTRAL AFRICAN REPUBLIC

ACTIVITIES OF OPPOSITION WITHIN NATION NOTED

Paris JEUNE AFRIQUE in French 27 Jun 79 pp 22-23

[Article by Pierre Gardel: "His Majesty's Cubans"]

[Text] A Cuban on an Ubangi island! Equipped with this information, the imperial army plunged into a major maneuver--encirclement, landing, attack. Caught in the trap was an unfortunate albino fisherman, who inquired in the Sango dialect what was going on. They are still laughing about it in Bangui.

The empire thinks Cuban. The emperor himself stopped his car to leap like a devil from it and pounce on a French hippie. "You're a Cuban. You'll see how I deal with Cubans." The traveler and his backpack ended up in Berengo, the seat of the court, for an interrogation lacking in gentleness. Once his French nationality had been established, the so-called "guerrilla" was given 3,000 francs and a little note of apology from his majesty.

The Cubans are everywhere. Some officials want this believed and they are successful in part, particularly in Catholic circles. Questioned about the massacres of children and the (prohibited) mass planned for them, a priest led the conversation to the Cuban threat. He believes in it to such an extent that one might wonder if he would not in the end prefer the bloody Bokassa.

"They are at the Congolese frontier, ready to plunge toward Berengo." This priest believes that their pretext will be that they come to oust the emperor. But a nun, equally persuaded that the terrible "bearded ones" are there, thinks that they come instead to the aid of the tyrant, threatened by his own people and abandoned by his former friends. Whom should one believe?

Same Uniform

According to a diplomat stationed in Bangui, one should believe neither. "Crossing the Congolese frontier is impractical. The Cubans are, after all, conventional soldiers." What is understood is that they are white men who could not get through there. It is true that, excluding the Berengo road, there is no link between Bangui, the capital, and the rest of the country except primitive tracks, unusable at this beginning of the rainy season.

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There remains access by river. "The Zairians would hasten to intervene on the emperor's behalf. The Congo does not dare embark on such a venture."

Confusion is reported to have been caused--and this is not the opinion of an individual in disgrace today--by supplying the Central African army with battle dress--uniforms exactly the same as those worn by the Zairians in the course of the earlier parade along Jean-Bedel Bokassa Avenue. The similarity of uniforms is said to have deceived the Central Africans, unaccustomed to seeing their troops dressed in a single, consistent fashion. In one day's time, one can see in Bangui red berets, blue berets, peaked caps, uniforms for every type of camouflage, khaki, and even stage type uniforms--green and red with golden epaulets--straight out of Napoleonic memories.

Intervention by Zaire

Nonetheless, in view of the majority of the Central Africans, there is no doubt about the presence of Zaire in January events. Some of the soldiers struck down by the people are said to have worn the insignia of the Popular Movement of the Revolution (MPR), the single party in Zaire. While awaiting clarification on this point, it must be noted that the Zairians have an easier role than the Congolese. From the Bangui Rock Club, where the finest flower of French diplomatic and Portuguese spice importing circles amuse themselves and acquire a tan, one can see the town of Zongo, in Zaire, on the other side of a river on which long dugouts ply ceaselessly.

It is not easy to get behind the spectre of the Cuban or the Zairian gendarme. Who will bring Bokassa down? One can live for years in Bangui, frequenting embassies willing to place their bets on others, and never meet a single Central African who will admit he belongs to the opposition. In Paris, high officials are hastening to set a date for the succession. But the dominant impression on the spot is that of splintering and lack of leadership. With each leaflet, a new group emerges. The only organization which expresses itself regularly is the Central African Liberation Movement (MPLC), to which numerous ramifications are ascribed. Some of which will certainly end up in the Congo!

Rotten Fruit

The distribution of leaflets is perhaps a primitive method, but the results are convincing: large numbers of people have read them, if indeed no one has risked keeping them. One was described to me from memory: a series of drawings representing a tree surmounted by the imperial crown. Two individuals note that the fruit--labeled corruption, repression, taxes--is rotten. They pull the fruit free, but it grows back. Rotten again! The two figures finally decide to cut down the tree, which causes the crown to fall. For this allegory, a Central African citizen would risk death, a journalist the worst persecution. The opposition is certainly wise in working in small groups with affiliations which are hard to prove.

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Matters are simple for the officials: chaos is orchestrated abroad. And as there is indeed a need to explain the success of this "network remote-controlled from outside the country," Prime Minister Maidou explains that "This network has a certain number of members in the student population of the demented" now because of a proclamation (which others drafted but which he read) denying that a single child had been murdered, the prime minister overestimates these very remarkable agitators. Or rather he would like to underestimate the popular opposition.

The emperor for his part is not deceived. He has spoken of bombing certain neighborhoods in the capital and even going to ground in Berengo to die there after killing the empress and the ministers. An end worthy of him. In the meantime, he has withdrawn two of his children from their schools. Due of fear of the Cubans? More nearly due to fear of possible vengeance sought by Central African parents.

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CENTRAL AFRICAN EMPIRE

BRIEFS

BOKASSA'S OUSTER SOUGHT--The Elysee Palace has finally made its decision: president Giscard d'Estaing has asked his adviser, Rene Journiac, to seek to put an end to the bloody regime of Bokassa, "before summer if possible." On the other hand, the chief of state telephoned Robert Galley, his minister of cooperation, to criticize what he called "pseudo events" in Bangui harshly. Mr Galley immediately changed course, but despite this it is almost certain that he will soon leave this post. [Text] [Paris AFRIQUE-ASIE in French 25 Jun - 8 Jul 79 pp 33] 5157

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GABON

DETAILS ON MANGANESE, URANIUM MINING PUBLISHED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Jun 79 p 1613

[Text] The Mokta Company's report for 1978, presented at the general meeting of 8 June 1979, provides the following details on the activities of the Gabonese affiliates, COMILOG (Ogooue Mining Company; holdings, 16.93 percent) and COMUF (Franceville Uranium Mines Company; 28.12 percent).

The COMILOG shipped only 1.69 million tons of manganese in 1978 as against 1.86 million in 1977 despite a rise in trading activity in the second half. In comparison with preceding years, 1978 came to a close with a balance sheet in sharp decline. Sales prices, expressed in dollars, will merely be maintained in 1979, but this price stability, which strengthens the position of ferromanganese producers, enables us to predict rather favorable shipments in terms of tonnage. As for the dioxides to be used in the manufacture of batteries, an increase in deliveries and prices is anticipated.

In the course of the year, the COMUF increased its capital from 4.04 to 5.05 million CFA [African Financial Community] francs by incorporation of reserves and a distribution of bonus shares. Production amounted to 1,022 tons of uranium as against 901 in 1977 and sales came to 1,050 tons as against 1,026 the year before. The installation of a workshop to produce solvents for use in local production of commercial concentrates, with an annual capacity of 1,500 tons of uranium, was completed in October 1977 and operations have been satisfactory.

Carrying on with its efforts toward improvement, the company has ordered a new plant for the manufacture of sulphuric acid, which is scheduled to go into operation at the beginning of 1980. And finally, the decision has been made to build a new ore crushing and leaching plant adapted to the solvent workshop. The reserves that have been confirmed are in fact sizable enough to justify replacement of the existing plant, which had not been designed to last for the duration of the deposits as estimated today nor to handle the production we can now reasonably hope to attain.

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GABON

BRIEFS

THREATS TO TOURISTS--President Bongo is very worried. Incidents against European tourists, especially French, in Gabon are multiplying. Bongo fears that a popular organization opposed to his repressive and arbitrary regime has decided to discourage Western tourism in Gabon. He is therefore requesting the help of French special services to unmask his opponents. [Text] [Paris AFRIQUE-ASIE in French 22 Jul 79 p 63]

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GHANA

NKRUMAH IMAGE MAY NOT SUFFICE TO BRIDGE CIVILIAN-MILITARY GAP

Paris JEUNE AFRIQUE in French No 965 pp 14, 15, 4 Jul 79

[Excerpts of article by Francois Soudan (from investigation by Mohamed Maiga in Accra): "Ghana: Is it Revolution?"]

[Excerpts] An initial image of Ghana: on this damp evening of 21 June, on Independence Square in the heart of Accra, a tremendous ovation burst forth from thousands of voices, accompanied by dance rhythms. Huge portraits of Kwame Nkrumah appeared everywhere, displayed by excited young people. The People's National Party (PNP) of Harry Limann, claiming the philosophy of the deceased osagyefo as its own, just won the first round of the general elections, both presidential and legislative. It had been ten years since such an election took place.

A second image of another Ghana: the revolutionary council of the armed forces, formed at the time of the 4 June coup, applied its law: to cleanse the Ghanaian stables. On 15 June, a body of lieutenants and corporals issued the death sentence for former president Ignatius Kutu Acheampong and for Gen Etuka, former border guard commander.

At the same time, in the Teshi military prison camp near Accra, some fifty superior officers awaited judgement by court-martial. Among them were William Frederick Akuffo; Akwasi Afrifa; Col Roger Felli; Gen Robert Kotai; Admiral Joy Amedune, and Vice-Marshal George Baekye. Ten days later, on Monday 26 June, the 6 men were shot in a public execution. The Ghanaian army lost its leaders.

Just like these two images of civilian votes and military purges, the image of Ghana seems to have strangely split at this time. There is first of all the legitimate country, with its elections which were held under normal conditions on 18 June in spite of the power coup.

Harry Limann, the 46-year old career diplomat, certainly does not owe his victory to fame -- he was virtually unknown to the electorate -- nor to his timidly leftist options, but rather to the constant and ostentatious

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references to Nkrumah which occur throughout his speeches. During the whole campaign, he carefully avoided even the name of socialism, mentioning only "national reform." The obagyefo's posthumous charisma did the rest.

But as great and as deep as the Ghanaian wish may be, to see civilians regain power after 9 years of military incompetence, a simple fact must temper any conclusion on the implications of the 18 June election, for the time being: voter turnout was very low -- less than 50 percent.

Does this mean alienation from a political class cruelly lacking in new men and new ideas? Maybe. At least, this is the opinion of the young group of 4 June. They constitute the real Ghana. They hold the real power.

A Clean Sweep

They are led by Jerry Rawlings, a 42-year old air force captain of mixed origin, with a Ghanaian mother and a Scotch father. Rawlings somewhat resembles Kerekou in 1972: a nationalist above all, disgusted by the turpitude of his leaders, concerned with reestablishing the tarnished reputation of an army tainted with shame and scandals. Rawlings has been perceived as a new Mengistu, because he has mentioned the need for an "Ethiopian solution," and because the Soviet Tass press agency was the first to announce the success of his friends' military uprising (he himself was jailed after a first attempt at a coup on 15 May). In fact, his revolution is above all a moral one, where intermediate ranks are wielding the broom. He is much more likely to refer to Fanon and "The Wretched of the Earth," which he readily quotes, than to Lenin whom he has never read, or even Nkrumah whose writings he has only glanced at. This offspring of a British functionary who has never acknowledged his son, intends to sweep the premises and return them clean to the civilians in three months. But Rawlings is not alone. The junior officers around him, the unpaid soldiers, the students from the country's three universities who go on meeting in endless general assemblies, the radical union members, and the thousands of unemployed in Accra's shantytowns, all want much, much more.

A Powder Keg

The early days of the coup were marked by episodes of looting which particularly affected Syrian and Lebanese shopkeepers. Several senior officers were held by their men who threatened to hang or lynch them. Both Rawlings and Commander Mensah, instigator of the coup, attempted to calm them down, sometimes in vain. Neither the starving unemployed nor the radical intellectuals want the civilians to return to power.

Does Jerry Rawlings run the risk of being overwhelmed shortly by supporters whom he does not yet control adequately? Will he take a hard and fast path toward a popular republic, under the same Marxist-Leninist ideology which

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influenced Mathieu Kerekou, his counterpart in Benin? Is he being manipulated by someone more determined than himself, as Mohamed Neguib was by Nasser? Nobody can tell yet, even if Ghana seems to have become a powder keg whose explosive force has suddenly been ignited.

A Contagious Neighbor

A true Ghanaian revolution would consist in putting an end to the practices which are at the origin of this disaster. This is no doubt the intention of Capt Rawlings and his eventual civilian successors. Will they have enough time and means? This would require unity between military Ghana, bent on purging, and political Ghana, in search of popularity. If this unity were to be achieved, if a true pluralistic democracy were instated in the country, the French-speaking states which surround it, most of which still function under the one-party system, would be at the same time reassured and anxious.

They would be reassured because a nation led by "fundamental revolutionary committees" -- which are being demanded by some of Rawlings' close associates -- would be a dangerous neighbor for those who aspire to economic liberalism. But they would be anxious because democracy is contagious and because nothing of what takes place in Ghana can leave black Africa indifferent.

The civilian and military are each powerful enough to oppose the other, and neither is strong enough to prevail definitely. Each side contains its own dissent and contradictions. Nkrumah's shadow seems to be the only unifying factor between Jerry Rawlings, for whom "Ghana has lost its soul since the fall of the osegyefo," and the man who already seems to emerge as the next president, Harry Limann, leader of the PNP. However, will a common memory and a common reference point, as prestigious as they may be, suffice to govern together?

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GHANA

DOUBTS EXPRESSED ON CIVILIAN-MILITARY CO-EXISTENCE

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1391

[Excerpts] Captain Jerry Rawlings' "house-cleaning" in Ghana surprised and angered Africa and the rest of the world. Ghana had indeed always been admired and respected for the peaceful and friendly disposition of its population. However, the execution of three former heads of state and other well-known officials in this country of about 10 million inhabitants, where family relations, or even friendly and neighborly ones form a background of conviviality, and where respect for human rights had become exemplary, caused a great deal of anger, despite the denunciation of the crimes of corruption reportedly perpetrated by the victims.

Thus the numerous local protests, but especially those from abroad, from the United Nations, the United States, Great Britain, heads of state and governments of the OCAM [Afro-Malagasy-Mauritian Common Organization] recently meeting in Cotonou, seem to have been the cause of his [Captain Rawlings'] about-turn. Fear of economic sanctions--with Nigeria having decided to stop its oil deliveries to a country 90 percent dependent on it for its oil supply--certainly played a part as well.

Be that as it may, Captain Rawlings made a point of reassuring for the moment the Ghanaian people and his friends abroad that the country would henceforth respect its tradition of law and justice and its obligations regarding human rights according to the principles set forth by the United Nations. However, he also pointedly underlined that his 4 June revolution was indeed motivated by the wish to bring more justice at all levels, social, economic and political, while noting that without this revolution, the army would have gone back to its barracks without having accomplished anything to refurbish its image.

Thus, it is this particular point--to rehabilitate the army's image--that raises some questions on the future of the country and the actual chances of a real return to a civilian regime.

As things stand, this seems to be a certainty, but will the military not attempt to oppose to an army now back to a rigorous moralistic spirit a group of unscrupulously ambitious politicians who are ready to effect any deals in order to impose themselves?

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For a modus vivendi to be established between military and civilians and for the army cadres and administration to be cleansed, time, patience and tact will be needed. Will the Revolutionary Council be able to face its task and will it succeed in avoiding the pitfalls of previous regimes?

This seems very doubtful and the violent repression performed at the beginning did not actually give it an aura of sainthood. Indeed, it hurts its reputation, as well as that of Ghana's and all of Africa's, and this is what was felt in a number of neighboring countries, notably in Nigeria, which is itself engaged in a return to civilian rule and was the first to be affected.

Finally, if the first measures aimed at cleansing the local trade in food products showed healthy short-term results, the West is expressing some doubts on their long-term effect. These measures, and especially the tightening of price controls which compelled merchants to sustain a loss more often than not, are opposed to those suggested last year by the International Monetary Fund to Gen Akuffo for the purpose of stabilizing the economy. As a result, dissatisfaction accompanied by revolts are liable to resurface, made all the more dramatic by the facts that the country may find itself deprived of aid and outside assistance because of poor calculations or simply the incompetence of its leaders.

At present, however, it is not clear whether anyone would profit from an accelerated destabilization in Ghana. It is easy to understand why the countries of West Africa, which are generally pro-Western, would entertain any worries following recent events. These countries are of course fearful of the indirect and unforeseen consequences for themselves, all the more so because Ghanaian students are evidently hailing the new revolutionary regime.

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GUINEA

FRENCH AID REPORTEDLY CAUTIOUS IN FACE OF HEIGHTENED EXPECTATIONS

Paris JEUNE AFRIQUE in French No 965 p 16, 4 Jul 79

[Excerpts of article by Siradiou Diallo]

[Excerpts] Six months after the visit of President Valery Giscard d'Estaing to Conakry (December 1978), Guinea and France signed an important cooperation agreement in Paris on 26 June.

France's recent cancellation of the Guinean debt (together with those of the other most disadvantaged African lands) has been favorable to reactivating cooperation between the two countries. But Guinea would like to go further and faster. This was the wish expressed by President Sekou Toure in December 1978 to his French counterpart, also stating his hope that the agreements would be signed by January by January 1979. This has now been accomplished.

In the meantime Guinea set its priorities with respect to what it would like to achieve with French assistance: mainly energy and mining. Two projects are registered in these two areas: the Souapiti Dam, and the Aye-Koye aluminum plant. The total cost is now estimated at nearly 2 billion dollars.

Next come agriculture and food production, road and railway networks (rebuilding of the Conakry-Mankan railroad), construction and public works (rebuilding of the capital), and in particular, the proposed construction of two pavillions for the OAU summit meeting which Conakry plans to host in 1981.

Obviously the implementation of these projects will require considerable financial means. At this juncture, can France do more financially? Especially since some concern is becoming evident in certain business circles: Conakry is six months late in paying bills due to French firms. The country, lacking in currency, is using what little it has to import food products.

Guinea is still suffering from shortages, in spite of a relatively good 1978 harvest. This is caused by fraudulent rice export to neighboring countries. The government itself has delivered some to Liberia, in the wake of the

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troubles which occurred in May, in order to aid its counterpart in Monrovia. Secondly, politics continue to rule in all areas including the technical field. Administrative trivia remains without adapting to economic requirements. And it is to be feared that the new governmental structures instated on 6 June will not make much difference.

In any case, as far as the French government is concerned, the new agreements are merely general guidelines for cooperation, whereas the Guinean authorities seem anxious to see them take more concrete form. This ambiguity seems to entail the risk of producing a certain amount of disappointment on the part of Guinea. What is certain is that these agreements will not produce a miracle, at least not in the near future.

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MALI

BRIEFS

DIAMOND PROSPECTING AGREEMENT--A trade union agreement for diamond prospecting was signed on 26 June in Bamako between the government of Mali and the SMPM [expansion unknown], a branch of the COGEMA, General Company for Nuclear Materials, together with the BRGM, the Bureau of Geological and Mineral Prospecting. The principal goal of this agreement is the search for, and as detailed an identification as possible of, diamond beds in Mali. This agreement will also promote the exploitation of such beds on the basis of a feasibility report. [Except] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1926]

JAPANESE TRUCKS--A total of 55 trucks donated by Japan were delivered to the Malian authorities in Bamako on 30 June. This donation, which follows a first delivery of 43 trucks a year ago, partially implements the promise by the Japanese government to give Mali "200 trucks with a view to assisting the country in solving the enormous difficulties it is encountering at present in the marketing of its products during these drought-plagued years," said Alioune Blondin Beye, Malian minister of foreign affairs and international cooperation. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1926]

PRC-MALI COOPERATION--At the conclusion of a nearly month-long mission that took him to China, Korea and Manila for UNCTAD projects, Malian Minister of Finance and Trade Col Amadou Baba Diarra reported on his discussions with Chinese authorities. He first of all dealt with Sino-Malian achievements in the field of cooperation which is credited with 27 completed projects and 11 in progress, like the factory for the manufacture of pharmaceuticals. Regarding future operations, an agreement covering five projects has been signed in Peking for: three dams (two at Bamako and one at Kenieba), the installation of a transmitting and receiving center at the level of the Malian Ministry of Foreign Affairs and the extension of Chinese technical assistance for the Seribala Sugar Refinery. And lastly, negotiations are in progress for Chinese construction of a second bridge in Bamako. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Jun 79 p 1603]
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MOZAMBIQUE

BRIEFS

ROAD ASSISTANCE--The African Development Fund (ADF) granted a loan for 8 million units of account (approximately 2,048 million francs CFA) to the Republic of Mozambique on 30 May. This loan will finance the Alto Molocue-Rio Ligonha road project. This road will cross one of the most densely populated and richest regions of the country. It will also cross an area renowned for its mineral riches such as mica, kaolin and tantalum, the production of which is slated to start in 1980. Construction of this road will moreover contribute toward promoting the economic and social integration of the country. [Excerpt] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 6 Jul 79 p 1943]

MOZAMBIQUE-GDR AGRICULTURAL COOPERATION--Mozambique and the GDR have just signed an agricultural cooperation agreement in Maputo providing for GDR technical and scientific aid to Mozambique in this field. The agreement, initialed at the end of GDR Vice Minister of Agriculture Dr Neu's visit to Mozambique, also provided for the exporting of tropical fruits and other produce to the GDR as well as GDR financing of a development study on the Chiringo River region in the northern part of the country. This agreement is in addition to a series of agreements signed by the two countries, regarding several sectors, particularly military and financial. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Jun 79 p 1623] 11466

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NIGER

BRIEFS

SOMAIR URANIUM REPORT--The Mokta Company's report for fiscal 1978 was presented at the stockholders meeting held on 8 June 1979. It provides the following information on the activities of the Air Mining Company (SOMAIR)--of whose capital the Mokta Company owns 7.6 percent--in 1978. SOMAIR produced 1,711 tons of uranium in 1978, compared to 1,440 tons in 1977. Deliveries totaled 1,851 tons, compared to 1,465 tons the year before. Increased sales and the higher price of uranium enabled the company to show considerably improved results: SOMAIR distributed 6,523 million CFA francs in dividends, compared to 5,180 million in 1977. Construction of the road linking the Air mining zone to Tahoua has begun and should be completed in 1981. SOMAIR has completely paid its share (87.5 million Luxembourg francs) into the capital of the financing company, and it has guaranteed loans up to a limit of 5.5 billion CFA francs. In addition, construction at the Amou Araren deposit of the thermal powerplant destined to provide Air with electric power is in the process of completion. SOMAIR has subscribed 675 million CFA francs in the capital of SONICAR [expansion unknown], the company set up to produce electricity. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Jun 79 p 1606] 11798

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SEYCHELLES

CURRENT ECONOMIC, POLITICAL, DEFENSE SITUATION OUTLINED

Integrated Economic Approach

Paris AFRIQUE-ASIE in French 11 Jun 79 pp XIII-XIV

[Article: "On New Foundations"]

[Text] A valid economic analysis of the Seychelles must take into account the following characteristics: a total land mass of 444 square kilometers divided into 92 islands scattered over nearly 1 million square kilometers of ocean, and a rapidly growing population of a little less than 65,000 persons.

During the entire 19th century and up to 1971, economic activity consisted essentially in producing copra and cinnamon for export, fisheries, and a small market-gardening industry.

The first major turning point came with the opening of the Mahe international airport which gave the Seychelles the capability of developing a large tourist industry.

With the blessing of the colonial power, tourism very quickly became the country's leading industry and its primary source of foreign currency. Tourism's growth led to increased public works projects and the construction of tourist support facilities, particularly on Mahe, the main island, and to a lesser extent on nearby Praslin Island and La Digue Island.

But tourism did not bring prosperity to the Seychelles. Grafted onto such a shaky economic base, it only increased the country's foreign dependence and aggravated its already existing social disparities. The great majority of the visitors live in large hotels owned by foreign interests, and almost all of the payment for their stay is made to large international tourist agencies in their home countries.

The worst, however, is that a large part of the country's agricultural activity was abandoned in favor of development of the tourist industry. To feed the local population, augmented by a large influx of tourists, it was, therefore, necessary to resort more and more to imports. The large coconut plantations

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were neglected by their owners who preferred to bank on land speculation which had reached a fever pitch in the country. In addition, workers on these plantations lost their jobs.

Liberation of the Seychelles on 5 June 1977 found the country in a situation where the sprawling expansion of one sector of the economy was threatening to destroy the others. To lay the foundations of a more equitable society, it was thus most urgently necessary to rebalance the economy in such a way as to first lessen its foreign dependence before being able to reach the stage where the country could rely on its own resources.

To accomplish this, the government decided to shift the emphasis from tourism to agriculture, fisheries, and small industries. This policy has often been erroneously interpreted as opposition to any subsequent expansion of tourism. Actually it is designed to control tourism's heretofore reckless growth, in an effort to preserve the natural beauty of the Seychelles and take into account the possibilities and needs of other sectors of the economy.

Tourism Still Important

But tourism will continue to play an important part in the economy. Especially since steps have been taken to allow a larger part of the income generated by this activity to remain in the islands. One such step is the tax system now computed on a hotel's volume of business and no longer on its declared profits. Another step is the development of local home arts and crafts industries and family guest houses belonging to Seychellois.

A national development plan for 1978-1982 was published 1 year after the liberation. It clearly outlined the goals and priorities of the government's action. Medium-and-long-range goals call for improved material conditions for all Seychellois in such matters as increased per capita income, nutrition, education, housing, health, job opportunities, etc. These goals also provide for optimum use of the country's physical and human resources, preservation of the natural environment, and attainment of a high level of self-sufficiency in supplying the country's food needs.

For a small country like the Seychelles with limited resources and a rapidly increasing population, achieving these goals is a difficult and uphill task. But, as noted in the plan, "these goals can be accomplished only if a concerted effort is made on all fronts and in all sectors." As a matter of fact, one of the most characteristic features not only of the plan but also of the overall government policy, is the integration of all economic and social aspects plus the careful consideration given to what repercussions and collateral effects any measures taken may have at all levels.

The concrete application of this integrated approach is indicated by the capital expenditures ("investments") program. Noteworthy in that program is the importance assigned to economic sectors scheduled for extensive development in the next few years, such as fisheries and agriculture, and also the considerable

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emphasis placed on the basic infrastructures required to carry out economic projects and enhance the population's living conditions. In addition, such social welfare sectors as education, housing, health, and community centers will be allotted the very high sums absolutely required to make sure they operate efficiently in the interests of not only a minority able to pay, but the population as a whole.

The development plan also calls for such measures as are needed to reduce Seychelles foreign dependence in several fields, the most important being the financial sector. The country does, in fact, depend enormously on foreign grant aid and loans to finance its essential projects. At the present time, the country's entire development program is financed by foreign sources and even the government's operating budget is supplemented by aid funds. The relatively large amount of aid obtained and the favorable terms of the loans granted clearly indicate how seriously the government's economic reorientation effort is taken on the international level. Especially since the Seychelles is one of the very few Third World countries which has not imposed exchange control regulations and whose currency is freely exchangeable.

But the government intends to reach a stage where it will be increasingly independent of foreign sources of capital and where the country will generate enough resources to attain a high level of self-financing. An important first step in that direction was the creation, in 1978, of the Development Bank in which the Seychelles government holds a majority interest. Each time it is possible to generate a surplus, the national budget will transfer funds to this bank whose purpose is to finance certain long-term investments the local banking system cannot handle. Thus for the first time in Seychelles history, the 1979 budget includes such a payment of 10 million rupees, a large portion of which will be allocated to the purchase of land for housing and agricultural development.

Other measures were also taken relative to taxation and the financial system for the purpose of improving the tax yield without thereby affecting production or employment, and increasing the level of local savings.

But these measures take a long time to produce results. Consequently, financial constraints, coupled with a shortage of technically qualified personnel, are the main obstacle to an even more rapid development of the Seychelles economy. As President Rene explained it in submitting the 1979 budget: "Even though we would like to do even more in such areas as education, health, and welfare, we must act solely within the limits allowed by our revenues....We do not wish to become a country of beggars. We must act in such a way that other nations help us because we are working hard for ourselves, and not out of charity."

Range of Salaries

While total income must be taken into account in planning the country's overall economy, it is necessary at the same time to act in such a way as to

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obtain a better distribution of this income within the society. This is what the government has proceeded to do by taking action on two levels simultaneously. The first is what is called indirect redistribution and consists in expanding the free services furnished the people. This has been done on a large scale for education and health. The second action has to do with the range of salaries and the system of direct taxes. The government began by setting the example when it substantially increased the lowest civil service salaries--some were even doubled--and froze the salaries of the most senior civil servants. In so doing, the salary spread, which ranged from 1 to 20, was reduced to from 1 to 13 between the lowest-ranking civil service employee and the most qualified and highest placed official. Likewise, a national minimum monthly wage was set for the entire private sector.

These combined measures plus tighter and tighter price controls on essential goods or staples have made it possible to improve considerably, even now, the living standard of all Seychelles workers. Much obviously remains to be done. Experience shows, however, that firm determination to give foremost consideration to the people's interests can move mountains.

Capital Expenditures Program 1978-1982 (in millions of rupees)

Ministries or Departments	Total Cost 1978-1982	Annual Expenditures at 1978 Prices				
		1978	1979	1980	1981	1982
Agriculture	62.30	14.88	17.56	11.41	7.92	10.53
Fisheries	105.31	73.50	20.40	8.00	3.32	-
Forests	8.10	5.31	0.75	0.78	0.63	0.63
Tourism	2.20	-	2.20	-	-	-
Civil Aviation	42.01	5.97	16.05	13.39	6.60	-
Administration & Information	21.50	2.30	11.05	8.15	-	-
Police	23.84	5.60	8.45	5.75	2.24	1.80
Electricity	70.53	13.96	26.03	11.66	7.28	11.60
Finance	15.74	3.17	3.55	3.10	3.22	2.70
Water	71.20	31.06	12.74	8.70	11.60	7.10
Sewerage	37.50	-	3.00	10.10	14.20	10.20
Public Works:roads	28.20	2.10	9.75	8.15	2.90	5.30
Public Works:bldgs & maintenance	24.59	0.84	7.87	5.23	5.30	5.35
Port	77.14	15.22	30.55	4.67	14.20	12.50
Community Centers	22.50	2.50	5.00	5.00	5.00	5.00
Labor-Health	29.14	3.54	11.78	11.07	2.72	0.03
Education	96.31	10.50	35.69	22.54	14.54	13.04
Housing	95.92	9.34	19.41	22.71	20.95	23.51
Land	27.00	-	5.00	9.00	7.00	6.00
TOTAL	861.03	199.79	246.83	169.50	129.62	115.29

Source: Republic of Seychelles National Development Plan 1978-1982

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New Political, Labor, Defense Organizations

Paris AFRIQUE-ASIE in French 11 Jun 79 pp XXV-XXVI

[Article: "Learn, Assert Themselves, Defend Themselves...."]

[Text] In spite of the machinations of the ruling classes, the demagoguery and paternalism of neocolonialists, Seychellois have recognized the necessity of uniting behind the SPPF [Seychelles People's Progressive Front].

The country's first real political party and first people's organization--the Seychelles People's United Party (SPUP)--was formed in June 1964 by France Albert Rene, a young 28-year old lawyer.

This party's program called for independence of the Seychelles and establishment of a society in which all oppressed persons would be freed of material fears for their future and could regain their dignity. The party made rapid gains among the working classes thanks to the tireless action of its militants.

This action was aimed not merely at strengthening the party but was also designed to organize the people at all possible levels so as to permit everyone to participate in the common struggle. As a result, other people's organizations have sprung up in this country dominated by colonialism and in which workers had never theretofore been able to make themselves heard.

In August 1964, as soon as the SPUP had succeeded in rallying a certain number of workers, France Albert Rene formed the country's first labor union, the Transport and General Workers Union. Less than 1 month later, this young union succeeded in organizing a strike at the American satellite tracking station for better working conditions and pay. This was the country's first organized strike. It was quite unlike earlier spontaneous strike actions that had been very quickly neutralized by employers.

Spurred by this demonstration of the union's effectiveness, other unions were organized, and at the same time, other organizations--women and youth--were formed within the SPUP.

But the British and the Seychelles ruling classes reacted vigorously. Because the mass organizations were displaying such vitality, these ruling classes decided to organize themselves in an effort to divide and confuse the people. Hence a few days after the establishment of the SPUP, another political party, the Democratic Party, was formed. Its platform opposed independence and called for the country's integration with Great Britain. Hence also the appearance of two other labor union groups, one upholding the employers' interests, the other stressing the necessity of preserving the neutrality and apolitical character of labor unions. Both groups opposed those who were convinced that labor unions constituted a revolutionary force representing the workers real interests and fighting to put an end to the exploitation of workers.

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These organizations of the bourgeoisie succeeded in occasionally misleading the very unenlightened Seychellois with their demagogic and paternalistic language. But this deception was short-lived because their actions far from reflected their words.

Little by little, revolutionaries convinced the majority of the people who thus sided with the new government which emerged from the country's liberation on 5 June 1977.

For the people's organizations, this opened a new chapter in the history of the Seychelles. They could now count on government support in accomplishing their task. Admittedly this had some effect on their internal structures and also triggered the appearance of other organizations designed to meet the new needs of both the country and the revolution.

Threatened from the outside by the recruitment of mercenaries organized by the ousted president, James Mancham, with the financial help of some of his friends, the young socialist state had to concern itself with its defense from the very outset. On 9 June 1977, President France Albert Rene issued an appeal to all Seychellois: "Because of the circumstances, we have decided to ask the people themselves to defend their freedom and their country. We are, therefore, going to create a people's militia.... All those persons between 16 and 60 desiring to join this militia must register tomorrow.... But let me clearly state that nobody will be paid. Most activities will take place after working hours and primarily at night."

The people heeded this appeal and a very large number of volunteers responded. Today there are militia groups composed of men and women in all of the country's districts and villages.

Members of the militia received military training enabling them to contribute to the country's defense jointly with the army formed during the same period. But the role of the militia units is not limited to this defense aspect. Their importance from a political training standpoint and in generating a real community spirit has steadily increased.

The same may be said of the army which, though organized professionally, still has an important political role. Its very conception contrasts sharply with the traditional design of a special group of armed men apart from society. Seychelles soldiers are soldiers first, but so as not to be social parasites, they must provide for their own subsistence by farming, stock raising, or fishing. This enables them to exert a political influence very close to the people.

As for the already existing organizations, they had to face the ticklish problem of adapting themselves to the new conditions. The first to do so was the SPUP which at its second party Congress from 30 May to 2 June 1978 agreed to reorganize into a national front, the Seychelles People's Progressive Front (SPPF). This change confirmed the fact that the SPUP had accomplished its

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mission as the party of the struggle for independence and liberty, and that having assumed power, it now had to be converted into a vanguard organization capable of showing the way to the population as a whole.

This is a fundamental evolution, because under the one-party system, as approved by the majority of the people during discussions on the new constitution, the SPPF will have a decisive role to play. The decisions made democratically within the party--decision-making in which all other people's organization which will then be obliged to implement them.

This same reason prompted the efforts made to unify all such people's organizations as labor unions, women's and youth associations.

On 5 June 1977, it became obvious at the labor union level that it was important for all workers to unite in one single central national union so that they could continue to participate fully in building and directing a new society. After many discussions, a congress convened in March 1978 founded the central union called the National Workers Union.

Gift From Algeria

It was during this same period that the different women's organizations decided to merge into the Seychelles Women's Association. Seychelles women, who had continuously played a very active part in the struggle for the country's independence and liberation and in the various mass organizations, have thus now combined their efforts to promote social justice and defend their rights, their emancipation. As for the young people a great deal of attention is being paid to the development of "Pioneer" (for 12-16 year olds) associations and young "Pioneer" (6-12 years) associations.

All of these organizations will soon have their own offices and facilities both at central and district levels. An extensive program for the construction of community centers is underway, and also for the construction of a "Maison du Peuple" [National Community Center] which is to be financed by a generous gift of 1.1 million dollars from Algeria. This overall program will increase opportunities for contact between the people and the government. Most of all, however, it will enable the people to take an increasingly more active part in building socialism in the Seychelles.

SPPF Leadership

When the Second SFUP Congress founded the SPPF, it also elected the following SPPF Central Committee: Chairman, France Albert Rene; vice chairman, Maxime Ferrari; secretary general, Guy Sinon; treasurer, Esme Jumeau; secretary for propaganda, James Michel; secretary for organization, Ogilvy Berlouis; political secretary, Jacques Hodoul; assistant secretary general, Mathieu Servina; assistant treasurer, Rita Sinon; and Central Committee members Philibert Loizeau, Sylvette Frichot, Olivier Charles, France Bonte, Langia Pool, and John Mascarenhas

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