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Sub-Saharan Africa Report

FOUO No. 708

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SUB-SAHARAN AFRICA REPORT

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INTER-AFRICAN AFFAIRS

CHAD LEADER REJECTS LIBYAN MERGER

LD301259 London THE GUARDIAN in English 30 Jan 81 pp 1, 7

[Dispatch by Walter Schwarz: "Qadhdhafi's Honeymoon Turns Bitter"]

[Excerpts] Ndjama, Chad--In an interview with THE GUARDIAN, the minister of the interior, Mr Mahamat Abba Said, who heads the provisional government in the absence of President Gueddei Goukouni at the Islamic summit conference, said that the Tripoli announcement had been badly translated from Arabic, and exploited for political reasons by France.

"There can be no question of political merger," Mr Abba Said said. "In any case, it is unthinkable without consulting the people. It (the communique) was supposed to mean a natural unity between two peoples whose blood has mingled for centuries."

Chad's leaders, installed after the eight-month rebellion led by the defence minister, Mr Hissein Habre, are now appealing for Western aid and political support to halt the spread of Libyan influence--but so far, France and other European countries appear to have decided on a diplomatic boycott, which could further entrench the Libyans. "We are ready to cooperate even with France, which has a large share of the blame for what happened to Chad," said Mr Abba Said. Other ministers said, that the French should take the lead in helping to restore essential services and establish a diplomatic counterweight to the Libyans.

In Ndjama where the modern business and residential areas have been completely devastated by seven months of shelling from both sides, no banks are open and running water and electricity are scarce. Petrol (from Nigeria) is sold to motorists in Spanish wine jars.

Soldiers of various civil war factions still occupy some suburbs. "The factions will now have to come together and form a unified army," Mr Abba Said said but he admitted security in the country as a whole was still "only at 50 per cent level." Ministers said little could be done without urgent financial aid from the West. "Most civil servants have not been paid for over a year. There is no money and the Libyans haven't supplied any yet," said Mr M'bailo Lossimian Naimbaye, the minister of agriculture. Libya and the Soviet Union have, however, sent in food and medical supplies.

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Mr Naimbaye said that as soon as security was assured and essential services and basic commerce restored, a timetable could be set for Libyan withdrawal. "Obviously this will happen faster if we are helped from the West and especially France which has the biggest responsibility because it helped Hissein Habre all along while pretending to be neutral," he said.

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INTER-AFRICAN AFFAIRS

FRANCE TRYING TO COUNTER LIBYA'S CHADIAN INTERVENTION

Paris AFRIQUE-ASIE in French 22 Dec 80-4 Jan 81 pp 13, 14

[Article--passages between slantlines originally published in italics]

[Text] At Ndjamena, where the coalesced forces of the Transitional National Union Government (GUNT) headed by Goukouni Oueddei have won a significant victory over the Northern Armed Forces (FAN) of the rebel Hissein Habre, French intervention, which a short time ago seemed imminent, and the unstated aim of which would have been to save one of the Elysee's proteges, could no longer find any rational justification. For calm has prevailed since 15 December in the Chadian capital, since Hissein Habre, figuring out the implications of his inability to impose "his" own rule against the legal government of the GUNT, which the neocolonialist forces had encouraged him to do, abandoned his routed troops who joined together and fled--perhaps in order to attempt the job one last time with the African countries who were supporting the French initiative.

In fact, on 13 December, the Elysee declared itself *"seriously concerned by the new deterioration in the situation" in Chad "resulting from the intervention of armed foreign elements. (...) France warns against the pursuit of this intervention and will lend its support to any collective effort which the African states may undertake to reestablish peace in Chad and preserve its unity and maintain its independence,"* said the Elysee's communique. Up to now, French military interventions in Africa rested on two justifications: an appeal from one of the governments concerned, as was the case with Zaire, or the protection of French citizens in a "threatened" country, the pretext invoked for example in the massive military intervention in Chad in 1978.

This time, neither of these two arguments capable of being advanced, a new one is fabricated: *"a collective effort of African states."* The scenario was being prepared for months--indeed since what today we can only call the false departure of French troops from Ndjamena last April--with the help of the Elysee's most servile allies. These latter have kept up an increasingly loud chorus calling for the French to help. And, it is no coincidence if the same day, 13 December, French television showed a gesticulating Omar Bongo describing the Libyan chief of state, who is lending his support to the GUNT forces, as "Hitlerian," all this in order to openly call for French intervention in Chad.

At the same time, troop movements were observed in France itself (in the Southwest and Brittany) as well as in various French bases in Africa (Gabon, Central Africa,

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the Indian Ocean). As is customary, on 15 December the French Government halfway denied the rumors circulating about an imminent intervention. It was said in Paris that French overseas forces had not received any instructions putting them on a special alert status. But, it was remembered, some units are always ready to intervene without much advance notice.

Only one question remained unanswered: would France under Giscard ignore the warning put out by the TASS agency which, in a commentary published on 13 December, opined that /"the attempts by imperialist circles aiming to create the conditions for direct intervention in Chad are more and more evident"/? Would it take a step which, this time, could widen the war even beyond the Chadian border and ran the risk at the same time of reducing cooperation with Tripoli to naught, at a time when France is experiencing the full fury of economic crisis, only a few months from the presidential elections?

One thing, however, was sure: the French Government, from all evidence, has learned no lessons from its repeated failures in Chad--and moreover...--, quite to the contrary, it is determined to continue to play its role as the gendarme of western imperialism on the continent. Goukouni Oueddei's victory in any case obliges France to replenish its store of poor excuses if--as seems likely--it has no intention of abandoning its private preserve in Chad. France will then have to face African and international opinion, which will perhaps be difficult to allay.

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INTER-AFRICAN AFFAIRS

FRANCE SAID MAKING LIBYA SCAPEGOAT FOR ITS OWN AIMS

Paris AFRIQUE-ASIE in French 8-21 Dec 80 pp 40-41

[Article: "The Politics of the Jaguars" by Antonia Blis]

[Text] In the Libya of Qadhdhafi the imperialists have found a convenient scapegoat. But France has still not renounced what it has so well gotten under way: the dismemberment and recovery of Chad.

Little by little the vice is tightening around Chad, torn by an endless war whose origins can be found mainly in the repeated interferences and destructive policy of the former metropole and which is fanned by interests which to a great extent go beyond the belligerents themselves.

When, at the beginning of April France began to evacuate its expeditionary corps from the Chadian capital, the second civil war unleashed in Njamena by the forces of Hissene Habre--then minister of defense of the National Union Transition Government of Chad (GUNT) set up under the terms of the Lagos agreements of August 1979--had been raging for more than a month. Everyone, or almost everyone recognized that the French retreat was not based on a Pontius Pilate policy, but rather was a feint. The French Government, seriously discredited by its repeated interventions in Western Sahara, in southern Zaire, and in Chad, had visibly elected to let a conflict which was supporting indirectly go from bad to worse and await the proper moment. A moment when favorable conditions would permit it to intervene again, at the appeal of all those among its satellites who cannot accept without fear the prospect of the establishment at Ndjamena, the capital of a country which occupies a highly strategic position in Africa, of a regime which would escape the tutelage of French imperialism.

For after the successive failures of each of its attempts to bring the Chadian people into line, it is clear that only a Chadian national union government--in which the former FROLINAT guerrillas, all factions combined, and despite the weaknesses and inadequacies shown by this national liberation movement, would play a moving role--is capable, as has been suggested, moreover, by the Lagos agreements, of restoring stability and peace to the country.

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Sowing Panic

But, after having searched by every means--it is enough to recall the series of events which occurred since the offensive in the northern part of the country led by the FROLINAT fighters supported by Libya from the end of 1977 to early 1978, until the unleashing, on 21 March 1980, of the second civil war, to be convinced--to check the process, they have now found a scapegoat made to order which, apparently, has provoked unanimous opposition from Dakar to Cairo, from Libreville to Tel-Aviv, via Paris and Washington: Libya--or more precisely, to use the terms used by the Western press, the "Libyan hordes."

To believe the bards of western imperialism, they are threatening to invade Africa from the gates of Tunisia, Chad, Niger, Western Sahara, etc. for the purpose of establishing a Saharan Islamic Republic. They do not want to know why one African government or another has a quarrel with one sector of the population or another: "The Libyans have passed through there," they conveniently let you know from Ouagadougou to Banjul, from Bangui to Libreville. It is true that certain initiatives of Tripoli could not have been appreciated, and may have contributed to confusion or fed the prejudices which are spread around the personality of Qadhafi. No one bothers to find out whether, despite its oil riches and its overequipped army, Libya has the means for an expansionist policy which they so generously attribute to. The important thing is to sow panic, to arouse a racism of another age, to cause the real enemies of the African peoples to be forgotten, and especially the poverty and dependence in which the exmetropoles and their local relay stations keep them.

To tell the truth, behind this heavy artillery campaign currently being conducted against Tripoli there is a vast conspiracy being hatched, threatening not only the future of Chad but all the anti-imperialist states concerned in the African continent or in the Middle East.

It is not by chance that the United States is so ostentatiously worried over the development of the situation in Chad and the Libyan presence in this country and the intentions of Tripoli in Africa. Nor is it a coincidence that Egypt, which is supplying--just as the Sudan and henceforth apparently Israel as well--war materiel to the Armed Forces of the North (FAN) of Hissene Habri, is predicting through the daily EL AHRAM an armed confrontation between France and Libya in Chad; and that behind the claimed massive intervention of the Libyans in Chad one can see, due to the merger which occurred on 1 September between the Libyan Jamahiriya and Syria, the hand of Moscow.

According to the latest news, on 19 November, the Pentagon estimated that from 3,000 to 4,000 Libyan soldiers--which would represent almost a tenth of the regular army of Tripoli--were preparing to attack Ndjamena. This "information" of which the slightest confirmation on the ground is still lacking, were so enormous that they were received with the greatest scepticism even in French circles well versed in African affairs, who could not see how Tripoli could detach such a large part of its army at the very moment when large concentrations of Libyan troops had been reputed to be located on the Egyptian and Tunisian frontiers.

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An Internal Question

Actually no foreign observer, nor any journalist has been able up to now to confirm on the spot the truth of the "information" which reports the firm presence of Libyan soldiers in Chad. In Paris they have gone so far as to suppose that it was a question of troops belonging to the Common Action Front (FAC) of Ahmat Acyl, the Chadian minister of foreign affairs, which, trained in Libya, may have been confused with those of the Libyans during their movement toward the northern part of Chad.

In any case, President Goukouni Oueddei, while confirming on 25 November that the coalition forces of the GUNT enjoyed purely material Libyan aid, stressed in a press conference that the war in Chad was a "purely internal question which threatens neither its neighbors nor the equilibrium of the region." "We have signed agreements with several countries, including Libya," he stated; "We have appealed for the aid of friendly countries in order to resolve in the best way possible our national problem. This move is inscribed in the texts of the Lagos and Freetown (OAU summit) decisions, which asked countries which had recognized the GUNT to suppress the rebellion in Chad." For its part, a responsible official of the FAC of Ahmat Acyl told a French daily, LE MATIN, that Libya was providing a large amount of aid in food, medicine, and materiel, and also provided advisers to the fighters, who at present did not exceed a thousand. Finally Col Qadhdhafi, who sent several emissaries to West African capitals, confirmed on 27 November that until now his country had not granted any direct military aid to the legal government of Chad, but that he would do so anyway if the GUNT asked for it,--a treaty of friendship and alliance having been signed between Tripoli and the GUNT last 15 June engaging both parties mutually to defend themselves against any act of foreign aggression and any threat aimed at the internal security of either of them.

Denying the rumors that France and Libya had entered into discussion of a plan to partition Chad, Col Qadhdhafi reaffirmed that his country favored the integrity, sovereignty, and unity of Chad. While some assistance had been granted to the Chadian Government, that was in accordance with the charter of the OAU and Kano and Lagos agreements, said the Libyan president.

All this did not prevent the tone, after a period of calculated reserve, from rising sharply in Paris, where cynicism competes with shamelessness. So on 19 November the French minister of foreign affairs stated to the National Assembly that "the situation in Chad is more dramatic and more complicated than ever. The civil war which began a long time ago is the consequence of foreign interference which France had denounced." After stating that the evacuation of the French forces last April had responded to the desire manifested by the Chadian factions and to the desire expressed by the African states at the time of the Lagos meeting, Jean Francois-Poncet continued: "At present serious intelligence has verified movement of troops coming from Libya which appear to be numerous. The juridical basis of this interference is not clear, any more than the assigned objective of these troops. The French Government will continue to follow the development of the situation with care for respect for the territorial integrity and independence of Chad. In this regard it will consider as determining factors the reactions of the Chadian population and that of the African states. It would be surprised if the latter do not react to the foreign incursions in this country."

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Dissuasion

Several days later, during a broadcast of France-Inter, the French minister of cooperation, Robert Galley, himself touched on the subject. "The situation in Chad," he said, "is catastrophic for the populations. The country, the state no longer exist. [...] It is a disturbing situation, on the brink of destabilization, which may increase step by step." In case these speeches may not have been sufficiently understood, and while the French prime minister, Raymond Barre, in commenting on French policy in Africa said to a Flemish newspaper: "Aggressiveness is preferable to softness," on 25 November, four French Jaguar combat aircraft belonging to the tactical air force assigned for "the protection of overseas French interests" were sent to Libreville. The presence of these aircraft--which, armed with two cannon, bombs, and missiles, have a flight range of 4000 kilometers--"will remind the countries concerned that Paris can intervene rapidly, particularly since more than 400 French soldiers are already based at Libreville," commented LE FIGARO.

And in addition, one might add, there are hundreds of other French soldiers installed at Bouar, in Central Africa, and also in other nearby bases.

Actually French measures of deterrence have never stopped, but today it is a threat of direct military intervention from the former metropole which is taking shape; at the same time there is the danger of a dismemberment of Chad which is becoming more urgent, as a series of elements tend to confirm. For example, Omar Bongo, after having insisted on the fact that, according to him, there were two quite separate sides in Chad, recently stated that he had found a solution which he could not yet unveil as it would make a certain number of people jump. One can easily imagine what is meant and who could have inspired the idea in the Gabonese president...who has appeared in France recently.

Having taken into consideration all the serious threats and risks of dismemberment which the continuation of the war brings down upon Chad, Hissene Habre, while persisting in his refusal to ratify the agreement signed on 28 November at Lome by Goukouni Oueddei, the president of the OAU, and the leaders of the member states of the OAU subcommittee on Chad (Benin, Congo, Guinea, Togo), runs the risk of seeming once more like a transmission belt enabling France to realize its designs in Chad and to place this country back under the foreign thumb.* For it goes without saying that the implementation of this agreement, which provides for the imposition of a cease-fire on 15 December, at Njamena, could be of a nature to encourage a process of normalization and, by the same token,--at least provisionally--pull the rug out from under the destabilizers of the continent.

*Describing this agreement as "unrealistic," the head of the FAN looked for loopholes while asking first for the denunciation of what he called the "Libyan invasion" and the "notorious agents" of Tripoli, who, according to him were the president of Benin, Mathieu Kerekou, and the deputy secretary-general of the OAU, Mr Edem Kodjo. When one becomes aware that the members of the OAU subcommittee recommended the immediate withdrawal of the foreign forces in Chad and said that they were extremely worried about the development of the situation, the demands of Hissene Habre did not seem very serious, to say the least. Unless they are a cover for a still more sordid maneuver.

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INTER-AFRICAN AFFAIRS

SOUTH AFRICAN MILITARY OPERATIONS GROW IN ANGOLA

LD291505 London THE GUARDIAN in English 29 Jan 81 pp 1, 24

[Unattributed report: "South Africa's Secret War of Terror"]

[Text] South Africa's military operations in southern Angola have grown to such an extent that it is now waging a full-scale war far from its own borders.

Apart from increasingly frequent incursions into Angola with regular ground and air forces, the South Africans are also using covert units which, posing as anti-government guerrillas, are engaged in a brutal campaign north of the border between Namibia and Angola.

The war followed South Africa's decision to make Angola its "front line" against guerrillas of SWAPO (South-West African Peoples Organisation), the liberation movement fighting to wrest control of Namibia from Pretoria.

In the five years since the Angolan civil war the South Africans have repeatedly claimed that their operations in Angola are conducted entirely by regular forces, specifically aimed at SWAPO camps and installations and usually ordered only in direct response to SWAPO strikes in Namibia.

Reports from Jonathan Steele in the Angolan war zone, where he has seen the devastation wrought by the South Africans, and from Nick Davies in London, piecing together the story of South Africa's secret "buffalo regiment," paint a very different picture. (Steele's 1200-word report, Davies' 1900-word interview with mercenary Edwards are published on p 15 of this paper.)

Davies' investigation, based on interviews with a British deserter from the "buffalo regiment," more formally known as the 32 battalion, show that South Africa has decided that an essential part of its war is the deliberate killing and terrorising of Angolan civilians in any area where SWAPO might find support or help.

A further refinement is that the covert units of 32 battalion pass off much of their dirty work as that of UNITA, the Angolan liberation movement which was defeated in the civil war but which hangs on in that country in unofficial alliance with the South Africans.

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South Africa thus gains a political bonus, in addition to any military objectives achieved, by projecting the image that UNITA's popular support and fighting power are unimpaired, whereas most observers believe that both have greatly diminished.

Steele's report makes equally clear that, while the South Africans have attacked the few SWAPO installations within their range, most of their recent assaults have been on purely Angolan targets--villages, roads, bridges and military camps.

The conclusion from the two reports must be not only that the restraint South Africa claims to be observing are pure fiction but that the scale of the suffering and destruction inflicted by its forces--both regular and secret--goes well beyond what has been previously publicly known.

In his tour of southern Angola Steele reports that South African attacks are directed at least as much against Angola as against their official enemy SWAPO.

Within that larger campaign is the "secret war"--almost entirely directed against villagers--waged by, among others, Trevor John Edwards, the British mercenary who has told his story to THE GUARDIAN and to Thames television, who will broadcast an interview with him tonight.

Edwards served with 32 battalion for nine months, came on leave to Britain at Christmas and then decided to desert to tell his tale. The result is the first account of this shadowy unit.

On paper there is nothing to distinguish 32 battalion from the dozens of other South African units fighting in Namibia against SWAPO. But, unlike any other units, 32 is almost entirely composed of foreigners.

It has a few South African regulars, but most of its white NCOs are mercenaries, many of them British, and its ranks are filled with Portuguese-speaking black Angolans, all recruited from the FNLA--another Angolan liberation movement which, like its ally, UNITA, was also a loser in the Angolan civil war.

Occasionally, elements of 32 battalion enter Angola in a "regular" manner--in South African defence force uniforms, carrying normal military identity papers and dog tags, and using standard weapons. But, most of the time--and the unit aims to have two companies in Angola continually--they fight a very different kind of war.

Dressed in unmarked camouflage uniforms, under strict orders to carry no documents at any type, and using East European weapons, they move into Angola for sweeps through groups of villages. White officers and NCOs black their faces. A typical operation, as described by Edwards, would involve a formation of one or two platoons moving through a village area gunning down men, women, children, and live-stock.

Asked yesterday to comment on the gist of Mr Edwards' story, the South African ambassador in London, Mr Marias Steyn, said: "From what we have been told of the contents, it seems to be such a concoction of untruth, to a large extent emanating from a single individual with the moral fibre of a deserter, that we feel it is

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impossible to comment on it unless we have seen the full text and have had a chance to analyse the full extent of the distortions published, even though unwittingly, in your newspaper."

Earlier this week in Luanda, Angola's deputy minister of defence, Colonel David Moises, gave details of a number of South African "special operations" seen from the Angolan side.

During 1980, he added, there had been 925 reconnaissance flights over Angola, 18 air attacks, and 33 assaults by airborne troops.

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COUNTRY SECTION

INTER-AFRICAN AFFAIRS

SUCCESS OF MAPUTO CONFERENCE EXAMINED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 p 3363

[Text] The Conference for the Coordination of the Development of Southern Africa (SADCC) did not achieve the results hoped for by the member countries (Angola, Botswana, Malawi, Mozambique, Lesotho, Swaziland, Tanzania, Zambia, Zimbabwe), who had invited potential aid donors to the capital of Mozambique from 26-28 November (of MTM of 28 November 1980 p 3176).

Nonetheless, the importance of the foreign delegations made of this meeting, which was disappointing from a financial point of view, a diplomatic success. Thirty countries and 18 international agencies came, in fact, to Maputo at the invitation of Botswana, which presided over the meeting.

In the final communique, it was indicated that the initial financial engagements promised by international money lenders totalled \$650 million for the next 5 years. The 97 projects in the transportation and communications sectors presented by the nine African countries carried a price tag of almost \$2 billion. But a certain number of governments and development agencies made known their intention to furnish supplemental credits in the near future.

The speakers strongly supported the strategy and goals of the Lusaka Declaration of last April 1st entitled "Towards Economic Liberation." They also expressed their support for the program of action aimed at promoting regional economic development and reducing the dependence of southern Africa on the Republic of South Africa (RSA).

The Conference was brought to a close by the speeches of the Finnish Minister of Education, Paer Stenbaeck, the Italian State Secretary for Foreign Affairs, Aristide Gunnella, Joaquim Chissano, the Mozambique Minister of Foreign Affairs and, lastly, Musi, the Botswana Minister of Finance. The latter estimated that considerable progress had been made towards economic liberation, but that the struggle would be long. He declared that he was very satisfied by the level of international participation and he felt that this conference was a positive contribution to the larger dialogue with an eye to the creation of a new international economic order.

It must be emphasized that the conference was, finally, not called in order to organize an engine of war against South Africa. The countries bordering on the latter

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hesitate more than others before the more or less dangerous consequences which open hostility towards the RSA could have for their economies. They attempted rather to show that they existed, that they had a potential which was not to be taken lightly and that southern Africa was not only limited to the Republic of South Africa.

It is in this sense that the vast public relations operation which the Maputo Conference to some extent constituted was a success whose far-reaching consequences are still only dimly perceptible.

A Dialogue with Europe

One can already take note however of the tightening of links between the EEC and the "Nine" of Southern Africa, in spite of the refusal of Mozambique, the host country, to adhere to the Lome Convention. Seven countries of the European Community were represented at ministerial level and, according to Claude Cheysson, European Commissary in charge of Development, this massive European presence has a "major political significance" which the regime in Pretoria should be well aware of.

Cheysson emphasized however that he did not understand Angola's and Mozambique's hesitations, given the "fantastic advantages" represented by membership in the ACP (Africa-Caribbean-Pacific). He pointed out that countries with similar regimes, such as Ethiopia, adhered to the Convention.

Because of these reservations, Angola and Mozambique cannot benefit directly from the sums made available to the European Development Fund (FED) for the entire southern Africa region: at least \$100 million for Lome II (in point of fact probably more, because Tanzania does not belong to the southern region as defined by the EEC). However, Angola and Mozambique will derive indirect advantages since they are the natural outlets to the Atlantic and Indian oceans of the six countries wedged into the zone.

Cheysson indicated that the EEC was participating for example in the first phase of repairing the Benguela railroad in Angola, the shortest route to the sea for Zaire's Shaba Province and the Zambian Copperbelt. It will furnish in this respect rolling stock and upkeep to Zaire and Zambia, members of the ACP Community, to which it is linked by the Lome agreements. This stock will obviously not stoop at the frontier Cheysson emphasized to AFP.

The European commissary also admitted that there existed difficulties between the Federal Republic of Germany, Angola and Mozambique because of their privileged links with the German Democratic Republic, which was a "bilateral" problem.

In spite of the reservations which these difficulties can raise on both sides, it is thought, AFP writes, in European diplomatic circles, that the dialogue engaged at Maputo between Europe and southern Africa is "exemplary" for North-South relations.

France: A Positive Response

As far as France is concerned, which was presented at the Conference by Olivier Stirn, the State Secretary for Foreign Affairs, the latter declared that Paris

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would respond positively to the appeal of the southern Africa "Nine." The minister did not cite detailed financial commitments for the 97 projects presented, which will be entrusted to the study of experts. But he pointed out that, for the last 18 months, the sum of operations underway or planned by France in southern Africa totalled nearly one billion French francs.

Let us mention that a series of financial protocols have recently been signed or are under negotiation with Tanzania, Mozambique, Malawi, Botswana and Zimbabwe. The "Caisse centrale de cooperation economique" (Central Fund for Economic Cooperation) is also henceforth empowered to finance operations in Angola and Mozambique.

The French State Secretary also took note of the initiative undertaken jointly with Belgium, Canada, the United States, the FRG and the United Kingdom for the creation of a "concerted action for development in Africa." An "ad hoc" committee met moreover in Bonn at the beginning of the year to discuss rail transportation in Southern Africa.

Stirn lastly affirmed that France wished to see this region of the globe "complete its liberation" and he evoked similarities in the collective approach to problems between Europeans and Africans. The French State Secretary was received on 26 November by President Samora Machel, with whom he evoked the perspectives of Southern Africa. It should be recalled that the Mozambique Minister of Foreign Affairs carried out an official visit to Paris several months ago.

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BENIN

PEOPLE'S REVOLUTION OF BENIN AFTER 8 YEARS

Paris AFRIQUE-ASIE in French 8 Dec 80 pp 27-29

[Article by Mariam Sysle: "The Revolution Catches Its Breath"]

[Text] Last 30 November the People's Republic of Benin celebrated the eighth anniversary of the Revolutionary Movement of National Liberation--which was launched on 26 October 1972 by progressive elements of the national army, supported by the patriotic forces of the country. The revolution took concrete form on 30 November 1972 with the speech containing the program of the Revolutionary Military (GMR). Two years later, on 30 November 1974, there was the proclamation of the choice of the path of scientific socialism, which was to lead to the creation, on 30 November 1975, of an advance guard party, the Party of the People's Revolution of Benin (PRPB).

It is these last 3 dates, each one marking a stage in the search for a deepening of the revolutionary process, which have been used to mark the national day of the country. It is a country which is new in some respects, all of whose efforts are aimed at achieving real independence, to affirm its identity, and to install a society cleansed of all the stains of the past.

In 8 years, a very short period of time, a long road has been traversed, and there is not one sector of the political, administrative, socio-economic or cultural life of the country which has not been the object of radical reforms. One recalls, for example, that since 1973 local organs of the people's government have been established at the level of the villages or quarters of the cities, of the communes, of the districts and of the provinces. On 26 October 1976 it was the turn of the army to undergo profound changes with the creation of the People's Armed Forces (FAP), consisting of 3 constituent corps: the people's militia, the public security forces and the national defense forces.

The Constitution

At the same time, with a view to attaining mastery of the economic sector, almost 130 state enterprises have been created since 1974, in all branches of the economy concerned (banks and insurance companies, commerce, agriculture, industries, transport, etc.). The imperialist-mercenary aggression of 16 January 1977--its crushing failure and the combative and spontaneous people's mobilization which it provoked throughout the whole country were to prove the solidity of the foundations of the new regime--did not slow down the course of the efforts undertaken. Quite

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to the contrary. In August 1977, the new constitution of the country was adopted after having been discussed and submitted to the comments and criticism of the people. It was the same thing with the first three-year plan of economic and social development (1978-1979-1980)--the first such plan even completely prepared by the Beninese themselves. Shortly afterwards, the educational reform program entered into effort. (This is known under the name of the New School and is aimed at putting an end to the former system of elitist schools, cut off from the realities and needs of the country, which made their own people into foreign officials.) In the same direction, a considerable amount of work has gone into favoring the development of national languages. Significant results have already been achieved in this area, with hundreds of people being taught to read and write in their respective languages. From the beginning efforts were also made, aimed at a permanent mobilization of the people around concrete slogans, such as national construction; increased production, with agriculture given a priority (in each school, in each production unit, responsibility for an agricultural or animal husbandry project has been assigned); and finally patriotic, ideological and generalized preliminary training.

A Serious Partner

All observers are unanimous in recognizing that there are few points in common remaining between the Benin of today and the Dahomey of yesterday, with the latter subject as it was to incessant convulsions, to permanent regional and tribal struggles, and where corruption, nepotism and fraud reigned on a large scale.

The cleaning up of the management of public affairs and finances has made the RPB--which since 1972 has ended the budgetary subsidy granted by France since independence--a serious partner in the eyes of international financial bodies. Regarding its economic achievements, they are undeniable, as attested by the construction of a whole series of projects, including, to name only the most important, the cement works at Onigbolo, the sugar complex at Save, the mixed oil plant and the corn flour mill at Bohicon, the extension of the port of Cotonou, etc.

Encouraging progress has also been made in all sectors. Compared to 1972 the rate of growth of the rural sector has gone from 5.9 percent to 9.7 percent in 1977. A much more important boom has taken place in the industrial sector, where the rate of growth, which was 9.1 percent in 1973, reached 61.2 percent in 1977. At the same time the rate of growth of the transport sector went from 10.3 percent to 117.9 percent; that of the commercial sector, from 16.1 percent to 133.6 percent. (Let us note in this connection that, if foreign commerce remained dominated by the Western countries, the diversification of trade with the states of Africa, Asia and Eastern Europe is tending to develop quickly.)

In the course of the period from October, 1972, to December, 1979, thanks to an active and decentralized industrialization effort, more than 8000 new jobs were created. This development was accompanied, it goes without saying, by measures favorable to the nearly 72,000 salaried workers in Benin. The increase in the national operational budget, which went from CFA F 26 billion in 1979 to about CFA F 33 billion in 1980, made possible at the beginning of this year the unblocking of the contributions of government employees, beginning 1 January, and the effective application of the general statute of permanent employees of the state, as well as that of the people's armed forces, with fiscal effect as of 1 October 1980. At the same time the guaranteed minimum inter-professional salary--the SMIG --for all workers in the private sector was raised by 15 percent, with effect as of 1 January 1981.

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Popular Participation

Finally, a year ago a new stage was reached in the democratic organization of the life of the country and the social and political stability achieved since 26 October 1972. At the end of a long process of struggle, during which it was necessary not only to conquer the maneuvers and the resistance of the reactionary and opportunistic forces, but also to overcome conflicts within the revolutionary movement itself--conflicts which expressed themselves in the ideological or tactical area and even in terms of group interests--a beginning was made to put in place the first organs of government provided for by the Constitution. In November, 1979, following consultations with the people by sectors, 336 people's commissioners were elected to the Revolutionary National Assembly (ANR), where all socio-economic categories of the country are represented. Following this, in February, 1980, President Mathieu Kerekou was elected by the ANR as chief of state. Finally, there was the nomination of replacements for the members of the former Revolutionary Military Government, the National Executive Council (CEN), which brought in numerous civilian officials. This added to the responsible ministers in the 22 ministers (instead of 13, as was formerly the case) of the new government the prefects of the 6 provinces.

These changes, which aim not only at providing institutions for the revolutionary regime which resulted from the movement of 26 October 1972, but also and especially to ensure the full and complete participation of the people--both at the level of the concept of the decision as well as its control--in the political, social and economic life of the country, moreover should be followed, in the next few months, with the election of local organs of state power, which will replace local bodies under the National Council of the Revolution, which were put in place in 1973.

However, before beginning with this effort, and also before putting the final touches to the next economic and social development plan, it has appeared to be necessary to the Beninese leaders to devote themselves to a broad, critical examination of the road which they have traveled up to now, and to consider the experience acquired, the decisions made and the objectives established in terms of current reality.

Everything is happening, in effect, as if the Beninese revolutionary process were undergoing a sort of crisis of growth, because, as it has been emphasized in Cotonou, many crucial problems remain untouched, while new difficulties have emerged. This extremely complicated situation, which has given rise to a certain, general lassitude, is due to external factors but also to internal contradictions. It is quite evident, in effect, that the People's Republic of Benin is, like all other countries of the Third World, affected fully by the fall-out of the sharp crisis which the international capitalist system is going through and the galloping inflation which it has engendered.

Further, the drought, which for several years has affected certain regions of Benin, has had consequences all the more unfortunate since the country must, while waiting for the beginning of exploitation of the Seme offshore petroleum deposits (estimates of which suggest a production of 15,000 barrels of crude oil per day) which will provide a revitalizing income, count essentially on its agricultural resources for its development and the improvement of the living conditions of the people.

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Internal factors of several kinds add to all of that. One can note in particular a certain tendency, at times, to improvisation, to decisions or bureaucratic programs which are not always sufficiently aware of the socio-economic environment in which they must be integrated, or which involve a certain avoidance of authority and responsibility. One may also note insufficiency or ineffectiveness or failure to adapt among officials. Finally, it is necessary to note also the persistence of old mentalities; the force of inertia which paralyzes the application of decisions already adopted; the capacity for diversion and deviation from the objectives already fixed, on the part of opportunistic elements; and finally the silent but systematic work of undermining the system, carried out by reactionary and feudal forces.

Some Warnings

If the fight against bad management, misuse of funds, corruption or nepotism has not ceased since 1972, it has acquired a new scope this year when, on several occasions, severe warnings have been directed to officials and those responsible for state enterprises. More draconian control measures have been taken: since the beginning of the month of September, 1980, President Kerekou himself has undertaken visits of inspection in each of these enterprises. These visits, which include discussions not only with the directors of the enterprises but also with the trade union leaders and the leaders of the Committees for the Defense of the Revolution (CDR), make it possible to check the truth of the reports of activity or complaints received, as well as to bring the president up to date on the causes of the difficulties encountered by state companies. If some of them are performing well and have reached their objectives, others of them, on the other hand, are suffering from problems which, in a general and succinct way, can be summarized as follows: difficulties in collecting credits, notably those extended to local groups and other, related enterprises; bad management; lack of initiative; inadequacy of work performances (there are many state employees who, despite repeated warnings, are engaged in private commercial activity during public office hours); a spirit of intrigue; defective work organizations; at times also, ostentatious expenditures.

It also happens that some enterprises suffer from defects that go back to their beginnings, by reason, for example, of the inadequacy of the market studies at the time of their establishment, or even more because of the inadequate definition of their respective authority. "We are bitterly disappointed," the chief of state said on 23 September, "regarding the behavior, the work, the efficiency, in a word, the manner in which our officials behave regarding the revolution and the masses of the people. Some officials have undertaken an anarchic kind of recruiting of personnel despite the instructions of the party. Others have become engulfed in the bureaucratic management of their units of production. Still others have become involved in orders for vehicles as if the balance sheet of their management of affairs were a positive one. Everything is happening," said President Mathieu Kerekou, "as if the party, the government and the revolutionary institutions did not exist. In reality, the officials have seized the power of the state, on the back of the government."

On the Ground

In a general way, a new practice was inaugurated this year in Benin, which consists in having responsible officials go down to the working level, in order to realize concretely what is happening there and to appreciate the gulf which sometimes separates the objectives sought from the realities experienced. Thus, the people's minister of justice made a tour of the different legal jurisdictions existing in the country, while, for his part, the minister of general, technical and professional secondary education undertook a similar inquiry in his sector.

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However, the long trips taken last July and August in the 6 provinces of the country by the political commissioners appointed by the party no doubt will have the most profound repercussions on the gigantic work of reflection now under way. These trips, in effect, have given place to particularly severe and critical reports, both those which concern the living conditions of the masses of the people and those which concern the state of health of party organizations for young people and women, the functioning of local bodies and provincial business firms or the evolution of the agricultural cooperative movement, which is undergoing a certain loss of vitality through a lack of real involvement of the farmers or through the ineffectiveness of the officials.

Summarizing the present situation before the third ordinary session of the third session of the Central Committee of the PRPB, which met from 12 to 16 November to examine the measures to be taken with a view to an improvement in the situation, President Kerekou emphasized in particular: "The situation on the ground is characterized by a real freezing of revolutionary activities by party members; the relaxation of militant action is manifest in all areas and at all levels; at the time for execution of the new tasks implied by the responsible application of the Constitution, the members of local revolutionary bodies and different mass organizations are living in the expectation that others will do the work, in passivity, or in lethargy."

However, as the final communique of the Central Committee was to state: "Despite difficulties of a socio-economic order, linked on the one hand to bad organization and bad management of our units of production and on the other hand to the international economic situation, which is characterized by galloping inflation, and in spite of numerous problems which have not yet been resolved or which have newly appeared on the social plane, the masses of our cities and our countryside continue to show that they are militantly available for work, thus testifying to their profound support for the process under way since October, 1972."

In addition the Central Committee of the PRPB has taken a series of decisions with a view to giving a new impulse to the revolutionary process and to improve the situation concretely. Economic problems, on the eve of the preparation of the second development plan, which should take into account insufficiencies and gaps in the first plan, pay more attention to realities and the desires of local and provincial organs, as well as the priority needs of the masses, will be the object of a special session of the Central Committee.

Transmission Belts

The same will be true for problems posed by educational reform, which continues to arouse numerous controversies. A seminar will also be devoted to problems posed by witchcraft and the struggle against feudal elements, which has not always been very ably directed. Finally, before establishing local organs of the people's government, there will be a revitalization of mass organizations (committees for organizing young people and women, committees for the defense of the revolution) so that the latter "may effectively play their role as transmission belts and support for local revolutionary government."

In the same way the basic organizations of the party must be strengthened by the entry of new elements, and the leadership of the PRPB is called on to put an end to its internal differences. The work of making the masses "aware" must be improved and expanded. It is believed in Cotonou that those are conditions which are indispensable for the victorious pursuit of the class struggle against the reactionary and feudal forces which do not fail to exploit for their own benefit the problems which exist in the country.

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However, the courage and clearness of mind which the Beninese leaders have shown, who, as we have just seen, do not hesitate to unmask and display to the light of day the sharp contradictions which they have encountered, constitute, without a doubt, the surest guarantee for the pursuit and the deepening of the revolutionary process which began 8 years ago.

Vigilance

Vigilance is a permanent slogan in the People's Republic of Benin. But it is more than ever appropriate today, when retrograde forces within the country are once more actively engaged in support of the evils already denounced by the leaders in Cotonou themselves, and also at a moment when a new, insidious campaign of calumny is being directed from abroad against the Beninese revolutionary regime. This new effort, as the session of the Central Committee of the PRPB of 16 November emphasizes, "is aimed at making people believe in alleged interference by the RPB in the internal affairs of fraternal and friendly countries."

The PRPB which emphasizes that the international situation remains characterized "by subversive efforts aimed at the destabilization of the progressive regimes of the Third World, and in Africa in particular, through the creation of zones of tension and sources of war throughout the world," denounces these efforts forcefully. It reaffirms once again that, "the internal problems of the various countries can only be resolved by the peoples of these countries."

It seems that this new campaign of misrepresentation is based on false rumors according to which Beninese nationals are reportedly involved in the Libyan Islamic Army, and according to which Cotonou will show a one-sided attitude in the conflict in Chad. Already an attempt has been made to exploit the official visit to Tripoli last October by the president of Benin to make people believe that he has been converted to Islam. It required a clear and definite statement to be issued to put an end to this fantastic hypothesis, which gave a new bone to gnaw to the enemies of the Beninese revolution.

Let us recall that, on the eve of his departure on 22 November for Conakry, where he was to attend the summit meeting of the chiefs of state of the Niger River commission, President Kerekou had occasion to recall that the position of Cotonou in the Chad affair is "strictly in accordance with the letter and the spirit of the Lagos accords and the resolution of the OAU adopted at Freetown." He continued, "The conflict in Chad can only be resolved by the people of Chad; if that turns out to be impossible, then by the Africans and in the framework of the OAU, accepted by the people of Chad. Any military action which does not take place in this framework must be considered as direct and unacceptable interference in the internal affairs of Chad."

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CENTRAL AFRICAN REPUBLIC

BASES OF REGIME DESCRIBED AS 'EXTREMELY FRAGILE'

Paris JEUNE AFRIQUE in French 17 Dec 80 pp 38-39

[Article by Jos-Blaise Alima: "No One Expects a Miracle Any Longer"]

[Text] In this month of December 1980 the isolation of the Central African Republic appears under its most dramatic aspect. The rainy season makes all the roads impassable that like Bangui, the capital, with the back country and the neighboring countries, thus contribution a little further to the isolation of the country.

Disillusionment

The telephone network is completely swamped. More than 95 percent of the lines are out of order. An African ambassador declares he was without a telephone for 6 months. As for the former prime minister Bernard-Christian Ayandho, he confides, "My four telephone lines are all out of order. It, however, happens from time to time that one of them works. Like a miracle." Fifteen months after the fall of the emperor (20 September 1979) euphoria has given way to disillusionment and no one expects a miracle any more. Could one, therefore, say that David Dacko's regime is living its last weeks? At all events everyone is agreed on one point: the answer is not in Bangui, but in Paris.

The French minister of cooperation, Robert Galley, arrived 27 November to participate in the 1 December independence anniversary ceremonies. Gossips said that "Governor Galley" had in his suitcase the "envelope" containing the funds the Elysee gave the government for the festivities.

That would really not be surprising: France contributes from 1 billion to 1.6 billion CFA francs needed for the survival of the CAR. "The diamonds business bothers us. We are now paying the price of it," Jacques Wahl, general secretary of the Elysee is said to have confided to a high African official. Who observes "Important changes are likely to take place in Central Africa...after the French presidential elections."

Meanwhile, France is still omnipresent. Its soliders have taken over 200 prefabricated houses previously donated by South Africa. It is there, on the road leading to the Bangui-M'Poke Airport and two steps from the OCAM village where Camp Barracuda is installed, the name of the operation which in September 1979 ended in the fall of the empire.

These soldiers, for whom Bangui-by-night has no mysteries, do not conceal their disdain for the "puppet authority" they are charged to defend. Who cares what they think! The French Army will not soon fold up their baggage to go back to the Hexagon.

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Fragile Regime

The Central African Republic is exposed to a double threat, interior and exterior, declares the new French ambassador, Jacques Humann, on duty for 6 months. For that reason the French military presence is necessary, according to him. The bases of the regime remain extremely fragile, Mr Humann adds, in substance. The opposition has not laid down its arms, and the economic situation is catastrophic. The administration is honeycombed with French cooperators found in the directorates of almost all the large departments: treasury (Leglise), customs (Banos), general secretariat of the presidency (Serre)... For Mr Dacko's press service France sent to Bangui Jean Bouris, former associate of Jacques Foccart at the general secretariat of the presidency of the Republic for African affairs.

Dialogue and Efficiency

Sylvestre Bangui, former minister of foreign affairs, cries out, "My wife is French, I am of French culture, I served 8 years in the French Army and on this basis I took out French nationality. But it is too much, too much. There are limits that should not be exceeded." Mr Bangui goes even further. He blames President Dacko for having taken Jean Pierre Lebouder as prime minister, considering that he had been selected by France. The decision for this was made in September during President Dacko's last trip to France.

Thirty-six years old, engineer agronomist, the new prime minister is thought to be quite competent. Of mixed blood, with a French father, he passes for an unqualified francophile. Hence, the quarrels that his nomination aroused. President David Dacko nevertheless hoped that the government formed 17 November would be placed "under the sign of dialogue and efficiency." But with the departure of Sylvestre Bangui, there only remain in the government representatives of the UDA (Central African Democratic Union) of Mr Dacko. True, the new minister of foreign affairs, professor of medicine, Simon Bedaya Negaro, has never hidden his sympathies for the Central African liberation movement (MLPV) of the former prime minister of Bokassa, Ange Patasse.

Gang of Four

Professor Negaro, minister of health in the government of public safety of David Dacko in September 1979, had resigned in order to urge the democratization of the system, including an opening to the opposition parties. Did he receive assurances on this score before accepting his new post?

It will be considered at all events, that, with the liberation of Ange Patasse, the principal actors of after-Bokassa are once again face to face. And that there is intense activity at their headquarters. The ones who are absent being always wrong, less is said about Abel Goumba than about the "gang of four" (Patasse, Bangui, Maidou, Ayandho).

Prepare for the Future

Opposite Dacko each gets ready for the battle, preparing for a confrontation that seems inevitable. Freed after more than a year's arrest, Ange Patasse made a brief stay at the hospital (he suffers from a lowering of the calcium level in the blood) before going back to his private property of "Kilometer 12." The beard a little greyer, surrounded by a group of faithful, he declares, peremptorily, "Nothing can be done in this country without the MLPC." He is unwilling to lend confidences about his arrest, as if the better to prepare for the future.

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The ruling party himself shows him a certain leniency. Has he not benefited from the withdrawal of the case during a trial All-Bangui feverishly watched? It is said that President Dacko would be disposed to grant him important responsibilities in the government. Can the two men get along?

On the other side of the city, a few hundred meters only from the --sadly--celebrated prison of Ngaragba, the former vice president Henri Maidou looks at the Oubangui-Chari whose waters have just lapped at the foundations of his personal house which he always preferred to an official residence. Quite free in his movements, he divides his time between reading and his garden situated about a hundred kilometers from Bangui.

Two steps from there the former prime minister Ayandho is packing his bags. He will have to leave the residence sumptuously furnished to his taste. By chance at a "family lunch" one meets a bevy of personalities of the republic in reserve: Alphonse Koyamba, former vice prime minister in charge of finances, Timothee Malendoma, former minister of state charged with transports, Jean Arthur Bandio, former ambassador, etc. The fourth actor, Sylvestre Bangui, decided to take...two months' holiday. He states that he will no longer accept any political post, but nevertheless hopes to meet David Dacko before the end of the year. Why? Mystery! Former president of the Oubangui Liberation Front (FLO) he is favorable to supervised pluralism, sharing that opinion with Henri Maidou whose views had caused his removal from the government.

Right To Inspect

The game is far from being played out. Out of breath, France, still claiming the right to be informed about the country's affairs, hopes to involve international organizations in the country's economic reconstruction. It is expected that the International Monetary Fund will provide the state a limited loan within the framework of compensation financing. Which will scarcely exceed 4 billion CFA francs.

It is thus necessary to seek other resources. And above all follow a policy of stabilization, which the authorities, for lack of political will, have not until now been able to get under way.

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ETHIOPIA

BRIEFS

SOVIETS, CUBANS SLAIN--Four Soviets and two Cubans have been assassinated in Ethiopia in recent months. It seems that they had much too friendly relations with Ethiopian women. Indeed the presence of some "socialist friends" does not seem to be well tolerated by Colonel Mengistu's fellow citizens. Two Frenchmen driving in a Soviet Lada automobile met their deaths thanks to this fact--they were assassinated too. [Text] [LD290933 Paris JEUNE AFRIQUE in French 28 Jan 81 p 31]

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GHANA

BRIEFS

LOSSES FROM STATE ENTERPRISES--Ghanaian Vice-President J.W.S. de Graft-Johnson recently lamented the fact that despite the establishment, 4 years ago, of the State Enterprises Commission, most of the state enterprises continue to register losses. He noted that the commission--which was recently reorganized--was largely responsible for this state of affairs. He did acknowledge, however, that many enterprises are poorly managed. The chief of state himself, Dr Hilla Limann, has warned all state enterprises that if no significant improvements are registered this year, they will be dissolved. Among the enterprises in question, he cited the Ghana Highways Authority, the Architectural and Engineering Services Corporation and the Irrigation Development Authority. The Ghana Highways Authority has already been limited to the construction and maintenance of only main roads, while construction and maintenance of secondary and service roads has been entrusted to local councils under the supervision of the Ministry of Youth and Rural Development. This decentralization will also benefit rural youth by providing useful employment. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 16 Jan 81 p 138]

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GUINEA

BRIEFS

WORLD BANK ELECTRICITY FINANCING--The World Bank and its affiliates granted Guinea a 28.3 million dollar credit on 22 December to finance a project for the modernization and expansion of Conakry's electricity network. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 2 Jan 81 p 26]

FIVE-YEAR PLAN--The chief of the Guinean state, Ahmed Sekou Toure, presented the new national economic development plan to the national Council of the Revolution on 27 December. The plan is based on the modernization of agriculture and the development of the mining, industrial and energy sectors. This five-year plan (1981-1985) amounts to a total of 38 billion sylis (1 syli is equivalent to 0.23 French francs). It will be divided into 32 billion sylis for investments and 6 billion sylis for the amortization of the public debt. According to President Sekou Toure, the agro-pastoral and fisheries sector, and the industry and energy sector will each receive approximately one-third of the plan's budget. He added that the volume of investments in this new plan will amount to an average of 6.4 billion sylis annually compared with 2.674 billion in the 1973-1978 five-year plan and 1.313 billion in the 1964-1971 seven-year plan. In stressing the deficiencies of the 3 preceding plans (1960-1963 three year plan, 1964-1971 seven-year plan, 1973-1978 five-year plan), and especially the lack of statistical information, the poor coordination between the various sectors and the changes in the orientation of the programs, Sekou Toure noted that the new plan was prepared "more rigorously." He added that "the non-observance of work schedules, absenteeism, lack of control and the indifference of cadres also constituted factors for paralysis." [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 2 Jan 81 p 26]

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GUINEA-BISSAU

BRIEFS

FORMER OFFICIAL'S SUICIDE--The Bissau authorities have announced the suicide of Col Andre Gomes at the Bra prison near Bissau. Col Gomes, chief of military security until the 14 November coup d'etat, committed suicide with an electric cord. He had been accused of having played a central role in the summary executions which had taken place under the former regime. Col Gomes had been a well-known guerrilla leader in the war of independence against Portugal (1962-1974). He had led a successful attack against the Bissalanc-Bissau airport and had received, after the war, the decoration of the Black Star of the PAIGC. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 2 Jan 81 p 24]

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MADAGASCAR

FINANCIAL DIFFICULTIES REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 pp 3324-25

[Article by Jacques Latremoliere: "Financial Difficulties in Madagascar"]

[Text] Before the political bureau of the National Front for the Defense of the Revolution (FNDR), Didier Ratsiraka, the president of the republic, "laying his cards on the table," as our sister newspaper MADAGASCAR-MATIN expressed it, reported on 27 November on the economic and financial difficulties which Malagasy socialism has come up against during its second phase, which was begun in 1977 and which was characterized by an opening up to Western investment. Robert Galley is said to have been the first to see the report, during his trip to Antananarivo for the last meeting of the mixed commission. During a southern summer, which was particularly muggy because of the proximity of low pressure zones, the declarations of Mr Ratsiraka will in no way have contributed to brightening an urban gloominess due to a persistent shortage of essential foodstuffs, such as rice and oil, and which, through the distribution of seditious tracts, the old Monima leader, Monja-Jaona, has tried to exploit.

The rise in the price of imports and the instability of the markets for tropical products are obviously at the root of this situation, which is aggravated by economic factors such as the purchase of expensive aviation equipment, a decline in coffee prices just as coffee production was rising on the east coast, poor clove production and, finally, in the more general context of the energy crisis, the handicap due to the interruption, with no end in sight, of deliveries of Iraqi crude oil. The alternative solutions to these various problems are both uncertain and costly. Japan will probably make up our deficit of nearly 250,000 tons of rice, but it cannot deliver them, under the terms of an agreement signed with the United States, without the concurrence of the latter. Algeria is said to be ready to step in to replace Iraq in supplying crude oil, but a higher prices and without the same facilities for payment, which had allowed up to 90 days.

Several indications, as early as 1979, pointed to the financial squeeze which could not have failed to be produced by the coinciding of these various factors with the launching of a rather large number of industrial projects, 77 in all, of uneven profitability, certain of which could only have been launched with medium and long term loans. That is why the foreign exchange balance has not been published since August 1979, imports having been submitted to the prior authorization of the Central Bank. The government account in the Central Bank now shows a deficit of 135

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billion Malagasy francs, that is, the equivalent of a year of revenue from the general budget. In brief, the overall foreign debt, which was \$580 million in December 1979, has risen by \$110 million in 1980 and may reach, by the end of 1981, \$1 billion, of which \$150 million will be for debt servicing. The ratio of servicing the debt to revenues from exports was between 25 percent and 30 percent last June. It was hoped, following the suggestion of the IMF, to be able to reduce it to 18 percent at the end of the current fiscal year. Actually, it will probably reach 28 percent by then and will exceed 30 percent in 1981.

These figures, although they are disturbing, do not reflect a catastrophic situation. Several countries of west and central Africa have experienced similar ones, which were able to be progressively reduced by the triple effect of an international loan based on natural resources, of a desire for sensible management and, in the case of some, of the mechanisms of the franc zone.

The Franco-Malagasy Financial Situation

In the narrower framework of Franco-Malagasy relations, it is believed that the amount of the Coface guarantees in the medium and long term stands at 1 billion French francs, which does not seem to pose any serious threat, at least in the near future. But short term debt to foreign banks (70 percent of which are French) doubles that figure. At a time when foreign credit reserves are almost insignificant, the problem for Madagascar is to confront at the same time short term payments and supply orders for 3 and 6 months, which is necessary if the economy is not to be weakened. That is why the government must procure the indispensable funds elsewhere. Since the high rates at the present time in the international market contribute to worsening an already delicate financial situation, it would be desirable that they be supplementary interventions from abroad.

To the degree that this intervention comes, all or in part, from France, it can only be welcomed, while at the same time, regretting the fact that the Malagasy Republic has voluntarily excluded itself from an organization which would have made such intervention automatic. This desire is not only inspired by "the traditional friendship between these two countries"--one has the impression that the too often repeated reference sometimes irritates Malagasy nationalists--but by the recognition that in 1979, France was Madagascar's largest supplier (32.9 percent of the market) with an increase in value, in current francs, of 25.5 percent, but a percentage decrease of 2.6 percent, while the trade balance remains generally favorable to our country.⁽¹⁾ That is the reality accepted by Robert Galley in setting the total contribution of the French Ministry for Cooperation in Madagascar, for 1981, at 7.5 billion Malagasy francs and in increasing within that amount non reimbursable aid in the form of investments under Title Vi, which climbed from 1.6 billion Malagasy francs in 1980 to 2.2 billion in 1981. Actually, French sales are already matched, to a large extent, by loans, through the intermediary

1. See below, under "Madagascar," an analysis of Malagasy foreign trade in 1979 (editor's note).

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of the Central Fund or Coface, which makes them so attractive that the accelerating mechanism of foreign aid is not absolutely indispensable. On the other hand, it would be unfortunate to compromise the future of a limited market, but one which has proved its stability in spite of political divergences, by refusing our partner the temporary support which it now needs.

Yet, it would still be useful to arrange this support in such a way that it does not amount merely to a rapidly used up breath of oxygen, by spreading out over a long term, through the procedure of the Club de Paris or some other procedure, the payments which are at the root of the difficulties of the Malagasy government. This could, moreover, be an excellent opportunity to define--which is far from being done--and to settle on the amounts and schedules for the reimbursement of the indemnities due because of nationalizations, by including them in a general consolidation of the short term debt. It seems, actually, that the French nationals have every interest in fixing these reimbursements, the principle of which is not officially contested by the Malagasy Government, on reasonable and specific bases, after mutual examination of individual cases, rather than seeing perpetuated between the two countries an element of conflict which has not even been precisely calculated.

Political Aspects of the Crisis

In the search for a solution, it is clear that any useless interference on the part of the political sector in economics and finance must be avoided. "Whatever may happen," Mr Didier Ratsiraka said before the Political Bureau of the FNDR, "our country is not for sale." No one, certainly, is proposing that to him. But certain positions taken on international politics do not facilitate the efforts of those who are trying to put the pieces back together. That became clear when on the subject of Afghanistan, two attitudes, which are hard to reconcile, were adopted, a few months apart, by the representative of Madagascar to the General Assembly of the United Nations. Likewise, would it not be preferable not to have the impression spread around that the same causes are defended or attacked by different arguments inside the country and outside it. The Conference on the Indian Ocean, a zone of peace, dear to President Ratsiraka, can only be of interest to France if it is asked to participate as a neighbor, as seemed to be the case in Paris, and not as a mere user, as it is designated in the REVUE DE L'OCEAN INDIEN of Antananarivo.

On the Malagasy domestic scene, the dramatization given by President Ratsiraka to the sudden discovery, on the instrument panel, that debt was out of control, hindering foreign payments and was in danger of placing in peril, because of that, the solidarity of the national currency, was enough to surprise observers.

Even if the rigorism which characterized until 1977 Malagasy financial policy and has made Madagascar one of the least indebted countries of the Third World, had to soften because of a new policy on industrial investment, the severity of the control exercised over expenditures at the level of the Central Bank makes it difficult to conceive that the alert stage was not announced in time by the chief of state.

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Excluding the hypothesis according to which that dramatization aimed only at exerting pressure on the creditors of Madagascar, allowing to hover over them the threat of a halt in payments, one can imagine that the report of Mr Ratsiraka to the Political Bureau of the FNDR is a prelude to a cabinet shake-up, certain members of which will be charged with negligence, or that on the contrary certain of his associates have let the crisis grow so as to signal, before it was too late, the danger of a policy they did not approve of.

Whatever the explanation, it cannot be divorced from the sociological elements of the Malagasy power structure, whether liberal or socialist. The real meaning of the episode can only be sought in light of a socio-economic analysis which would be difficult to carry out under the present circumstances.

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MADAGASCAR

BUDGET FOR 1981 OF 267.17 BILLION FRANCS APPROVED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 12 Dec 80 p 3423

[Article: "The 1981 Madagascar Budget: Madagascar F 267.17 Billion"]

[Text] The People's National Assembly on 2 December approved finance law 11, containing the budget of the Democratic Republic of Madagascar for 1981. The budget has been prepared, in terms of receipts and expenditures, at a level of Madagascar F 267.17 billion, compared with Madagascar F 278 billion in 1980. The reduction resulted from revised estimates of fiscal receipts for 1981 set at Madagascar F 123 billion, whereas in the 1980 budget they were overvalued at Madagascar F 132 billion.

Expenditures are divided as follows: general budget, 175 billion; supplementary budget, 16 billion; operations by the treasury, 66 billion; investments, 8 billion. This last figure constitutes the total for repayments of loans. If one adds to it 6 billion in interest due to be paid in the general budget, there is a total of 14 billion under the heading of public debt. In this same general budget, ongoing expenditures are more than Madagascar F 121 billion, or less than those in the 1980 budget (127.5 billion), broken down as follows (in billions of Madagascar francs):

Primary and Secondary Education	28.9
Ministry of Defense	23.5
Public Health	10.2
Higher Education and Scientific Research	6.9
Finance and Planning	6.8
Rural Development and Agrarian Reform	5.7
Interior	5.4
Public Works	3.0
Justice	2.6
Information and Ideological Orientation	1.4
Economy and Commerce	1.1
Transportation, Food, and Tourism	1.0
Foreign Affairs	1.0
Office of the President and Prime Minister	0.7

There should also be noted 5 billion for "interministerial expenditures," 550 million for the People's National Assembly, 448 million for the Supreme Council of the Revolution, 103 million for the Military Committee for Development, etc.

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In terms of receipts, these are estimated at Madagascar F 121 billion in the general budget, 16 billion in the supplementary budget, 35 billion in operations by the treasury, and 54 billion for external investments, to which should be added 1.0 billion available at home. Out of this 55 billion from the investment budget, 35 billion will be loaned by the government to state-owned companies (JIRAMA, RNCFM, state farms) and 20 billion will be used for the construction of roads, cleaning up the capital, construction at Ivato airport, etc.

The 1981 budget therefore will have a deficit of Madagascar F 39 billion.

It should be noted that general budget receipts essentially come from: direct taxes (23 billion); single tax on transactions [TUT] and special business turnover tax [TASCAF] (more than 19 billion); import duties (more than 44 billion); indirect taxes (more than 12 billion); profits from the Madagascar Office of Fiscal Monopolies [RMMF] (more than 9 billion); company tax (890 million); state companies (more than 5 billion); licensing and stamps (more than 2 billion); receipts from industrial firms (991 million); receipts by the ministries (158 million); various sources (more than 1 billion); and reimbursements (436 million).

The total from import duties has been valued on the basis of import quotas fixed by the government for 1981, amounting to Madagascar F 136.2 billion, divided as follows among the principal headings: raw materials: Madagascar F 10.7 billion; energy: Madagascar F 37.1 billion; essential consumption products: Madagascar F 18.5 billion; food: 14.4 billion (of which Madagascar F 8.8 billion are from the import of rice); equipment, 43.8 billion.

In the fiscal sphere the draft budget for 1981 leads to the following conclusions:

- No significant change in direct taxes and the single tax on transactions (TUT).
- The special business turnover tax (TASCAF), collected for only 2 months in 1980, will be applied again in 1981.
- Import duties constitute one of the principal resources of the budget (44 billion), despite the limitation on imports, but duties have been increased on certain items.
- For the import duty on fuels, the government has come back to the "specific" tax (based on volume) instead of an ad valorem tax, in order to limit the increase in the prices of fuels.
- The duty on vehicles with power greater than 12 brake horsepower will be increased.
- Direct taxes will not undergo any change, the present rates being considered sufficient. Let us recall them: tax on business profits (IBS), 36 percent for handicraft enterprises and 45 percent for commercial concerns; income tax on non-salaried income (IRNS), 0.04 percent to 50 percent, on a graduated scale; income tax on salaried income, 2 percent to 50 percent, on a graduated scale.

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It should also be noted that the profits of the Madagascar Office of Fiscal Monopolies (RMMF) are estimated in the budget at Madagascar F 9.5 billion, for an increase of Madagascar F 1.5 billion, due particularly to the fixing of a kilo of flour at Madagascar F 110, as its import cost has been rising. It should be recalled that the RMMF is responsible for the distribution of tobacco and matches, alcoholic beverages, and flour.

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MADAGASCAR

COUNTRY'S FOREIGN TRADE FIGURES FOR 1979

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 pp 3361-3362

[Text] Madagascar's foreign trade for 1979 was characterized by a worsening of the trade deficit. The rate of covering imports by exports, which was 97.3 percent in 1977 and 87.5 percent in 1978, did not exceed 61.9 percent in 1979. This worsening of the foreign trade situation resulted from a sharp rise in the value of imports (in spite of a drop in volume) while exports fell slightly in both value and volume.

By comparison with 1978, imports rose in value by 35.8 percent, from 99,632.2 billion Malagasy francs to 135,319.5 billion in 1979. This change, however, corresponds to a slight decline in the total quantity of imports (962,078 tons in 1978, 913,679 tons in 1979) and reflects a rise in the average price per ton of imports. This figure rose from 104,000 Malagasy francs in 1978 to 148,000 Malagasy francs in 1979.

During the same period, exports underwent a decline in value (-3.9 percent), dropping from 87,214 billion Malagasy francs in 1978 to 83,825.6 billion in 1979. This drop in value corresponds to a drop in the quantity of exports (428,825 tons in 1978 as opposed to only 404,170 tons in 1979) the average price per ton of exports having varied only slightly.

The trade balance has thus shown a deficit of 51,439.9 billion Malagasy francs in 1979, while the deficit was only 12,418.2 billion in 1978. This deficit can be explained as much by the deterioration in the terms of exchange, changes in prices which were less favorable to Madagascar this year (a drop in the price of coffee, of cloves and chromite) as by the stagnation or drop in domestic production of some of the principal export products.

Exports: Not Sufficiently Diversified

Although made up principally of unprocessed agricultural and mineral products, Madagascar's exports are relatively diversified. Nevertheless, the tonnage of export products has been declining steadily since 1976: 563,228 tons in 1976, 457,745 tons in 1977, 428,825 tons in 1978, 404,170 tons in 1979. This decline is in part due to the change in production and export levels of cloves (collapse of exports in 1976 and 1977). But the renewal of that production since 1978 has not been able to compensate for the volume decline of certain export products in the period 1976-1979.

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That change was, during the period cited, more than compensated for by the rise in the principal export products, to the extent that the total value of exports was able to continue to grow up to 66,034 billion Malagasy francs in 1976, 82,926.7 billion in 1977, 87,214 billion in 1978, 83,825.6 billion in 1979. Thus the year 1979 marks a turning point.

Green coffee exports rose sharply in 1979 (63,000 tons exported) compared to 1978 (55,000 tons) without however regaining the level of 1976 (73,000 tons). That is because domestic production is increasing only slightly while local consumption is said to be rising. However, the share represented by green coffee in exports remains preponderant (38,074 million and 45.4 percent of the value of exports).

On the other hand, clove and vanilla exports have sharply declined: 1,459 tons of vanilla exported in 1978, 437 tons only in 1979; 14,767 tons of cloves and 1,056 tons of clove oil exported in 1978, as compared respectively to 13,513 tons and 928 tons in 1979. The sharp rise in vanilla prices in 1976 and 1977 had encouraged Malagasy exporters to deplete their stocks. The depletion of these stocks as well as the drop in production because planting fell off explain the drop in volume of exports in 1979.

One must also point out the quasi stagnation in sisal, raphia, luxury rice and fish products exports as well as the sharp decline in exports of processed products: sugar exports have been declining since 1976 (29,953 tons in 1976, 26,350 tons in 1977, 23,240 tons in 1978, 19,580 tons in 1979), because domestic consumption has tended to increase. Canned meat exports are, also, declining (1,719 tons in 1976, 1,366 tons in 1977, 1,217 tons in 1978 and 675 tons only in 1979), while exports of fresh meat are up strongly (5,300 tons in 1979, compared to only 3,327 tons in 1978).

We find the same to be true, finally, of mineral products exports, which dropped noticeably in 1979 (with the exception of petroleum products). Chrome ore exports dropped from 144,662 tons in 1978 to 109,147 tons in 1979 and graphite exports, which amounted to 18,861 tons in 1978, were down to no more than 14,580 tons in 1979 (although Madagascar leads the world in graphite production). On the other hand, petroleum products exports have begun to rise: 94,877 tons exported in 1979 (73,931 tons in 1978), without reaching however the level of 1976 (208,904 tons).

Imports: Reduction in Volume

Since 1976, most imports are regulated by a program established at the end of each year for the following year by the Ministry of the Economy and Commerce. This program is based on the level of imports of the preceding year and is modified by the rate of economic growth expected for the current year. It remains flexible however and permits, within the limits fixed by a given overall volume, the transfer of quotas for one product to another.

The year 1979 is characterized, a priori, by a reduction in the volume of imports due to a sharp drop in crude oil imports, although the category "energy products" still amounts to 10 percent of the total value of imports as against 12 percent in

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1978. In fact, all the other categories of imported products (the utilization groups) have shown a noticeable rise in both value and volume.

Industrial means of equipment have shown the greatest rise (64.6 percent growth in value). In 1979, they amounted to 30.9 percent of imports, or 41,772 billion Malagasy francs, while in 1978 they amounted to only 25.5 percent (25,365.5 billion). This increase reflects the policy of "excessive investment" adopted by the Malagasy authorities since 1978 and includes in particular the equipment necessary for the construction of regional university centers (CUR) as well as the purchase of vehicles for transportation and of the Boeing 747 by the national company Air Madagascar.

The rise in the "Food" category can be explained by the rise in imports of condensed milk, butter and especially of cracked rice (97,955 tons imported in 1978, 171,971 tons in 1979).

Imports of agricultural equipment doubled, from 516 million in 1978 to 1,024 million in 1979 (increased imports of agricultural machines and plows).

Growth in exports of "raw materials" (up 27.6 percent in value) can be explained primarily by the growth in metal products (sheet metal and shaped metal) and chemicals. Finally, the rise in imports of "consumer goods" reflects a rise in purchases of private cars and automobile parts.

Geographic Distribution of Trade

From a geographic point of view, Madagascar's trade appears relatively diverse. Nevertheless, the main trading partner remains the group of countries belonging to the European Community (43 percent of Madagascar's exports and 51 percent of its imports). France has accounted for a declining share of this market since 1976. It accounted for 29 percent of Malagasy exports in 1976, but only 25.8 percent in 1979 (that is, 21.656 billion Malagasy francs), although that represents a rise with respect to 1978 (23.1 percent of Malagasy exports). The same change can be seen in imports of French products: 37.3 percent of Malagasy imports in 1976, 34.9 percent in 1978, 32.9 percent in 1979. That phenomenon is in part compensated for by the growth in trade with other countries of the Community: a rise in exports to Holland and Italy, a rise in imports from the Federal Republic of Germany (since 1978). The trade balance with the partners of the EEC shows however a deficit which is growing steadily since 1976, reaching 33,707.4 billion Malagasy francs in 1979. The rate of covering, which was 80.4 percent in 1976, in 1979 is only 51.4 percent. The trade deficit with France was 21,930.1 billion Malagasy francs in 1979, the rate of covering having fallen to 49.7 percent.

The rest of Europe represents less than 10 percent of the foreign trade of Madagascar, the principal partner outside of the Common Market in 1979 being Spain, followed by Sweden and Switzerland for imports, Hungary and Yugoslavia for exports.

With Africa trade is rising (10 percent of exports, 3 percent of imports). The principal buyers are Algeria (whose purchases are sharply up) and Reunion, the

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principal suppliers being Mozambique and the Ivory Coast. Malagasy foreign trade is moreover overall favorable with respect to this region of the world with a covering rate of 185.1 percent.

Malagasy exports to the American hemisphere, mainly the United States, are on the other hand sharply down (21,879.7 billion Malagasy francs in 1978, 12.284 billion in 1979). This can be explained by the drop in American purchases of coffee and vanilla. On the other hand, the very sharp rise in imports from that region of the world (4,315.2 billion in 1978, 19,955.6 billion in 1979) can be explained by the purchases of the Boeing 747. The trade balance with the American continent, which had always been favorable, shows in 1979 a deficit (rate of covering: 84.5 percent).

In Asia, the principal markets for Malagasy products are Indonesia (the main buyer of cloves making up 10 percent of Malagasy exports), Japan and Hong Kong. Imports coming mainly from Iraq (crude oil), the People's Republic of China (a supplier of rice, whose share has risen since 1978), from Pakistan and Hong Kong. In 1979, exports to Asia dropped slightly while imports coming from that region have grown; the trade deficit with Asia is 17,775.3 billion, the rate of covering falling to 50.3 percent.

The worsening of the imbalance seen in 1978 is in fact the result of an investment effort which will bear fruit only in the medium term, while traditionally exported products have fallen behind due to inadequate maintenance of the plantings or the reorganization in recent years of collection and distribution networks. It is probable that the year 1980 will end with a still significant trade deficit.

(1) This study was obtained from statistics published in Madagascar under the management of 'l'Institut National de la Statistique et de la Recherche Economique' (National Institute of Statistics and Economic Research) in SITUATION ECONOMIQUE of 1 January 1980.

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MADAGASCAR

BRIEFS

SUGAR PRODUCTION--The sugar mill at Namakia, belonging to SIRAMA (Madagascar Sugar Company) produced, during the season just completed, 27,000 tons of sugar, compared to 23,500 tons in the preceding season. The season just ended is therefore considered satisfactory, despite some difficulties inherent in a passing shortage of gas-oil fuel or replacement parts. (We recall that the Namakia sugar mill was nationalized in 1977). [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 12 Dec 80 p 3423] 5170

MILITARY EQUIPMENT FROM DPRK--Military equipment, including high-speed motorboats, was officially turned over to Madagascar Prime Minister Desire Rakotoarijaona by the North Korean ambassador to Madagascar on 20 November. The motorboats are of 70 tons each, with a speed of 40 knots. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 12 Dec 80 p 3423] 5170

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MOZAMBIQUE

BRIEFS

FISHING AGREEMENT WITH SPAIN STUDIED--Representatives of Mozambique and Spain initiated talks in Madrid on 7 January to reach a cooperation agreement in the fishing sector between the two countries. This agreement will allow Spanish boats to continue fishing in Mozambican territorial waters, a source close to the Spanish Ministry of Agriculture specified. These talks follow a series of meetings which took place in Maputo last summer. The Mozambican delegation includes Messrs Silva, director general of marketing, Sergio Basulto, regional director of fisheries and Brito Diaz, director of fishing production. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 16 Jan 81 p 154]

CIGARETTE PRODUCTION--Production of cigarettes at the Nampula Tabaqueira de Mocambique has improved. The monthly goal (2 million units) was exceeded both in October 1980 (2,478,000 units) and November 1980 (2,196,000 units). [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 16 Jan 81 p 154]

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NAMIBIA

NUJOMA OUTLINES PLANS FOR UPCOMING NONALIGNED CONFERENCE

PA261809 Havana PRELA in Spanish 1950 GMT 23 Jan 81

[Report by Erasmo Terrero]

[Text] Luanda, 23 Jan (PL)--Sam Nujoma, leader of the South-West African People's Organization (SWAPO), has said here that SWAPO will intensify its armed struggle against the occupation forces of the racist Pretoria regime following the failure of the Geneva conference on Namibia.

In an interview with PRENSA LATINA here, Nujoma noted that the Namibian people scored a victory despite the failure of the conference because the South African regime was forced to admit the existence of that southwestern African country as a nation for the first time.

Nujoma stressed that the Pretoria regime did not attend the conference voluntarily but was forced to do so by the expansion of the armed struggle and the resistance of the Namibian people.

He said SWAPO will attend the meeting of the movement of nonaligned countries to be held in New Delhi, India, on 4 February, where it will make an analysis of Namibia's struggle for independence.

SWAPO will ask the nonaligned countries at the meeting to increase their tangible, political and diplomatic assistance to the organization in order to end the colonial oppression of Namibia.

Nujoma underscored the importance of the role being played by the nonaligned movement which, he said, enhanced its influence on the United Nations and other world forums after it held its sixth summit meeting in 1979.

He said in this last period the organization, led by Cuba, made positive advances in the struggle for a new international economic order and most particularly in the defense of the raw materials of the developing countries to meet the needs of their peoples against the greed of capitalist transnational firms.

The SWAPO leader announced that his organization will ask for a UN General Assembly conference on Namibia after the meeting in New Delhi.

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On that occasion, SWAPO will ask that the UN Security Council approve effective and drastic economic sanctions to force Pretoria to end its illegal occupation of Namibia, Nujoma noted.

He said South Africa flouted the resolutions of the United Nations, the OAU and the frontline countries during the recent Geneva conference by trying to impose the representations of its allies in Namibia.

He said the imperialist powers may use their veto in the Security Council once more in favor of the racist South African regime but this will allow the world to verify that the Western countries are accomplices in the domination, exploitation and killing of the Namibian people.

Recalling the important role played by the nonaligned movement when it supported the independence of Zimbabwe and other southern African countries, Nujoma stressed that SWAPO has been able to defend the interests of that people before the world as member of the organization.

He recalled his personal participation as SWAPO president in the sixth nonaligned summit in Havana where, he said, "I found full support from Commander in Chief Fidel Castro" for my people's cause.

Nujoma underscored that SWAPO maintains excellent relations with the Cuban revolution, the Cuban Government and its top leader, Fidel Castro, and listed the support Cuba has given SWAPO in the preparation of cadres and in other fields.

He added that SWAPO wishes to strengthen its relations with Cuba because these relations are not only important now but will be even more important in building socialism in Namibia after its liberation.

Namibia's future independent government will promote the distribution of the country's resources in order to meet the multiple needs of the Namibian people, Nujoma added. It will also adopt a progressive foreign policy line in accordance with the nonaligned, OAU and UN charters.

He stressed that the development of the struggle of the South African people led by the African National Congress is important for the victory of the Namibian people.

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NIGER

BCEAO BULLETIN DISCUSSES OVERALL ECONOMIC SITUATION

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Dec 80 p 3480

[Text] Niger was the subject of one of the latest economic and statistical bulletins of the Central Bank of the West African States (BCEAO).

As of 30 June 1980, commercial purchases of peanuts from the 1979-1980 season totaled 2,171 tons compared to 8,727 tons at the end of 1979 for the previous season. The cottonseed harvest totaled 3,025 tons (minus 1,346 tons). Overall food production increased compared to the 1978-1979 season. At the beginning of the season, the purchase price of gum arabic was raised from 175 to 180 CFA [African Financial Community] francs per kilo; the harvest supplied only 88 tons compared to the 151 tons previously. Similarly, as of 30 June 1980, deliveries of peanuts to the oil mills totaled 1,635 tons compared to 6,879 tons one year earlier for the 1978-1979 season.

For 1979, uranium ore production of the SOMAIR [Air Region Mining Company] and the COMINAK [Akouta Mining Company] totaled 3,540 tons (plus 1,431 tons compared to 1978); exports produced 83.4 billion CFA in revenues (plus 31 billion).

During the first 2 months of 1980, freight carried by the Joint Benin-Niger Railroad and Transportation Organization totaled 41,800 tons going up to Niger, including 18,200 tons of petroleum products, and 1,400 tons coming down to Cotonou.

At the end of January 1980, the index of goods sold by the principal commercial enterprises totaled 387.6 compared to 390.3 one year earlier (on the basis of 100 established for 1970).

The general budget for the fiscal year 1 October 1979-30 September 1980 in revenues and expenditures was set at 72.1 billion CFA (plus 12.8 billion); expenditures for equipment accounted for 26 billion (plus 4.1 billion). The exploitation of uranium ore deposits contributed heavily to the increase in treasury revenues which in 5 years rose from 23.3 billion to 59.2 billion CFA.

At the end of August 1980, the general index of prices for the African family's consumption totaled 291.9, a small increase in a year (on the basis of 100 set for 1970).

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Paper money and specie in circulation totaled 30.8 billion CFA as of 30 June 1980 (plus 6.5 billion compared to the end of June 1979).

The volume of sight and term deposits in banks totaled 68.7 billion CFA as of 31 May 1980 (compared to 47.6 billion at the end of May 1979), including 38.3 billion in accounts from the private sector (plus 15.9 billion), 9.2 billion in deposits from public organizations (minus 2.9 billion) and 21 billion of state funds (plus 5.3 billion).

Drawings on credits for the economy opened by banks totaled 81.5 billion as of 31 May 1980 (plus 22.9 billion compared to the end of May 1979). Also as of the end of May 1980, the net position of the Nigerien Treasury at the domestic level totaled plus 12 million CFA, the same level as at the end of May 1979.

As for foreign holdings, their net balance represented an exchange worth 13.4 billion CFA at the end of May 1980 (there was also a positive figure of plus 14.9 billion as of 30 June 1979).

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SOUTH AFRICA

DEFENCE FORCE RESPONDS TO ACCUSATIONS OF ATROCITIES

L.D301301 London THE GUARDIAN in English 30 Jan 81 p 7

[Unattributed report of statement by South African Defence Force: "Pretoria Replies to Atrocities Report"]

[Text] The South African Defence Force (SADF) is not prepared to attach any value to the allegations of a self-confessed deserter, who is obviously trying to commercialise a fabricated story.

In the case of the newspaper report concerned, the writers clearly never took into account that a civil war is in progress in Angola. On a number of occasions, South Africa has had to take note directly or indirectly of the results of that war. A typical example is the stories told by the hundreds of refugees fleeing from SWAPO in Angola who have crossed the border into southwest Africa/Namibia from time to time during the last couple of years. The international press can testify and have testified to the atrocities committed against the refugees by their own people in Angola.

It is inconceivable that these refugees would flee to those who are now being accused of terrorising them. In this respect, it can also be stated that South Africa has repeatedly declared that it was and is not involved in a war against Angola. It is South Africa's declared policy to avoid Angolan troops and civilians while tracking down and eliminating SWAPO gangs based in Angola from where they cross the border to murder and brutally intimidate the civilian population of southwest Africa/Namibia. South Africa has also repeatedly warned the Angolan forces that they would have to bear the consequences if they became involved in these clashes.

Whenever the SADF has crossed the Angolan border during followup of hot-pursuit operations, these operations have been aimed solely at SWAPO.

The SADF, therefore, finds it strange that the media concerned are prepared to publish such a one-sided report, ignoring the murders, landmine explosions, and kidnappings perpetrated by SWAPO against innocent Ovambo people. Every person who has ever visited the area is aware of this.

Next week, a visit arranged in cooperation with the Foreign Correspondents Association of over 40 foreign correspondents, who have expressed an interest

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in visiting the operational area, will take place. They will be accorded every facility to go into and report on the scurrilous allegations in THE GUARDIAN, which are apparently also to be repeated in a Thames television programme.

It is clearly more than mere coincidence that the timing of these allegations should coincide with the unfounded complaints to the secretary-general of the United Nations by the Angolan Government and the discussion in the Security Council on the recent report of the secretary-general on the Geneva Conference on South-West Africa/Namibia.

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UGANDA

EDITORIAL DISCUSSES ELECTION PROCESS, OBOTE REGIME

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 19 Dec 80 p 3449

[Editorial: "Uganda: A Difficult National Reconciliation"]

[Text] The first African head of state driven out by the army and restored to his office by popular vote, Mr Apollo Milton Obote, was sworn in before the parliament of Kampala on 15 December. His party, the Ugandan People's Congress, won 72 of the 126 seats in the National Assembly and, according to the constitution in force, drawn up by Mr Obote himself before being overthrown by Idi Amin Dada, the leader of the party which receives at least 40 percent of the vote becomes president of the republic.

The conditions in which the voting process was held and by which the results were announced seriously marred his victory. The arbitrary division of electoral districts, the dismissal the day before the balloting of the highest magistrate of the country entrusted with officially announcing the results and his replacement by an avowed supporter of the Ugandan People's Congress, the countless pressures exerted on the opposition candidates and the voters, clearly showed the will of the military commission led by Mr Paulo Muwanga, a long-time supporter of Mr Obote, to force his return. Two facts particularly shocked the group of Commonwealth observers, made up of 9 members aided by 25 assistants, who were to supervise 5,000 voting places, and who arrived too late to check on the regularity of the preparatory operations of the elections, as opposed to what happened in Zimbabwe: on one hand, the opposing candidates were declared unacceptable in 17 electoral districts, thus automatically insuring the allocation of the corresponding seats to members of the Ugandan People's Congress; on the other hand, when according to the first partial results received in Kampala the Democratic Party declared itself the winner, the president of the military commission prohibited the communication of results to anyone besides himself, on pain of heavy fines and imprisonment, and reserved the right to purely and simply annul the elections. The next day he was forced to go back on his decision after having consulted with President Julius Nyerere of Tanzania and in the face of the entreaties of the president of a group of observers, Mr Ebenezer Debra, of Ghana.

Returning to London before submitting his final report, he nonetheless stated that the elections were "valid" and that they "freely" expressed the choice of the Ugandan people who had voted in large numbers. The secretary general of the Commonwealth, Mr Ramphal, reaffirmed that the fact that the elections had to be

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organized in a very short time in a country ravaged by war and prey to anarchy had to be taken into account.

Even though they were elected under dubious conditions, a new president and a party which holds the majority of seats in the parliament are undoubtedly preferable to the previous situation, characterized by dissent between the members of the heterogeneous coalition of Ugandan exiles who disputed power after the Tanzanian army drove out Amin Dada.

The first head of state appointed in March 1979 in Moshi, in Tanzania, by the 18 groups making up the National Liberation Front, Mr Yusuf Lule, was overthrown several months after he took power in Kampala and had to go into exile in London. His successor, Mr Godfrey Binaisa, who set the date for elections in December 1980, was also overthrown on 10 May of this year by the military commission of which Mr Paul Muwanga showed himself to be the uncontested leader.

While the politicians settled their scores, insecurity became prevalent in the country, especially in Kampala, where assassinations and lootings multiplied. The economy collapsed, the black market became the only way to obtain necessary products, the drought and the theft of livestock by bands of looters brought famine to Karamoja, relations with Kenya deteriorated to the point of leading to the closing of the border and the supporters of Amin Dada swarmed into West Nile Province where the capital, Arua, was virtually destroyed. Approximately 300,000 Ugandans had to flee their country and take refuge in Sudan or Zaire.

The task awaiting Mr Obote is thus an immense one. The most urgent one will be to restore unity to a deeply divided country. Without the irregularities revealed in the elections, the Democratic Party, which had already called for their annulment, could have claimed several seats in the parliament in addition to the 48 which were attributed to them; the Ugandan Patriotic Movement of Mr Yoweri Museveni had only one deputy, while the Conservative (monarchist) Party had none. Mr Obote had to convince almost half the people of Uganda, who danced with joy in the streets at the announcement of his overthrow by Amin Dada in 1971, that he has become the new man that his statements before the elections tend to support.

Still in power, he instituted the one-party system. Today, he is showing himself to be a president respectful of pluralism. His first public speech after having been sworn in was a call for national reconciliation and an invitation to the opposition to loyally help in the restoration of national unity. No vengeance was sought against his enemies, and furthermore, Mr Binaisa was immediately freed.

President Obote who, so as not to be outdone by the socialist regimes of Zambia and Tanzania, had announced in May 1970 his intention to nationalize 60 percent of the capital of the major foreign commercial and industrial firms, is today calling for foreign investors and is encouraging Asians expelled by Amin Dada to open negotiations with the government which will soon be appointed in order to recover their goods and reactivate their economic interests in Uganda. At the same time, he wished to reestablish an atmosphere of trust with capitalist Kenya and made a noticeable allusion to cooperation between the countries of East Africa.

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Outside aid, expected for the most part from Great Britain and the United States, and foreign investments, which Uganda urgently needs to restore its situation, will be given to the new regime which can count on the support of the Ugandan Army and President Nyerere, insofar as President Obote will be able, in the coming weeks, to reassure his political adversaries and the Democratic Party will allow, despite its justifiable grievances, that the interest of the country demands the participation of a responsible opposition in parliament, rather than a public protest in the streets of Kampala and within the country.

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ZAIRE

BUDGET FOR 1981: DEFICIT OF 640 MILLION ZAIRES

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 28 Nov 80 p 3170

[Text] Filed on 20 October before the Legislative Council, after being approved by the Executive Council and by the head of state, the draft budget of the Republic of Zaire for the 1981 accounting period is fixed at close to 4.934 billion zaires in revenue and 5.574 billion in expenditures, leaving a 640-million-zaire deficit which must be covered by advances from the issuing office.

Compared with the 1980 budget, the revenues listed for 1981 have increased 67 percent, while expenditures have gone up 68 percent. Of the total state expenditures, 35 percent will go toward paying officials' salaries, 20 percent for debt servicing and 45 percent for the operations of public services and state economic interventions. The revenues come from customs at the rate of 2.25 billion zaires; taxes, at the rate of 2.2594 billion; and nonfiscal sources, at the rate of 424.5 million.

The chief state commissioner, in his report before the Legislative Council, reaffirmed that the state will devote the maximum amount of money to the key sectors such as agriculture, mining, the manufacturing industry and the supporting sectors of transportation and energy, which are the priorities of the "Mobutu Plan."

The examination of the 1981 budget showed a very considerable increase on the part of resources earmarked for agriculture, which better reflects the concerns of the Executive Council regarding this sector, which for several years has been called the "priority of priorities," but which until now has not received the means for this policy.

The 1981 budget, Mr Nguza Karl-I-Bond asserted, also reflects the concerns of the Executive Council to improve the people's living conditions, especially through concrete actions planned for the areas of health, hygiene, housing, transportation and education. Moreover, the Executive Council is pursuing the efforts it has already undertaken, aimed at improving the management of the public finances, by methodically and progressively tackling the various shortcomings which today still affect the systems of revenue collection as well as the mechanisms for the allocation of resources and the controls on their use, and a stricter rationalization of defense choices and decisions.

"One must realize," the chief state commissioner continued, "that for 1981, the state's efforts on account of its economic interventions must be increased not

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only as regards the capital budget, which totals 382.5 million zaires, but also by taking into account the state's economic interventions which amount to more than a billion zaires for 1981 and of which the greatest part, although contained in the ordinary budget in accordance with the legal provisions defining their status, represents productive investment financing to be implemented primarily in the priority sectors of mining, agriculture, energy and transportation."

It is in this context, where everything must be implemented to insure the success of the stabilization program, that the monetary financing of the 640-million-zaire deficit must be considered economically justifiable, inasmuch as the actions of the state toward the productive sectors of the economy will have beneficial effects on the balance of payments, on the state revenues and on revenues in general, the Zairian premier said in conclusion.

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ZAIRE

BRIEFS

INGA II POWER STATION--The program perfected in Zaire by the National Electricity Company (NELC), to make the production of the Inga II powerplant profitable during the 1980-1990 decade, is especially aimed at supplying electricity from this powerplant to the town of Pointe-Noire, in the Congo, and even to Franceville, in Gabon. Above all, however, the production of the Inga II powerplant is intended for supplying the mining region of Shaba and the Inga zone of influence, namely Bas-Zaire, more particularly the subregion of Bas-Fleuve. The surplus production could also be exported. A part of Inga II's electric energy will go into the development of a whole range of industrial activities which will take place in the future free zone of Banana-Muanda. Following the example of the electric energy transport line to be built in the direction of Inga-Banana, the electrification of Mayumba along the Boma-Lemba-Tshela axis is also expected. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 p 3357] 9671

PETROLEUM PRICES--An order signed at the end of October has set the new gasoline prices in Zaire, which are henceforth as follows: "super" and tourism gasoline, 4 zaires per liter; oil, 1.40 zaires per liter; diesel fuel, 1.15 zaires per liter; fuel oil, 774.20 zaires per ton; gas, 4,312.84 zaires per ton. These prices do not reflect a change for super and tourism gasoline and are a 16- and 15-percent increase for oil and diesel fuel, respectively, in comparison to those set by the order of 18 March. Outside of various fiscal duties and taxes, they include several deductions meant for the intervention and stabilization funds, the fund for diversification benefiting the road office, the security fund of the department of energy and a tax for the public company Petrozaire. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 p 3357] 9671

REFINERY CAPACITY--The Zairo-Italian Refinery Company (SOZIR) which operates the Muanda refinery, processed 400,000 tons of petroleum in 1979-1980 (August-July), almost double the amount processed in 1977-1978 which was barely above 200,000 tons. The present capacity of SOZIR is 750,000 tons per year. Projects exist to bring this capacity up to 1,500,000 tons. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 5 Dec 80 p 3357] 9671

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ZIMBABWE

INTERVIEW WITH PRIME MINISTER MUGABE

LD261643 London THE SUNDAY TIMES in English 25 Jan 81 p 10

[Lord Chelwood interview with Zimbabwe Prime Minister Robert Mugabe; date and place not given]

[Text] Lord Chelwood, formerly Sir Tufton Beamish, MP for Lewes for 29 years, was an observer during the Rhodesian elections. He has just been back to independent Zimbabwe where he interviewed the prime minister, Robert Mugabe.

This is what Mugabe said:

On Zimbabwe's whites:

I suppose there is always that element which we cannot keep and which we wouldn't want to keep anyway because they have failed to adjust to the reality of change. The days of settler rule are gone, and it doesn't serve any purpose trying to live in the past. Those who lament change in my opinion have no place here.

"But I am glad the majority of the whites have accepted change and that they are adjusting to change. Naturally, they are bound to be apprehensive and there are certain concerns and anxieties which they express: some of them, perhaps, justified; others not so justified.

"We have given them the necessary assurance that we want to establish a non-racial society, which is a reversal of what the Smith regime was pursuing by way of policy. What we want to see here is advancement on merit. The exercise we are currently engaged in is a temporary one to advance Africans because they suffered lack of advancement in the past, and so we have unfortunately had to undertake a racial exercise in promoting Africans because they are Africans, and not doing so to a substantial extent in respect of the whites.

"These are probably matters which worry the whites but we have, in spite of that, given them the assurance that once the advancement process is over, the normal exercise of their function by the Public Service Commission will be the process that we will follow. In the private sector, we see no reason for concern. We have accepted that private enterprise can continue, we have accepted the role played by commercial farmers--and, indeed, have proceeded to give them incentives."

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On Joshua Nkomo's transfer from home affairs to public service:

"I was surprised (at his reaction) because I felt he himself realised the difficulty which he has had to face all along--the amount of criticism that has come to him as a result of his being minister of home affairs. To the extent that the police themselves started feeling that if they had not had him as minister, perhaps the fact that they are being used by him for party political purposes would not have arisen and perhaps their status would have been much better.

"But the opposite has also been true: that some of the actions of the police have been attributed to the minister and the minister did not deserve some of the criticism that has been voiced by the people."

On foreign investors:

"I think they should draw the conclusions that my government would want to establish an economic order where the interests of the majority of our people are saved; that exploitation of the workers is unacceptable to my government; that therefore the objectives the government has set itself for fulfillment by both the public and the private sectors must be taken full cognisance of by the private sector.

"The multinationals have got to adjust. We do not want to throttle them or send them packing. We don't even contemplate nationalising them.

"We may very well in the future have some policies which will affect them, but for now we have said we are prepared that they continue. We are prepared that they invest more capital but do so on the understanding that there has to be some measure of localisation. In other words, we want to see participation by the local population, by way of holding shares in those companies. We want to see the workers' conditions improve, the workers being given some role in their enterprises by way of participating in decision-making, skills being improved, and a real partnership between the management and the workers sense of belonging so that they don't have to look outside the enterprise for any other source of livelihood.

"We want to see more reinvestment of dividends, not that there shouldn't be repatriation of dividends (they can repatriate their capital if they wind up; they can send some dividends abroad) but we would want to see a substantial amount of those dividends ploughed back into the economy. We are not establishing any percentages but we are establishing general principles which we hope will be taken into account. We are going to enunciate economic policy in respect of these aspects at the end of this month, and that should give them lots of comfort, in my opinion."

On land settlement:

"It will be remembered that during the Anglo-American proposals we were given what amounted to pledges by Britain and the United States. It was on the basis of those pledges, which were really promises of dollars amounting to over a billion for purposes of resettlement and land development, that we eventually agreed to certain provisions in the constitution restricting our ability to acquire land, and only enabling us to acquire it on the basis of compensation paid--and paid promptly--to the landowners.

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"Britain has contributed some amount, but let it not be said that this amount is anywhere close to what we anticipated. It is far from adequate. The United States have contributed something towards resettlement. Naturally, they would not pay for the acquisition of land from British owners.

"On the one hand we have land available needing colossal sums of money to enable us to acquire it. On the other, we have the demand for land by the people and obviously we have to fulfill that demand. If we have no money it cannot be expected that we can raise it by way of taxes--tax the very people who need it--and so we have that predicament which we are trying to solve."

On British companies shut out by sanctions:

"Some British firms were shut out, but I am sure you will appreciate that some were also shut in, and that they haven't suffered so much detriment as you might want to make people believe.

"Out of the quarter of a million whites in the country, I think a substantial number--upwards of 60 percent if not 70 percent--are of British origin, and hence they have the economic benefits. They enjoy the ownership and control of not just the resources but also of quite a number of firms in the country.

"They are welcome to reinvest in the country or invest in new areas completely, provided possibly we strike some understanding on the principles to be enunciated later, giving favourable conditions of service to the workers and ensuring that there is local participation in their enterprises which they establish.

"Recently we have given seven contracts out of eight for the electrification of the railway and provision of supplies, to British companies. That's a very good comfort in my opinion. We continue to be in association with Britain."

On press freedom:

"Our radio and television are as free as can be. Obviously, they must express the wishes of the people and express the interests of the population--which happens to be in support of government. They have political interests, they have political songs which they want to hear sung, and occasionally you have these featured on radio. If they reflect the element that is the promotion of the party in power, that is what the reality is--the people want to see themselves projected and associated with the party they voted for. But we are not really being unfair to any groups at all.

"Various interests are featured, and we have not interfered with programmes, some of which really personally I wouldn't want to see featured. The interests in respect of music and cinemas, the arts generally, some of them are vulgar to some extent and are not such as I would want to see to project the image of a serious government which would want to mobilise its youth, its entire population in the direction of developing the country.

"But that is the Western type of society that we are inheriting, and this we have allowed. In respect of the newspapers, we have only acquired on behalf of the mass media trust which we are establishing, 40 shares out of 100--not a majority shareholding "yes, it's a powerful interest but why should it not be?"

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