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Sub-Saharan Africa Report

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INTER-AFRICAN AFFAIRS

JEAN-BAPTISTE DOUMENG EXPLAINS PLAN FOR FEEDING AFRICA

Paris AFRIQUE-ASIE in French 15-28 Feb 82 pp 17-20

[Interview with Jean-Baptiste Doumeng by Henri Delahaie: "How Africa Can Feed and Develop Itself"]

[Text] He is a farmer; a Frenchman who, as he himself says, "never went to school"--a footnote of history. He is a man who for half a century has been a communist without any break in continuity, who has "seen everything," who from the time he was an adolescent decided to be a man who "was formerly poor," and in fact became the man whom his detractors call "the Red Billionaire," which arouses one's curiosity.

But when you become aware that this Frenchman from Toulouse, who has set up one of the world's leading cooperative societies, Interagra, is fascinated by Africa and its problems, you are in contact with history, history which is capable of changing the direction of History with a capital H. You are not surprised by anything in this man's remarks:

"Grow as much corn in Africa as in the United States"--
"Make 100 billion dollars available for use in African development." The sphere of his activities on the African continent covers Nigeria, Congo, Madagascar, Angola, and Benin, but it also covers Algeria, Libya, Ethiopia, Mozambique, Zimbabwe, Zambia, Burundi, Kenya, Rwanda, Uganda, Gabon, etc.

He is a man who "targets" capitalist companies all over the world. But he is also a visionary who intends to contribute to--if not actually promote--the structural changes necessary for development and self-sufficiency in Africa. Henri Delahaie met with him.

[Question] "How can Africa feed itself?" It is no secret to anyone that that question interests you, and that through your various companies you play a role on that continent which is not insignificant, a role which does

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not in any way pertain to the "assistance" proposed--even if not actually granted--by several more or less official bodies. But is it possible, in your opinion, to respond to that crucial question without considering structural answers rather than answers limited to isolated objectives?

[Answer] The issues you mention elicit two comments. First, Africa has been subjected to colonial exploitation, which means exploitation concentrated in coastal areas where merchants were concerned with bringing in goods, carrying them off to somewhere else, and the slave trade. But you know about this. Second, there is the industrial boom caused by oil which has taken place in the countries which have some, the oil being mainly offshore in the whole western gulf area. The result has been an incredible rural exodus, whether in Nigeria, Ivory Coast, Angola, or Congo, with cities of 300,000 now having a million or more. And, moreover, the people living in these cities have neither food--and the vitamins which food contains and which are essential for life--nor housing.

In terms of the African market's viability, there are three kinds of vital nutriment for these population groups: bread, fish, and poultry--and sometimes rice, but it is three times more expensive than bread.

Therefore, my first reaction has been to build silos, mills, bakeries for large cities, poultry farms, and refrigerated warehouses, and to organize fishing--besides, this fits in with the market-finding vocation of my European cooperatives. I feel that this was the only way to act quickly.

[Question] With the agreement of the countries concerned.

[Answer] Of course I only engage in these activities when governments correspond to what I believe to be the true reality as far as Africa is concerned and when those governments are in agreement with my doing so. And I always do it in association with them, never with a setup of a capitalist or neocolonialist nature.

But these installations have to be "managed." Most countries do not have the means for that. Then financing these installations is a major initiative: they are all expensive items, and with a few exceptions the colonializing process never concerned itself with them. That is the first activity to get under way.

Of course, people often make the argument that this activity risks wiping out the food crops of African rural populations. That is wrong. We do not have it in mind to act in such a way as to bring that about. We are trying to do the opposite in the countries involved in order to grow what is lacking and supply what cannot be grown in them. Unfortunately, these countries cannot grow wheat. But they can grow rice--like in Madagascar--and corn--that is the main item of consumption in Nigeria, Congo, and Angola. They can grow many things; and when local conditions do not stand in the way and when the state permits, we try to organize groups of producers along cooperative lines and to promote the steady expansion of food crops and, to the extent possible, to encourage supply via local production.

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All of this is a matter of great urgency for these countries. I would add that if we were not doing this, it would be determined solely by importing activity--class-oriented importing--importing which in the end would feed only expatriates in the industrial and oil-producing areas who have much greater supplies of available financial assets than do the country's other residents. This is part of "colonization by pampered children." For example, in Gabon there is an "Elf city" which is completely cut off from the rest of the country, and nobody objects.

All right, that is the first idea. We are trying to set that up. But time is needed, and a lot of money. And we feel that to the extent contractors and governments are allowed a free hand, and whatever their good faith, whenever they are going to have to secure financing, with credit insurance covered by foreign trade insurance companies like Hermes for Germany and COFACE [French Insurance Company for Foreign Trade] for France, or with American credits, or with the European Commission, then they will often be led to choose priorities other than those which I have mentioned. This is because they will need housing and buildings for government offices. This is because they will want to build a dam to check the flow of water which there is no certainty of using due to the lack of upriver and downriver irrigation systems. Therefore, these are expenditures which risk ending up just in the erection of useless cathedrals, which unfortunately is sometimes the case.

Finally, those who determine what these large road and railway investments are directed toward use them first to move the industrial products of these countries to credit-worthy countries.

[Question] Neocolonialist aid, in point of fact.

[Answer] I think aid is always potentially neocolonialist, especially since food aid in most cases is a bunch of words and slogans. It gets lost, it is misappropriated, it is sometimes not made good use of, and at other times it is resold through lines of distribution which are always multinational. That is the arrangement. And there is where I strongly note our desire to rectify history, even though I am aware that human actions are only infinitesimal in that rectification of history.

[Question] In view of what you have just described, what do you propose?

[Answer] Here is my plan. My plan is to help African countries create an African Development Fund. But who is able to do that? A country of 700,000 like Gabon, which extracts oil at a 13-million-ton rate, is economically well off and is a relatively developed country. It would not take much to bring it out of the clutches of neocolonialism and help it enter into some activities of a more progressive nature. That is what I discussed with President Bongo during a meeting with him.

What would have to be done? The oil companies are committed to investing the equivalent of around \$10 per extracted barrel in the economy of the

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country where they extract it--above and beyond the taxes they pay to that country--but they do it on their own responsibility. Which amounts to saying that the companies charge \$10 for that which costs them 5, or else they undertake investments which only correspond to their desire to develop further.

Of course some scraps come back to the country and its economy. Besides, in the case of Gabon it is more than scraps--it is real development--but it is for the cities. That is because in Gabon, as in many of Africa's countries, nobody is farming any more. Agriculture has in effect been precluded. And yet it is not true that Gabonese land is barren. I will demonstrate that, if the country's authorities give me the chance. For my part, I went there mainly because Gabon has 800 km of coastline not being used for fishing. I said to myself: there is fishing in Equatorial Guinea, in Congo, and in Angola. Why not make use of that coastline area? Fishing is an asset. There are 800 km, and since the 200-mile statute I have signed an agreement with the Government of Gabon in that connection.

[Question] That is getting us away from your plan.

[Answer] What I want is for \$2 per barrel of oil to be frozen for earmarking into a fund which can be called the Pan-African Development Fund--\$2 out of the \$10 which the companies have to invest, anyway, and which would be "borrowed" from them and repaid without interest 20 years later.

Let us take the case of Gabon. Thirteen million tons, let us say roughly 10, multiplied by 7* makes \$140 million at \$2 a barrel. That is for Gabon alone! That would be, according to even the most pessimistic assumption, a minimum of \$1.5 billion applied to all of Africa.

That is \$1.5 billion for the sole purpose of paying for loans and credits needed in Africa's development. With that \$1.5 billion you will be able to borrow \$100 billion based on the dollar at 15 percent.

The Polish debt being talked about so much is, for example, only \$25 billion. Without considering South Africa, we are talking about \$100 billion for 20 years bought in financial markets without any help from any government and "managed" via an agreement with the governments or associations that want to do it--in Europe, or France in particular--do you see?

[Question] But are you alone in associating yourself with these ideas?

[Answer] The representatives of the agricultural cooperatives in Italy, Spain, France, Portugal, Greece, and Yugoslavia met in Rome 28-29 January on the initiative of the Economic Bureau of the Agricultural Committee of the International Cooperative Alliance, with the participation of CEA [European Agriculture Confederation], FIPA [International Agricultural

* There are 7 barrels in a ton.

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Products Federation], and COGECA [the European Economic Community's General Committee for Agricultural Cooperation]. Among the statements they made, they approved, along the same lines as my thinking, "the idea of an African Development Fund and the commitment to 'manage' the technical economic problems which might be entrusted" to them.

This means that European resources with mobilization capability, agricultural production capability, and a long cooperative tradition, aloof from any corrupt practices of a multinational nature, would be able to respond to an invitation of that kind.

[Question] An invitation made by whom?

[Answer] What I can tell you for the time being is that the Gabonese President has agreed to the idea and has publicly declared that he would seek the agreement of the other African countries. It cannot be merely a Gabonese affair. But if it can come into being, we will commit all our capabilities to it.

[Question] But it also involves the commitment of European capabilities.

[Answer] I have informed the higher authorities of my country, France, of these plans. They agree in principle with this general direction since, like me, they believe that it is a good thing for the purpose of contributing to African development independent of any neocolonialism.

[Question] Do you think that the oil companies will be in agreement?

[Answer] Let us be frank. The oil companies have many things to reproach themselves for, in Gabon, in Africa, and elsewhere. And I can put several questions to them to which they would have great difficulty responding. For their sake, I hope they will not dare to actively oppose us on this earmarking. If they were to do so, they had better not forget that they would be hearing from us concerning their behavior in those countries! Besides which, building this fund would not "stick" them for one cent. The fund would prevent the companies from cheating the countries. It would give the companies security, after a fashion. As if nothing had happened, we would be purifying those who are continuing to rob developing countries by compelling those parties to pay for development assistance.

[Question] Have you been in contact with other heads of state on this subject, and what have been their reactions?

[Answer] No. Not yet. Since it is a question of pan-African development, and the President of Gabon has agreed to it in principle, I did not want to do that. This matter is between Africans.

[Question] When you speak of Africa, are you talking only about black Africa or all of Africa?

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[Answer] I am thinking about all of Africa. It seems to me that North Africa overall has less need of the fund. But it would be open to everyone.

Look at what the OAU is. It is a force which I respect; it should fit its efforts into this dialectical process, because if it wants to go beyond the political discussion stage, it can support this project--and the materialization of this project will be visible and will be African.

[Question] What type of management do you foresee for this fund?

[Answer] It is very simple. It is not a question of making this fund into a kind of World Bank managed by the Americans. An example of that is Ghana's needing \$10 billion and not being able to borrow it because nobody in those circles trusts Ghana. The fund I would like to see set up would be able to borrow that \$10 billion itself, from America for example, and thus Ghana would be able to borrow it.

[Question] So, in any case this would be a fund with a multinational calling.

[Answer] Of course. Broadly speaking, if you like, among African Third and Fourth World countries. For the time being, there is no question of seeing Africa flying to the assistance of South America or Asia. But the fund can help the Malagasy President do without the IMF and the Mozambican President keep from falling in the hands of that same IMF. There are the real issues that present themselves.

[Question] But would this fund be more a World Bank-type fund or an IMF-type fund?

[Answer] It is not for me to give an answer, other than that it is not a matter of starting up a new IMF going around explaining to countries how to manage an economy. That would be direct interference in a government's affairs. That would not be able to work.

But the IMF turns up only when countries are unable to pay. That would not be the fund's mission. There is a need today in Madagascar to build a road from Antananarivo to Tamatave because it is a matter of urgency, or to build a port, or to dredge a harbor in order to get the coffee out--whatever the IMF's opinion might be and whatever conditions it might set, financing by the fund I am talking about would be provided.

[Question] What would the financial conditions be?

[Answer] There would be none. The fund would pay the interest and would give the money unconditionally. There could be risks of nonpayment, but it is up to the fund to take those risks if it appears that that is needed to save the country. But that is a decision which will be made by the fund's board of directors, which will be required to be made up of representatives of the various countries that subscribe to the fund. It is of paramount importance that the fund bring together all African countries--progressive or not--with the exception of course of South Africa.

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[Question] You do not anticipate that other countries, non-African countries, might participate in this fund?

[Answer] If they ask to. Of course, that is the visionary aspect of this plan, especially with regard to the OPEC countries. When Saudi Arabia declares that it wants to make Sudan its breadbasket, what is that other than another form of colonialism, even if it is unintentional? It is not a matter of covering those countries with shame. But this way, Saudi Arabia could find other means.

[Question] And managing the fund?

[Answer] We--Europe--are the only ones with the capacity for "managing" this fund, especially in France's case with Mitterrand's favorable Third World policy, along the lines of an original French-style socialist conception. That is the only way to prevent the Americans or other powers from occupying African territory.

[Question] But even so, there do exist African funds, an African Development Bank.

[Answer] Yes, indeed, but where do its funds come from, and to whom is it useful?

[Question] So there are two dimensions to this plan: a financial dimension which is undoubtedly original, but also privileged relationships with certain countries or certain bodies.

[Answer] There is no question in my view that France should play a main role in it. If France can be given the trust to "manage" the fund....

[Question] At the present time you are talking about socialist France. It might be felt objectively that Africa can in fact gain that confidence little by little, what with the new political intentions of the group in power vis-a-vis the Third World and Africa. But let us imagine that unforeseen circumstances of history make it such that there is a new change of government in France, and that suddenly France, one of the leading spirits of the fund's management, finds itself with an "old regime"-type of government again.

[Answer] First of all, the cooperatives which I have set up have lived through all forms of government in France. Besides, I am hoping that the socialist government in power today will succeed in making a 35-hour work-week and 5 weeks of paid vacation the general rule. If a change in government occurs, do you think that they will go back on that 35 hours and 5 weeks of paid vacation? What will be done will be done.

[Question] For benefits gained on the domestic plane, certainly. But is it not riskier in the area of foreign policy?

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[Answer] Listen. I cannot judge history that is yet to come. I am fitting myself into that history in order for gains not to be reversed. I would have proposed this plan to France, whatever its government.

[Question] Is this plan not substantially akin to President Ratsiraka's proposal at the Nonaligned Conference in Havana advocating South-South cooperation? And does it not echo the declaration of Cape Verde's President Pereira at the last conference on the Sahel in Praia, asserting that "aid cannot ensure Africa's food independence"?

[Answer] Of course. It is Ratsiraka, and Castro, and Pereira. What I am seeking is to put what responsible politicians think into concrete form in the actual practice of my profession and in my niche of activity. But politics is something that gets discarded in history. Reality, on the other hand, is a "contraption" which is fashioned step by step. I am a novice in regard to radar. But that is of interest to every country. Spending \$100 billion a year in Africa!

[Question] That is also a means of having Africa escape the clutches of American imperialism.

[Answer] All of Africa, whatever its forms of government, must be mobilized by helping it to provide for its complete development, and by steering it clear of extra burdens of a military nature and steering it clear of a worsening of neocolonization. The fund would not, at any rate, be used to pay for weapons. Nigeria needs a great deal of money for certain things. Why should it not make use of this fund? A great idea, for example, would be to grow as much corn in Zimbabwe, Mozambique, and Ethiopia as in the United States. And to feed Nigeria with its own agriculture. Angola, as well. In Nigeria there will be 150 million people in the year 2000. And in Angola, an effort of this kind used for development would make it possible to "turn the corner" on all the problems they are faced with there today and which have been destabilizing the country for a number of years. That would also force the South Africans to think twice before loosing their bombs. And as for Namibia and its genuine independence--you are dealing with countries which claim to be arranging a settlement for that independence and which, objectively speaking, are South African allies. There is an issue.

[Question] But is it out of the question for this fund to call for the financial participation of the developed countries?

[Answer] Why not call on them if they want to participate? And that does not in any way change the role of those who want to help in other ways.

To put it simply, there is the opportunity for arbitrage. And when the African countries are told that COFACE is raising its interest rates by one point, the African credit rates associated with the fund I am talking about will not be raised. The African countries will be given money for nothing! Money taken to be used as a tool becomes a genuine tool, not an instrument of exploitation. With this money, the African economies will be developed in 20

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years, and the conditions for real security for Africa will have been established. With its own production capacity, Africa will have set itself up as an enormous credit-worthy market for Europe. For Europe that is an absolute necessity, since within 20 years Europe will no longer be able to sell anything to the socialist countries, because the latter will be competitive and will be selling most of the goods they are buying from us today. And a great number of other countries--aside from a few emirates, perhaps--will not be far from socialism.

How are we to fit ourselves into this inescapable evolution of the world? Day to day, or with a broad and long-term perspective?

Africa is a rich area, close to services offered by Europe, in which there is little that needs to be done with respect to ports, roads, and railroads. There is no need for Africans to go fetch the Americans. But if we wait too long, there will be a different kind of confrontation in 20 years. Whereas today, the cooperatives for which I provide the impetus and Africa's agricultural arrangements have convergent interests. I believe all this because I am anti-Malthusian, and because I think it is politically just to move toward peace by preventing Africa from being the scene of a permanent safari.

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CHAD

GOUKOUNI EXPLAINS OPPOSITION TO OAU RESOLUTION DURING PRESS CONFERENCE

Paris AFRIQUE-ASIE in French No 261, 15-28 Mar 82 pp 12-14,15

[Goukouni Oueddei's Press Conference; 16 February in Ndjamena]

[Excerpts] The resolution published last 10 February in Nairobi in the name of a self-styled OAU standing committee on Chad, and which goes counter to all the decisions made by the pan-African organization since the last summit meeting of the African heads of state last June in the Kenyan capital, has been perceived in Ndjamena as a veritable declaration of war. It has startled the country and aroused its fighting spirit to such an extent that the Chadian leaders themselves have been surprised.

In fact, the injunctions of the standing committee which, in a way, were putting pressure on the GUNT [Transitional National Union Government] to submit its resignation have been perceived as a blatant interference in the internal affairs of this country, as an insult to its dignity, its sovereignty, its independence as well as to those of its government who had never appeared as close to its people as during these days of new trials.

Demonstrations supporting the GUNT and protesting against the decisions of the OAU standing committee have taken place in Ndjamena and in provincial towns. Following a meeting organized in the Chadian capital by the FROLINAT on 16 February, which turned out to be a highpoint in the mobilization of the people, the president of the GUNT held a press conference, large excerpts of which will be found below. On this occasion, Goukouni Oueddei answered numerous, sometimes probing, questions from newsmen--most of whom were Chadian, although some foreigners were also present; he recalled the genesis of the present conflict, confirmed and explained what had happened in Nairobi as well as the reasons why the GUNT asked for the withdrawal of the Libyan troops.

As will be seen, Goukouni Oueddei's statements are a good reflection of the fighting spirit which is now prevailing in Ndjamena and of the determination it has shown to spare no efforts to master the situation and, once and for all, be done with Hissein Habre who has shown he would destroy his own country, and bring to it war and suffering.

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Finally, the GUNT president's statements will also help in drawing a profile of this man who in every respect--especially rectitude, abnegation and the will to struggle for his people--contrasts with his political opponent.

"As I am talking with you, millions of Chadians are watching us. Therefore, you have the great honor of being our interpreters with the people, this people who have suffered so much and been subjected to so much deprivation and injustice, who have stood by our side during the bitter war years, who were and are still anxiously waiting for an end to their long tale of suffering and to know what they can expect in the future. To answer their concerns, the government of which I am president has adopted an open door policy. This is why, three times in a single year, the GUNT has accepted to meet with other African states in Nairobi in order to discuss what is an internal problem of Chad."

"Thus, peace was finally restored to all of our national territory. But the OAU, manipulated as it was by hidden forces, felt that the neo-colonial order in Africa was being threatened by the presence of those [these are, of course, the Libyan troops] who, at our request, had come to help us put down the rebellion. It subjected us and our friends to intolerable pressures. In order not to place our Libyan friends in a bad position, we asked them to put an end to their presence here. But before that, we had suggested that other African countries should replace the Libyan troops and fill the vacuum created by their withdrawal since our army was not yet fully integrated. And while the OAU was dodging the issue, the rebels, who were receiving subsidies and weapons from pro-imperialist states, have gained ground."

"Rather than taking measures to remedy this situation, the OAU took pretext of logistic difficulties and decided to convene a summit meeting to discuss these questions. The outcome was the November 1981 meeting in Nairobi where the Chadian government and the OAU signed documents concerning the Inter-African Peace Force in Chad. In agreement with the general secretary of the OAU, we had terminated the activities of said standing committee on Chad, the existence of which was not supported by any legal text of the pan-African organization; therefore, in all good faith, we assumed that we had definitely ended what had been a legal aberration. However, before the last meeting--that of 9 February--we had expressed reservations which we hoped had been understood and, subsequently, we went to the Kenyan capital to meet there with representatives of the countries who were actually contributing to the pan-African force and of those who had accepted to send observers to Chad. We were therefore very much surprised to notice the presence, in the conference room, of representatives of countries which did not belong to either of the two categories!"

"We then refused to discuss under these conditions. No OAU document provided for a standing committee on Chad; therefore, that committee had no power to discuss our problems. The communique published in Nairobi by our delegation is very explicit in this respect. "

"Despite our protests, this self-styled standing committee has made extremely serious decisions, which amount to imposing its diktat on us. As far as we are concerned therefore, these decisions are null and void and not binding on us. However, they demonstrate the irresponsible attitude of the OAU or, at least, some of its members

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toward the true problems of Chad. Those states which have assumed the heavy responsibility of creating war conditions in Chad must know that my country is not an OAU protectorate. Chad is a founding member of the OAU and it will not submit to injunctions from any part whatsoever."

"Chad is not the only African country to have internal problems. If the OAU were to confirm the decisions of this self-styled standing committee, another country could be subjected to the same interference tomorrow. A dangerous precedent would have been created. In Africa and throughout the world, Chad has friends who are ready to help it. Nevertheless, we ask that the OAU changes its mind and analyzes dispassionately the Chadian problem so as to help us bring the war to an end."

"I would like to take advantage of this opportunity to thank the Chadian people for demonstrating massively, both in the capital and in the provinces, against the irresponsible actions of some African heads of state. I am asking the people to remain calm should serious events occur."

"As for the GUNT, it has a moral obligation to adopt a patriotic policy and to do everything possible to spare our country the infernal cycle of war."

[Question] Why did you not take measures to anticipate foreseeable maneuvers, for instance by sending missions abroad?

[Answer] We are both a founding and a full-fledged member of the OAU. We took part in the 18th summit meeting of the OAU, in Nairobi, when all members of the pan-African organization pledged their support to the GUNT. We could not know that a few months later these very same countries would betray our government.

Before leaving for Nairobi to attend the latest meeting (on 9 February), we sent a telex to the present president of the OAU, asking for detailed information on the agenda of the meeting and on the instrument which would be entrusted with the task of solving our problems. We received no answer. In view of this silence, and after a Cabinet deliberation, we decided not to leave full latitude to our enemies and not to allow manipulators to take advantage of our refusal to accept the invitation of the OAU. We therefore decided to go to Nairobi with an important delegation which, besides myself, included five GUNT ministers. This is to show how important this meeting was to us. [...]

[Question] Now that the GUNT has rejected the Nairobi resolution, will not Chad find itself isolated from the African community? Can the GUNT, which derives its legitimacy from the OAU, settle the Chadian conflict without that organization?

[Answer] First, you must understand that the GUNT derives its legitimacy from the Chadian people, not from a group of pro-imperialist countries. Until now, the OAU has recognized Chad and the GUNT. If a self-styled standing committee adopts an irresponsible position, it does not ensue that its position is that of the OAU. We do not exist because a group of countries allow us to exist, but because we have the support of our people.

[Question] The "OAU cease-fire" will end on 28 February, and the GUNT considers the Nairobi resolution to be null and void. What is, in fact, going to happen?

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[Answer] There is no reason to ask this question. You have read the communique published by our delegation in Nairobi, which has been approved at a meeting of the Cabinet in Ndjamena. The position we expressed has been further strengthened by public demonstrations. All this means that the measures adopted by the self-styled OAU standing committee are in fact null and void.

Therefore, there can be no question of a cease-fire between us and the rebels. Besides, it is hard to see on what basis such a cease-fire could be concluded. How could we observe a unilateral cease-fire when we are attacked by rebels who are armed and supported by imperialism?

You will recall, among other things, that at the time of the withdrawal of the Libyan troops, these very same rebels had stated in the press that they would observe a truce. But what did in fact happen? Hissein Habre is known for never observing the commitments he makes; it is known he has never observed the cease-fire, whether signed in Ndjamena, Lome or elsewhere. [...]

[Question] The GUNT is still refusing to negotiate with Hissein Habre. The government is relying on the determination of the people. But do we have true friends who are decided to help us logistically as well as financially in the struggle which we must pursue?

[Answer] First, I would urge the masses to strengthen their determination. For I have experience in long struggles pursued under difficult conditions. In the past, without any means, we have militated, struggled, fought to change things in this country. Therefore, how could the GUNT, which is now supported and backed by the masses, not manage to overcome the obstacles which imperialism and its valets are placing on its way? Finally, to the determination of the people, you must add the assistance which brother countries will not fail to provide to the GUNT. Our brother countries will not stand and watch as imperialism attempts to neutralize the Chadian people.

[Question] Does not the Nairobi resolution express a certain irritation on the part of African countries, who are tired of the war in Chad?

[Answer] We have never closed the door to national reconciliation, reconciliation with all the Chadians exiled into neighboring and other countries. Today as always, we are ready to look for a solution with all those who are willing to negotiate with us, under the general amnesty decreed by the GUNT.

[Question] Under the amnesty, therefore. But the Hissein Habre problem still remains...

[Answer] The crimes committed by Hissein Habre since 12 February 1979 are known to everybody. You know that he has been publicly sentenced to death for his crimes. How would we now dare deal with a criminal? How would the people react if we were to accept negotiating with Hissein Habre? Then, the GUNT would become criminal, for it would have given legitimacy to a criminal. This is why we shall never agree to negotiations with Hissein Habre. [...]

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[Question] Don't you think that what happened recently in Nairobi is also the result from a lack of determination of the GUNT?

[Answer] I both agree and disagree with your remark. Why? First, the GUNT is blamed for not being a homogenous government and its military arm for not being able to master the situation. This is how the outside world analyzes our situation.

In fact, it is true that there was a time when we did not show enough determination to crush the FAN [Northern Armed Forces]. We first wanted to test the capabilities of the OAU, to see what this pan-African organization could achieve through its military forces sent to Chad to help us resolve the crisis. [...]

The truth is that, first, the OAU does not have the means to support forces in Chad and, second, it is manipulated or--more accurately--some OAU countries are manipulated by imperialism which wants to impose on us a solution entirely different from that we are contemplating. This is why these countries, whether manipulated or misled, wish to resolve the Chadian problem their way, and to do so before the next OAU summit which is to take place in Tripoli. For they know very well that if the Chadian problem is not resolved as they want before that meeting, they will no longer have any opportunity to try and impose their diktat on us once Qadhafi has assumed the presidency of the OAU. This is why they have tried to reach hasty decisions in order to corner us.

But we are saying no. We can and we shall resist the diktat of these countries. Besides, the decisions arrived at in Nairobi have finally boosted up our courage. Why? Because we have been able to measure the determination of our people. We did not know before--but we do know now--that our people are determined to support us until death. And through the insult hurled at us by the OAU, our people has become more fully aware of what is at stake in this struggle. Thanks to their determination and their awareness, we shall master the situation, we shall get organized so as to defeat Hissein Habre on the one hand and, on the other hand, to agree on a political solution to our problems.

Finally, we have been able to judge the work of these countries which, at first, we thought were brother countries, friends, and therefore allies which would help us out of our present situation...

[Question] Some say that Chad would not find itself in its present situation if the GUNT had not requested the withdrawal of the Libyan troops. Would you agree with that?

[Answer] I never regret a decision once taken. We asked for the withdrawal of the Libyan troops from Chad after completing a serious analysis of the situation. Their departure has enlightened us in several respects. We have been able to take an exact measure of the capabilities, determination and will of the OAU. We have been able to see who were our friends and who our enemies. We have been able to measure the determination of our people and to become aware of the means and forces at our disposal to ensure the security of our country. These are highly valid tests. [...]

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Goukouni Oueddei then recalls the treasons which led the GUNT to call on Libyan troops; he then goes on: "The presence of those valiant Libyan soldiers was contrary to the neo-colonial order; it spread panic among the reactionary regimes of Africa and was a cause of concern for imperialism. Pressures of all kinds were exerted both on us and on our Libyan brothers. This conspiracy was led by a few states who had also offered to serve as a bridgehead for an attack against Libya, using its presence in Chad as a pretext. We discovered the maneuver and put an end to it. We are of course very much concerned with the security of Chad. And it is known that the security of Libya and that of Chad are closely related. But under no circumstances can we give imperialism and its agents in Africa an opportunity to use the Libyan presence in Chad to strike at the Libyan Jamahiriya. This is why we have asked our brothers to withdraw. But allow me a digression: never, I repeat, never have we repudiated our friendship for Libya. We shall always be grateful to it and we shall remain its closest allies, just as we are the natural allies of all countries who love peace and justice [...]."

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CHAD

CLARIFICATION OF OAU ROLE POSSIBLY ATTAINED

Paris AFRIQUE-ASIE in French No 259, 15-28 Feb 82 p 30

[Article by Antonia Blis: "The OAU With Its Back to the Wall"]

[Text] It is the eve of the Nairobi summit--a limited summit tasked with discussing on 10 and 11 February the situation in Chad 3 months after the Libyan military withdrawal, and the operational problems facing the Inter-African Peace Force deployed in that country--and the possibility of an improvement in the ratio of military forces in favor of the GUNT [Transitional National Union Government] is not ruled out.

As is well known in the field, Hissein Habre's Northern Armed Forces (FAN) went over to the offensive, encouraged by their allies in the region, and taking advantage of the vacuum created by the departure of the Libyan troops; and in a few weeks they successively took the prefectural seats of Biltine and Ouaddai in the eastern part of the country and then a portion of the Batah region in the central part before extending their control to Faya-Largeau, chief town of BET (Borkou-Ennedi-Tibesti) in Chad's far-northern area.

The latest news is accounts of infiltration of FAN units into Kanem, in the western part of the country. And while the reports according to which Hissein Habre's men have penetrated to Salal and Moussouro on the main road between Faya-Largeau and Ndjamena were initially denied by the Inter-African Force's commander in chief, the FAN's intention--to converge on the capital in order to attempt to overthrow the GUNT or to force it into sham negotiations--was no secret to anyone.

In the face of this threat, and unless the OAU wants to risk losing all credibility and risk being covered with ridicule in the first operation to defend an African state it has been charged with carrying out, it is obvious that the OAU cannot continue to play ostrich and equivocate by pretending not to know what the role of its military should be or who the enemy is that is threatening Chad's stability and peace.

It is along these lines that some progress has just been made. During a press conference in Ndjamena on 22 January held jointly by the OAU secretary general's special representative in Chad, Gebre Egziabher Dawit

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(Ehtiopia), and the Inter-African Force's commander in chief, Gen Geoffrey Ejiga (Nigeria), they in fact gave specifics which show that a sounder interpretation of the commitments made by the OAU regarding the GUNT is in the process of prevailing within the OAU.

Thus, Egziaber Dawit, whose statement claimed to be a clarification "once and for all" of the role of the Inter-African Force deployed in Chad, affirmed that, in accordance with its mandate, this force would give assistance and support to Goukouni Weddeye's legal government in order to "enable him to recover the areas under enemy control." Dawit declared that he was convinced that this stand was well understood by everyone, and furthermore he mentioned that the OAU force was to help train the Integrated National Army. He added that the forms this collaboration with the Chadian authorities are to take are under consideration.

For his part, Gen Geoffrey Ejiga announced that the neutral force "would wipe out" the FAN's advance units if they tried to advance toward Ati and Mongo. He further asserted that the areas where that force is deployed would be defended in an "appropriate" manner, and that any attempt at destabilization by FAN elements will produce a "legitimate defense" reaction from the Inter-African contingents.

With a view to frustrating the FAN's plan to advance to Ndjamen, units of the Inter-African Force in the field have been positioned to the north of the capital in Moussouro, Mao, and Bol. Thus, the OAU's "blue helmets" [UN-style peacekeeping troops] are deployed all around Ndjamen within a radius of 100 to 400 km. This arrangement should in principle permit them to ensure surveillance of the two main tracks leading into the capital from the northern and eastern regions.

If the secretary general of the OAU himself--Edem Kodjo, who carried out a "consultation mission" in Chad before the Nairobi meeting--is to be believed, the "misunderstanding" which existed between the OAU and the Transitional National Union Government of Chad was "cleared up" at President Goukouni Weddeye's level.

If this evolution in the direction of a clarification of the OAU force's role is confirmed, it is not an illusion to think that other African states might be encouraged to give direct support. The Inter-African Force (5,000 soldiers in all) only has means at its disposal which are clearly insufficient in the areas of both troop strength and material and logistical structure, in the face of the troops raised by Hissein Habre in the course of his advance; according to certain sources, [Hissein Habre's] troops number some 8,000.

It is these problems which, logically speaking, should be holding the attention of the participants in the Nairobi limited summit. It would be naive, however, to suppose that Hissein Habre suddenly has no more supporters within the OAU. The pressures of all kinds which are exerted on the GUNT to have it believed that the only solution to the Chadian problem consists of

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negotiating with the head of the FAN (whose only motive, as is well known, is to one day become the grand master of Ndjamena, whatever it costs his country) show this only too well.

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CHAD

DEPARTURE OF LIBYANS, ARRIVAL OF OAU FORCE DESCRIBED

Paris AFRIQUE-ASIE in French No 259, 15-28 Feb 82 pp 31-33

[Article by Tanguy Loyzance: "When the Libyans Left"]

[Text] Tanguy Loyzance, who knows Chad well because of having often sojourned there, lived through the initial weeks which followed the departure of the Libyan troops. He arrived in Ndjamea on the eve of the tension arising from the completely fabricated news concerning the spurious coup d'etat of Acyl Ahmat, and in his coverage of a story which took him even into the eastern area of Chad, he attests here to the void created by the departure of Chad's Libyan ally and to the uneasiness aroused among the ranks of the GUNT [Transitional National Union Government] by the change in the situation.

The Chadian-Libyan Bank had been rebuilt and repainted white and green. On the main wall behind the cashier, who was somewhat drowsy in his chair, was a portrait of Qadhafi next to the one of President Goukouni. In February 1981 I was leaving Chad with that final image. The Chari, the river that separates Chad from Cameroon, was right down at lowest water then and carrying along the bones and skulls from the mass grave discovered 100 meters from Hissein Habre's residence after the liberation of Ndjamea in December 1980.

Some 8 months later, the city had hardly changed. A whole area of homes destroyed or three-quarters in ruins, with sections of walls riddled with thousands of bullet impacts, still bore witness to the time when every day people were dying between the houses, their bodies often remaining on the ground until evening.

But life took up its course again. Three-quarters of the refugees came back, even though supporters of Hissein Habre remain in the Kousseri camp in Cameroon, where some are recruited to go swell the ranks of the Northern Armed Forces (FAN) in the eastern part of Chad, after having followed the now-standard channel that leads them from Kano in Nigeria to Khartoum in Sudan.

When I arrived in Ndjamea at the end of October, everything was peaceful. The city smiled at the bogus coup that the GUNT's minister of state for

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foreign affairs, Acyl Ahmat, was said to have considered. President Goukouni Weddeye was getting ready to leave for Paris, accompanied by Acyl Ahmat, to attend the Franco-African conference.

A small display of Libyan forces had been observed in the Chadian capital on the occasion of the visit of Commander Jallud, Tripoli's number two. Since the Ndjamenois gendarmes had not been informed, a certain tension had resulted from that. Some alarmist telegrams sent via the French diplomatic transmitter installed in Kousseri, and some slightly hurried accounts of observers newly arrived in the Chadian capital, had added further to the confusion.

The atmosphere was nevertheless calm on that 3 November morning at the Chadian-Libyan Bank, where the assistant director received me to talk about his establishment's activities. But a telephone call from Libyan headquarters, more precisely from Col Radwan Salah Radwan, commander of Libyan forces in Ndjamena, informed us that his troops had received orders to withdraw from Chad as rapidly as possible. Starting at 1400, an airlift between the Chadian capital and the Sehba oasis (in Libya) was set up, and the sound of Ilyushin helicopter flights was to be continuous for 10 days.

In Paris no one believed it, as was attested by correspondents who could be contacted by telephone. The Chadian Government had of course asked for the withdrawal of the Libyan troops; in Tripoli that decision was learned of via the radio. And Acyl Ahmat vainly tried to delay that departure, since he considered there had to be a guarantee beforehand that the Libyan Army would be replaced by other forces effectively guaranteeing surveillance of the eastern borders. "The request for withdrawal of the Libyan troops is premature," he told us--Christian Hoche from L'EXPRESS and myself--when we met with him in his Farchat home. "There does not exist in Chad today an army capable of guaranteeing border defense." Acyl Ahmat also felt that before the Libyan troops departed, assurance had to be obtained that the Sudanese and Egyptian governments would cease giving assistance to Hissein Habre.

At Libyan headquarters, Colonel Radwan seemed a little bitter. "Yes, we have restored peace and guaranteed security in Chad," he told us. "But we were also meant to contribute to the creation of the Chadian National Army, and we have not yet had time to accomplish that task." Was he disappointed by the decision of the Chadian Government? "I was not disappointed," he retorted. "I am a military man and I obey orders. But everything leads one to predict that fighting will soon take place in the eastern part of Chad. And nowadays it is not very easy to see what other nation might agree to spill its blood for the Chadian people."

Subsequently, Colonel Qadhafi himself was to announce that 300 Libyans had died in Chad in order to help keep peace there.

The frequency of the Ilyushin helicopter flights increased, and they were taking away everything, including huge Massey-Ferguson tractors which, as Colonel Radwan's assistant explained, had been "intended for the production of new crops and the creation of farms."

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The rapidity of the Libyan departure suddenly created a void, and a certain feeling of insecurity hung over Ndjamen, where the Inter-African Force was then being awaited and was supposed to be operational in a few days instead of taking as long as several weeks.

On Friday 13 November I was to witness a fairly uncommon sight. The last Libyan platoons in bulletproof vests, helmets, and full battledress, with Kalashnikovs in bundles, were getting ready to take off. At the same moment, the first of Mobutu's paratroopers in "Bigear" caps and leopard dress were disembarking from an Air Zaire DC-8. About 100 Chadians who had gathered at the airport were observing this traffic, and one had the feeling then that this was no longer a matter of only a civil war but was an interplay of influence at the level of several continents.

The Libyans had not yet completely cleared out when messages originating from the eastern zone were already coming in. On 11 November, Adre, a small town in the eastern part of Chad, was attacked by the Northern Armed Forces. "Take a look at Lebanon," stressed Colonel Radwan. "There is an Inter-African Force over there. What is it doing? In Chad it will be the same thing. If Hissein Habre comes back into the country, he will be allowed to do what he wants without there being any resolution to the problem. And so that African Force will be of no use."

So the fighting resumed in Chad. And the 260 Zairians who arrived in Ndjamen on 13 November were waiting for the other elements of the neutral African force before being distributed over the country. Consequently, there was no longer anybody to defend the eastern towns except Acyl Amat's troops who, seconded by elements of the Integrated National Army, had had to face the FAN's attack operations without respite ever since the end of the 1980 war.

Since April 1980 no journalist had been able to go to Ati in Batha or to Abeche, Chad's former capital. One morning I finally received authorization to take off with reinforcements that were being sent to the "front." It took us 5 days to get to Oum-Hadjer (670 km from Ndjamen), where we arrived 19 November toward noon. We then learned that Abeche had been invested that same morning by Hissein Habre's forces, and that the government forces had now taken up position at Katoro-Fallata, 60 km from Oum-Hadjer.

Some Sudanese Elements

The town's subprefect had two sheep killed to welcome us, but of course it was no longer the right time for a celebration. Among the people who had arrived that same morning from Abeche (soldiers and officials), there were a great number who had left their wives and children or else all their possessions in that town. For the fate which Hissein Habre most often has in store for Chadian Arabs is well known. That was the case in Abeche in 1980 at the time of the sheep fair, when 150 Arabs had their throats cut by Hissein Habre's men.

News traveled fast. It was learned that the FAN had held a meeting in Abeche's main square to announce that their policy had changed, that there

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would be no abusive demands, and that their struggle aimed only at "defending Chad's own identity vis-a-vis Libya and its little green book." Several days later there were other reports of systematic looting of the goods of military officials and of rapes.

Before I was able to try to get to the front, I was to remain nearly 3 weeks in Oum-Hadjer--a gorgeous little town cut in two by the Batha River, which was dried up at that time of year--where reinforcements heading toward Katoro-Fallata passed through at night.

Abeche had fallen as of 19 November, and Katoro-Fallata was attacked by the FAN on 4 December. That seems to report the pattern observed in Ndjamena during the 1980 war. The government counteroffensive was not yet finally ready, although it had been announced a long time before, and the FAN took advantage of that to take the initiative and thereby benefit from the effect of surprise.

On 5 December, having managed to get 20 km from Katoro-Fallata, I was forced to turn and go back. But it was there that we were to see the first wounded evacuated from the front. There were to be about 120 of them, in serious condition. That same day, fierce battles took place in Katoro-Fallata, where the GUNT forces were moving to the attack. The GUNT forces--made up for the most part of soldiers from the former CDR [Revolutionary Democratic Council] of Acyl Ahmat, of ANI [Integrated National Army] units, of more than 160 soldiers of the People's Armed Forces commanded by Moussa Sougui, and of some elements of Mahamat Aba's first army--added up to 2,200 men spread over a 5-km front, equipped with heavy weaponry, and placed under the command of Rakhis Manani, first deputy to the ANI chief of staff. The FAN were then driven back, leaving some hundred dead on the field.

Although the situation is serious, Acyl Ahmat--who received us in his Ati home (in Batha), which he got back to after the fall of Abeche--had not lost faith. On the other hand, the trip to Sudan which a GUNT delegation is getting ready to make leaves him perplexed. "To me, this kind of fairy-tale does not signify anything good," he told us. "What is certain and is not a product of the realm of illusion is that some Sudanese elements participated in the capture of Abeche."

How did the GUNT minister of foreign affairs assess the promises of aid made by France before the Libyans' departure? "I continue to think that the French authorities have a poor understanding of the Chadian situation," he said to us. On the subject of the Inter-African Force, Acyl Ahmat pointed out: "The contingents of the Inter-African Force are expected very shortly in Ati. But their mission is not to fight. Nevertheless, their role ought to consist of helping the GUNT forces to hold fast in their positions until the integrated army is operational. If the Inter-African Force comes only to remain confined to quarters in the chief towns of the departments, it is incomprehensible how that force could ensure Chad's security."

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On the following day, Tuesday 8 December, the first Nigerian contingents of the Inter-African Force landed in Ati, where they were greeted by Lieutenant Colonel Allafi, ANI chief of staff. That made it exactly 1 month from when the Libyans had left and 3 weeks from when Abeche had been taken by the FAN, who today control Ouaddai and Biltine.

After having visited the front and after having held lengthy discussions with the various officials, the GUNT vice president, Colonel Kamougue, who had wanted to assess the situation in the field for himself, reported his anxieties. "The situation is serious," he told us on his return to Ndjamena, "and it should be time for each and every one to take responsibility. It is also time that Chadians know the whole truth concerning the situation in the eastern part of the country."

In fact, it was not to be long before events started to move faster. On 22 December the town of Oum-Hadjer was evacuated by government forces after fierce battles in which the FAN seemed to have committed the bulk of their forces and considerable heavy equipment (nine 106-mm guns, several 12.7's, four AML's). And on the morning of 23 December, Acyl Ahmat took off again to reorganize the "front" a few kilometers from Oum-Hadjer on the road to Ati, where the neutral Inter-African Force was setting itself up.

The question being posed today is to figure out to what extent the FAN's advance is the responsibility of the Inter-African Force, since from the time of its arrival Hissein Habre's troops have been threatening several sizable towns, including Ati and Mongo, the last key positions on the road to the capital.

Acyl Ahmat was already saying to us on 6 December, "If Hissein Habre occupies Abeche and we are not in a position to drive him back, who will be able to prevent him from imposing his will in any possible negotiations? The answer is obvious. And there is no doubt that this whole scenario has been prepared by the powers which insisted so strongly on the Libyans leaving the field without any prior guarantee having been provided."

While the GUNT's position on that point has always been very clear--in Ndjamena it is repeatedly said that "there is no question of negotiating with someone who has been sentenced to death by the State Security Court"--certain Inter-African Force officials make no secret of their assertion that, in their opinion, it is a certainty that the Transitional National Union Government will sooner or later have to negotiate with the FAN.

On 24 December, however, the Ndjamena Council of Ministers was deciding on setting up a National Defense and Security Council as well as the immediate integration of all of Chad's armed forces into the ANI. It was a matter of getting a force into operation that would be able to thwart the FAN's advance and to refashion or consolidate political unity around the GUNT. Therefore, not everything has yet come into play in Chad.

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NAMIBIA

NEGOTIATIONS ON NAMIBIA 'CLOSE TO BREAKDOWN'

PM241529 London THE GUARDIAN in English 24 Mar 82 p 6

[Denis Herbstein report: "Double Vote Could Help Pretoria Line in Namibia"]

[Excerpt] Negotiations on Namibian independence are close to breakdown because of Western proposals for a voting system which would favour pro-South African political groups, officials of SWAPO, the country's main liberation movement, claimed in London yesterday.

Details of the Western proposals made available to THE GUARDIAN seem to support the contention of SWAPO and of the African "front line" states, that the dual-voting system the West and South Africa want is too complex for African peasant farmers. It would probably give more weight in a constituent assembly to non-SWAPO groups than they would receive in more conventional elections.

So serious is the impasse that a leading SWAPO official warned yesterday that negotiations were facing breakdown.

Last week, as if to underline the lack of progress, a South African military force invaded Angola where it claimed to have killed more than 200 members of SWAPO. Last Friday, after meeting at Lancaster House, senior officials from the Western countries among them the U.S. under-secretary of state for Africa, Chester Croker issued a communique reporting "little progress."

Hidepo Hamutenya, SWAPO's information spokesman said: "If the West and South Africa refuse to budge on the voting system, we might have to report back to the Security Council that their efforts have failed."

In 1977, the council allowed the group (Britain, the United States, Canada, France, West Germany) to seek an agreement in the 30-year-old dispute. This week SWAPO called for direct negotiations with Pretoria, but there is little chance of that at present.

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ZAIRE

ECONOMIC, FINANCIAL SITUATION AT END OF 1981 ANALYZED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French Nos 1893-1894, 19, 26 Feb 82

[No 1893, 19 Feb 82 pp 569-571]

[Text] On the international level, the beginning of 1981 experienced two important events that could affect efforts made by Zaire to bring about its indispensable economic recovery: President Reagan's inauguration in the United States and the replacement of Valery Giscard d'Estaing as president of France by Francois Mitterrand. In both cases, relations previously favorable to the policy of President Mobutu were threatened by a "cooling off" that could only hurt Zaire.

As has often been the case since June 1960, the visits made by the Zairian chief of state to Paris and Washington in November resulted in the unexpected: Both ended in what the press has not hesitated to label as "victories" for President Mobutu. Even before he went to the United States, he managed to make the new French officials understand that it was not in France's interest to make a 180-degree shift in the policy developed by the preceding president.

Received in Paris on the occasion of the French-African summit meeting (from which he had nearly been excluded) as a privileged guest, the Zairian chief of state will remain a key element of the African policy of France, which considers him to be the surest guarantee of stability in the country and all of Black Africa. In exchange for such spectacular support, did Mitterrand obtain solid commitments from President Mobutu regarding a profound change in the management of the Zairian Government in a perilous situation? Only the future can say.

In Washington, where he went on the invitation of President Reagan, the "enlightened guide" undeniably marked up points and brought off an important diplomatic success. Some have persisted in viewing it as nothing more than the manifestation of a summary anticommunism within the framework of which the United States believes that Zaire has a prime role to play in the heart of Black Africa. It should be noted that part of the American press has noted the disastrous economic situation of Zaire, however, and castigated a presidential policy lacking in effectiveness and probity. In the joint communique published at the close of the visit, one phrase is typical: "...There exists mutual understanding of the need to strengthen the economic institutions and

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the Armed Forces of Zaire." This was expressed concretely in a promise of new aid amounting to \$45.5 million in 1982 and promises of more aid in 1983.

In conclusion, it should be noted that, feeling more strongly backed by the United States and France once again, President Mobutu showed his teeth in Belgium, as is almost traditional. It was a domestic scene that was quickly quieted and that nevertheless reminded the former colonial power that for Zaire and Mobutu, Belgium is no longer the only country on Kinshasa's horizon!

Monetary and Financial Situation

1982 budget: First State Commissioner N'Singa Udjuu presented the proposed 1982 budget to Parliament. It provides for receipts totaling 7,834,200,000 zaires (some 50 billion Belgian francs) and spending amounting to 8,834,200,000 zaires (about 60 billion Belgian francs). The budgetary deficit is therefore some 1 billion zaires (10 billion Belgian francs). This budget represents an increase of 2,217,800,000 zaires (about 42 percent) for receipts and 2,717,12,717,100,000 (about 43 percent) for spending compared with fiscal year 1981 (for more details, see MARCHES TROPICAUX of 1 January 1982, p 36).

Currency: Since the devaluation of 19 June 1981 making the value of the zaire .1575 SDR, the average official price of the zaire remains relatively stable on the Brussels Exchange. The black market price, which was 4 Belgian francs on 30 June (compared with an official price of 7.0707 7 Belgian francs on 23 June), has experienced variations in the opposite direction, with the range being from 3.10 to 4.30 Belgian francs. At the end of December, the zaire brought about 4 Belgian francs. In business circles, there is talk of the possibility of another devaluation, whose extent and date cannot yet be predicted.

Foreign trade, balance of payments: No valid statistics are available for 1981. Based on the recent edition (December 1981) of the report of the Office of the State Commissioner for Economy, Industry and Commerce of Zaire, a summary of which was published in the 15 January 1982 issue of MARCHES TROPICAUX (No 1888, pp 1951-1952), we have been able to give information for 1980.

Financial situation: It should be noted that: 1) the meeting of the Club of London, which was to be held in London in September, has not yet taken place, which would seem to indicate that the private banks working with Zaire are not yet ready to grant it total confidence; and 2) President Mobutu said, on 14 September 1981 before the Central Committee of the MPR, that the country should pay the members of the Club of Paris some \$370 million by 31 December 1981, plus the amount of the unconsolidated debts of the private banks (Club of London). The total would be some \$500 million, which would heavily mortgage the country's economic recovery.

Economic Production

(General remark: It is difficult, if not impossible, with a few rare exceptions, to find reliable statistics for the various types of production. A substantial effort will be made to obtain precise data for 1981 as soon as possible.)

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In July 1981, the Executive Council decided to carry out an integrated medium-term socioeconomic plan, beginning in 1983, which would replace the Mobutu Plan. The chemical industry, energy, agricultural equipment, the agroindustry and building materials would be among the prime sectors.

In August 1981, the IMF stated that execution of the 3-year recovery program (1981-1983) had gotten off to a good start. Difficulties that could not be foreseen at the time the program was drawn up (drop in the prices of copper, cobalt and coffee) would still cause the country major difficulties, in its opinion. Zaire had already withdrawn 100 million of the 912 million SDR in "expanded facilities" granted in June 1981.

In October, the Executive Council granted a second installment of \$20 million to economic operators for the importation, in accordance with a schedule of distribution decided upon by it, of articles indispensable for their activities. They will be made in keeping with the same regulations and same strictness applied to the first installment of \$50 million. Since fraud was discovered, the number of companies benefiting from the privilege was cut from 192 (in July) to 24 (in September 1981).

Development agreements: During its 4 December 1981 meeting, the Executive Council examined the matter of expanding development agreements to all enterprises that might produce raw materials locally. Legislation on this operation has already been drafted and passed by the Situational Committee; promulgation needs only the approval and signature of the chief of state.

Private ownership: At the beginning of November 1981, the Executive Council gave authorization to the Office of Government Investment Holdings to draw up a complete inventory of national enterprises that should be shifted to private management. On 4 December, the Executive Council examined criteria considered for the reversion or buying back of such enterprises. It chose the criteria according to which an individual or company could be approved in an enterprise set up from a dissolved enterprise. It expressed the desire to have the list requested on 6 November as soon as possible. (That has now been done. See page 568.)

Agriculture

During its meetings of 20 and 28 November, the Executive Council made a thorough examination of efforts made and to be made in order to intensify the agricultural season and improve the country's food situation.

In particular, the Council studied the problem of maintaining roads, indispensable to the rapid and reliable shipping of production. Out of the 145,000 kilometers of roads making up the Zairian system, 45,000 will be taken on by the Road Office. As for the remaining 100,000 kilometers, their maintenance will be the task of roadmen under the territorial administration and of companies with interests in the region and that would enter into agreements with the government. An interdepartmental committee has been set up to draw up criteria governing the choice of such companies. The necessary funds will be "regionalized."

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Concerning fuel, the Energy Commission Office has been instructed to find solutions leading to an improvement in the supply to production regions in the east.

The principle of the establishment of an agricultural loan bank has been definitively adopted. The headquarters of the organization will be in Kinshasa and branch offices will be opened in all regions of the country.

Agricultural schools will be opened again. All graduates of these institutions will be surveyed in order to organize farmers.

Regional governors will carry out a census of peasants and farmers and will determine as accurately as possible what areas will be cultivated and how much will be harvested. In this connection, the agricultural statistics office in the Office of State Commissioner for Agriculture believes that the number of farm families in Zaire went from 2.42 million in 1970 to 2.95 million in 1980, which corresponds to a population of 15.3 million.

In his speech of 14 September, President Mobutu announced that 148 million zaires would soon be allocated for the market garden season. Means of transportation in Kinshasa were to be assigned to farmers in the interior. Other actions aimed at supporting farm action (seed supply, fertilizer, implements and tools, and so on) were underway or about to be undertaken. We have no information about whether such promises have been kept. Nor do we have any statistics at all on food production.

Agroindustry: No figures are available for 1981. According to information gathered locally, the situation of the export companies has reportedly improved thanks to a better supply of foreign exchange.

Coffee and coffee exports in particular, although strictly regulated, continue to be the source of scandalous manipulations and also to management errors on the part of OZACAF [Zairian Coffee Office].

The palm oil sector seems to be improving slightly because exports for the first nine months of the year amount to 11,887 tons (they were nonexistent only a short time ago). If we extrapolate for 12 months, we could have exports of 16,000 tons, the mark of definite progress.

Manufacturing industries: The system of allocating foreign exchange, which is favorable to the export companies, is ruinous for those working with the domestic market, for they must buy fuel, raw materials and spare parts by financing their purchases from production which is generally sold at imposed prices. There are naturally special appropriations that have helped some to make ends meet, but we are still far from a normal situation.

Lumbering: Total exploitation of Zaire's forest resources could, in 20 or 30 years, bring in more money than ores, according to FAO experts now making studies aimed at finding ways and means of achieving optimum use of Zairian forest resources.

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Early estimates indicate that such operations would require financial investments of over \$80 million. Zaire's forests make up 50 percent of all the forests in Africa. Actually, Zairian forests cover an area of 122 million hectares, including 100 million in the central basin, 240,000 hectares economically well-situated in Lower Zaire and 20,000 hectares of clear forest in Shaba.

Zaire and Canada signed a technical assistance agreement on 22 October 1981 in the SPIAF (Permanent Department of Forestry Inventory and Development). The agreement covers 5 years and financing is divided up as follows: CAN \$9.2 million and 34,854,000 zaires. The mandate given to SPIAF concerns a survey of the country's forest resources and the establishment of standards for their rational development and use.

Mining Production

Copper: Since copper production was always the backbone of the Zairian economy, we deemed it fitting to go into more detail about the production of GECAMINES [General Quarries and Mines Company]: The 3-year program for the renewal of the latter will alone absorb 1,956,000,000 zaires, including 1,556,000,000 for the program P 420 and 390 million for P 470.¹

In September 1981, the EEC granted Zaire an overall package of 40 million ecus [monetary units] to go to SYSMIN [expansion unknown] for the improvement and modernization of the company's facilities. The EEC criticized the Zairian Government for not lightening the tax system applied to GECAMINES.

During the second half of 1981, the evolution in world copper prices, which has considerable influence on the Zairian budget, experienced wide fluctuations. Prices were given in Sterling pounds per ton on the London market and copper prices seesawed. Starting in July with a price slightly over the 850-pound mark, it then shot up to 1,250 pounds in August and September before falling under 850 at the end of November. A slight improvement at the end of the year brought it close to 890 pounds, but this rise was again followed by a drop to under 850 pounds.

Since the Lobito line could still not be used to ship out copper from Shaba, 1981 production shipped out of the country went through the following ports (net weight in tons): Matadi, 242,856; Dar-es-Salaam, 21,636; Durban, 88,770; and East London, 97,179. Total: 450,441.

(Concerning reparation of the future Lobito line, see further under "rail transport.")

No figures are available for SODIMIZA [Industrial Development and Mining Company of Zaire].

¹ The general cost of the mining recovery program for 1981-1983 amounts to 2,365,700,000 zaires, including 1,869,600,000 zaires in foreign exchange (or 34.45 percent of the total). Foreign sources should supply 1,787,000,000 zaires in foreign exchange.

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For Tenke Fungurume (see MARCHES TROPICAUX, 6 November 1981, p 2805), at the end of the first half of 1981, we wrote the following: "Development of the deposit will depend on completion of the high-tension line that will carry electricity from Inga to Shaba." This line was finished in August 1981 (see below under "Electricity") and new studies are underway. Perhaps 1982 will finally see the continuation of the work that was undertaken, then abandoned, by the international firm set up for completion of the project.

Cobalt (see MARCHES TROPICAUX, 6 November 1981, p 2805): Little official information is available on the subject of this product, which, at the time of the boom in prices paid on international markets, made Zaire's fortune. According to Zairian sources, GECAMINES exports reportedly total some 9,500 tons for 1981, nearly all of which (according to estimates) would have been taken out by ship (7,000 tons) through Durban, with the rest going by air.

Concerning prices, the only Zairian quotations are given by SOZACOM [Zairian Company for the Marketing of Ores] in Brussels. During the first two months of the six-month period, it quoted \$20 a pound, then 1,555 Belgian francs a kilogram.

At the beginning of the month of December, at the opening session of the Cobalt-Metallurgy and Uses Congress, the chairman of the board of SOZACOM announced the decision of cobalt producers to set up a Cobalt Development Institute. In addition to producers, refiners, distributors, users and consumers are also asked to participate in the association. It should be operational by 1 January 1982 (provisional address: Cobalt Development Institute, 3 rue Ravenstein, 1000 Brussels).

Cassiterite: The price of tin in London (in pounds sterling per ton) experienced an extraordinary evolution in 1981. Falling below the 6,000-pound level at the end of April, it rose steadily from May to December and ended the year, after some minimal fluctuations, at about 8,500 pounds. Although Zairian production is not very large, this evolution nevertheless deserves the attention of observers.

As was previously the case, the only statistics available are those from SOMINKI [Mining and Industrial Company of Kivu] (from 1 July to 31 December 1981): cassiterite, 1,170.75 tons; wolframite, 73.5 tons; coaltar, 21 tons; monazite, 32.4 tons. Total: 1,297.65 tons. Shipments were mainly made through Matadi and Dar-es-Salaam.

Diamonds: The activity of MIBA (Bakwanga Mining Company) was as follows:

	<u>1981</u>	<u>1980</u>
Production (carats)	5,753,568	8,001,076
Volume of gravel processed (m ³)	1,498,883	1,191,784
Content (carats/m ³)	3.84	6.71
Shipments (carats)	5,961,531	8,101,525

The volumes of ore treated rose. However, because of the substantial drop in diamond content, production dropped also. Replacement and modernization of

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processing facilities continued in 1981 in order to develop the working of deposits of kimberlite. MIBA also ordered a scoop dredger in 1981 that will enable it to work the bed of the Mbujimayi River and adjacent alluvial shores beginning at the end of 1983.

Illegal mining is spreading alarmingly. An order from the state commissioner for mining on 20 August 1981 gave SOZACOM a monopoly over the establishment of purchasing counters for diamonds from small-scale operations in the Republic of Zaire. These counters will be set up in areas declared as cottage mining areas by the state commissioner for mining, particularly Tshipkapa, Luebo, Demba and Lusambo.

Gold: In order to fight fraud (see MARCHES TROPICAUX, 6 November 1981), the secretary of state for mining announced in August 1981 the establishment of purchasing counters by the Moluka and Madini firms.

It is estimated that production of the Kilo-Moto Gold Mining Office (OKIMO) (1,805 kilograms in 1978, 1,729 kilograms in 1979 and 660 kilograms in 1980) might total 1,500 kilograms in 1981. The biggest problem to be solved remains the construction of a new processing plant with advanced technology, to replace the existing plant, which is totally outdated. Indispensable to the survival of the enterprise, this new plant would cost \$6 million. Company officials believe that they could finance the project without outside help, if the currency allocation is adequate. OKIMO's future depends on an increase in resources granted to it, the establishment of a development policy and the fight against fraud and the illegal mining of gold.

For its part, SOMINKI exported 221.5 kilograms of gold through Matadi during the second half of the year.

Oil: Crude oil production in Zaire's offshore area totaled 1,646,131 barrels during the second quarter of 1981, compared with 1,798,837 barrels during the first quarter. The level of production in mid August was nearly 21,000 barrels a day. It remained at that level in September. The encouraging signs detected in a structure close to the coast by one exploratory well and one evaluation well have not been confirmed. A new well drilled 20 kilometers offshore at a site where the depth of the water is over 30 meters was planned for December 1981. It should go to 4,600 meters, which would require a new type of platform. It has been delayed by the unavailability of such a platform.

Since 15 August, ZAIREP [expansion unknown] has been engaged in surveying the extent and characteristics of the asphaltic sands of Mayumbe in Lower Zaire. The operation, which will last from three to four months, represents an investment of \$9 million. The purpose of the undertaking is long-term working of the asphaltic sands as a source of crude oil. In 1980, the deposits worked by ZAIREP produced some 20,000 tons of oil.

Finally, it should be recalled that the Zairian Government and the Zaire Gulf Oil Company have signed a new protocol (the fifth since the initial convention of 9 August 1969) dividing up company receipts as follows: Zaire, 76 percent; Gulf, 24 percent.

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Investments

Following a study done by research workers at the University of Syracuse (Unit (United States), Zaire will remain among the countries presenting the highest risk for business in 1982. It already had a very poor classification in 1981 (see MARCHES TROPICAUX of 6 November 1981, p 2807). The Zairian Government seems aware of this and appears to be determined to give the private sector the necessary encouragement and to restore complete confidence by practicing economic liberalization, restoring the infrastructures needed to develop the country and especially, permitting enterprises to have the currency they need to import essential equipment.

A 3-year plan for 1981-1983 provided for 225 projects extending the 1979-1980 Plan, which could be carried out only to the extent of 40 percent of the total value of the initial projects. Its cost would amount to 6,867,000,000 zaires (constant value 1980) and would be distributed as follows: agriculture, 13.7 percent; mining, 34.5 percent; infrastructures generating foreign exchange savings, 40.7 percent; and miscellaneous, 11.10 percent.

While there is no plethora of private investments, one must nevertheless note certain initiatives tending to prove that the Zairian position is not desperate.

On 13 June 1981, the facilities of the National Breweries (BRANA) were officially opened in Kinshasa. At full capacity, annual production of the new breweries could go as high as 200,000 hectoliters of beer and 50,000 hectoliters of sweet beverages.

The Charleroi Electrical Engineering Shops (ACEC) have decided to set up an electric transformer manufacturing plant in Kinshasa, which would supply urban and suburban systems and enterprises. This new plant will be an extension of the already existing ACEC-Zaire. It should be able to begin production in 1982.

In August, the Executive Council approved a mining convention concerning the development of the North-Kivu pyrochlore deposit. The Kivu Mining Company (SOMIKIVU) plans to invest some \$50 million in order to equip the Lueshe mine, which in the final phase will have a capacity of 1,500 tons a day.

The signing of the agreement governing the international consortium that will carry out the ALUZAIRE aluminum plant project took place on 23 November in Kinshasa. The initial capacity of 150,000 tons will rise to a final 600,000 tons. Inga will provide the electricity. The investment was estimated at over \$1 billion, to be shared by the Zairian Government, ALUSUISSE [Swiss Aluminum], project foreman, and specialized organizations from the Federal Republic of Germany, Italy, Yugoslavia, Norway, Japan and the Netherlands. The plant would be set up on the Kinlao Plateau, on the Atlantic Coast, and would have three sections: an electrolysis plant, a foundry and an anode factory. Some 100 expatriates and 1,900 nationals would work in the complex.

The Matadi Flour Mills (MIDEMA), subsidiary of the American Continental Milling Corporation (New York), has just approved a new investment on the order of

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some \$2.1 million in order to increase its capacity from the current production of 450 tons to 600 tons of wheat flour a day. The mill's new capacity could be ready by the beginning of March 1982.

[No 1894, 26 Feb 82 pp 628-630]

[Text] The following is the second part of the article on Zaire's economic situation at the end of 1981. The first part of the article (monetary and financial situation, agricultural and mining production, investments) was published in our 19 February issue, pp 569-571. This second installment is essentially devoted to transport, energy and water and social questions.

SOFIDE [Finance Company for Development]: Once again, the operations financed by SOFIDE, which have been detailed in these columns, give precious indications on investments made in the country in the field of the PME [small and medium-size businesses] in general. For the second half of 1981, total credits granted by SOFIDE total 38,703,000 zaires. All details on its operations have been published at the proper time in our columns. The majority of the credits granted are investment credits. The rest cover credits for the importation of raw materials and spare parts.

Inga Free Zone (ZOFI): At the end of September 1981, the Zairian Government officially initiated a series of promotional conferences in Brussels on the Inga Free Zone. We shall not reprint the details of the report given by Professor Kinzonzi, adviser to the Office of the President of Zaire. ZOFI will mainly be, in the area defined, a special investment system enjoying fiscal and customs advantages, exemptions from import duties on equipment for industries, a special system for the transfer of capital and special prices for electric power supplied by Inga. The speaker emphasized the advantages to European businessmen of this system, which should enable Zaire to design a broad agricultural and industrial program that should serve rural development, the main concern of the Mobutu government.

Transport

We have already stated, but can never repeat it often enough, that transportation, in all its forms, is of cardinal importance in a vast country such as Zaire. We shall therefore devote an important part of this article to it. The interest in the question of all Zaire's neighbors is enough to support this point of view.

Air transportation: In 1981, the rebuilding of the Kolwezi airport was undertaken. Extension of the existing runway will be completed. Improvements at the Bunia, Njili, Lubumbashi and Kavumu airports have been planned. On 1 November 1981, the first Kisangani-Buta flight took place.

On 9 November 1981, Air-Zaire and Sabena concluded a series of commercial agreements concerning rationalization of Zaire-Belgium connections, their

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profitability, quality of service to the public and development of tourist traffic to eastern Zaire. Other agreements are aimed at technical cooperation, including the organization of services, personnel training and the exchange of various types of information.

Road transport: On 1 October, a 35-ton ferry, financed by the Federal Republic of Germany, was officially put into service at CHANIMETAL [expansion unknown]. It will be used on the Kasai River at Ilebo. Another 12-ton ferry was officially put into service on 27 October on the Maindombe River, some 100 kilometers from Kinshasa. Its operation makes it possible to reopen the road linking Kinshasa to western Bandundu by Kwamouth. As part of its ferry rehabilitation plan for 1981-1986, the Road Office plans to replace 91 units, 80 of which will be designed and built by the Office's shipyards.

The Road Office has announced that reparation of the Bukavu-Uvira road (128 kilometers), planned for several years, will be carried out in 1982. The necessary equipment was purchased through financing from the Reconstruction Credit Bank (KfW) (FRG). It is now on the site (end of 1981).

Rail transport: The 5-year plan of the SNCZ (1980-1984) will receive a credit of \$106 million. This sum represents the total aid from various countries (see MARCHES TROPICAUX, 13 March 1981, p 655).

Benguela Railroad (Lobito-Shaba-Zambia): During a conference held in Kinshasa on 30-31 July, the rehabilitation of this line was discussed by the ministers of transport of Angola, Zaire and Zambia. The estimated cost of repair work would be \$80 million. The three countries involved have received a first installment of aid amounting to 8.6 million SDR granted by the EEC and the UNDP.

On 8 November 1981, the UNDP granted Zaire \$780,000. This sum is to be used for a joint Angola-Zaire project. A similar agreement was signed with the Angolan Government. The two countries have decided to put together \$595,000 to complete the financing. The project, which should take 2 years, is aimed at enabling the two countries to recruit experts, upper-level personnel, technicians and workers in the different areas of specialization in order to perform advisory and operational duties and ensure the training of relief personnel from the two countries. Zambia, which is also interested in operation of the Benguela Railroad, is not now in any agreement with the UNDP.

Container transport: The SNCZ (northern section, main office in Isiro) plans to develop container traffic on the Kisangani-Ubundu-Kindu-Kalemia line. It will install three 20-ton cranes at the Kisangani (left bank), Ubundu and Kindu ports. On their return, the containers will be loaded at Kisangani with rice from Maniema.

Ilebo equipment (port): On 5 November 1981, the SNCZ put into service an electric gantry crane for containers, with a lifting capacity of 40 tons, at the Ilebo port. It will accelerate loading and unloading operations at that transit port, where the SNCZ daily handles 1,500 tons of goods. Unfortunately, it still has the worst congestion in the SNCZ system.

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ONATRA

Development program for 1980-1984: ONATRA (National Transportation Office) plans to undertake projects within the framework of this program, costing \$84 million (23 percent of the total). (See MARCHES TROPICAUX of 28 August and 6 November 1981, pp 2228 and 2806.) Nearly \$40 million will be allocated for rail and river equipment purchases. On 6 October 1981, the IDA [International Development Association] granted \$26 million to the Office. More financing will be provided by the FRG (\$8 million, with ONATRA contributing \$28 million itself). The largest initial expenditures will involve river transportation equipment (\$27.5 million).

Port Traffic (Nine Months of 1981; in tons)

	<u>Import</u>	<u>Export</u>	<u>Total</u>
Matadi	485,656	344,528	839,184 ¹
Boma	14,047	45,761	59,808 ²

¹ For monthly traffic, 109.43 percent compared with the nine-month average in 1980 and 56.08 percent compared with the average for nine months in 1959.

² Or 97.34 percent compared with the nine-month average for 1980 and 41.41 percent compared with the average for nine months in 1959.

It is still too early to derive any valid conclusions concerning the evolution of the Zairian economy from these partial statistics.

River transport: We believe that it is interesting to give the tonnages transported during the first nine months of 1981 for river routes (Kinshasa-Kinshanga and Kinshasa-Ilebo), plus a number of comments: a) upstream: miscellaneous merchandise, 184,427 tons; inflammables, 41,886 tons; local, 175 tons; total, 226,488 tons. b) downstream: mining products, 195,105 tons; palm oil, 41,451 tons; miscellaneous, 128,455 tons; local, 248 tons; total, 365,269 tons. Overall total: 591,757 tons. (Note: For October, upstream transport totaled 20,440 tons and downstream 47,079 tons. Total: 67,519 tons.)

For the first nine months of 1981, the average is 101.91 percent compared with the 1980 average for the same period. It is 49.14 percent compared with the 1959 average. September tonnages (63,697 tons total) are down 3.6 percent compared with August. October tonnages (67,519) are nearly identical to those of August.

Expansion of Kinshasa and Matadi ports: A delegation from the World Bank visited Zaire from 4 to 7 October to make a preliminary evaluation of the project to expand the Kinshasa and Matadi ports. Total cost of the project is an estimated \$120 million. IDA participation of \$40 million is anticipated. A total of \$1 million will be advanced for preliminary studies.

Banana port: Backers interested in the project met in Brussels on 30 September and 28 October 1981. To date, Arab backers do not appear to be interested

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in this project. The financing of complementary studies for the project as a whole, estimated to cost 4 million ecus (some 160 million Belgian francs), was examined. Italy and France will finance port and urban development studies, the FRG those for waterworks, and Belgium those for the Inga-Banana electric line. All studies will be done under the supervision of the Office of General Commissioner for Planning, aided by the Bana-Kinshasa Equipment Organization (OEBK), for which Belgian and French consulting firms are working.

Matadi-Banana railroad: The provisional support cables for the bridge making it possible to install the suspended elements for the bridge over the Zaire at Matadi were put up on 21 July. The project is midway through the final stage.

The railroad will be built in two phases. The first will include construction of the Matadi-Boma section, with a junction onto the Mayumbe railroad (Tsela-Boma), which will be rebuilt. In the second phase, the Matadi-Banana railroad will start from Boma and run to the ocean.

Electrification of the Matadi-Kinshasa line: Detailed technical studies for the project were entrusted to the Belgian Transurb Consult Company. The project is included in the Public Investment Program (PIP) presented by the Zairian Government at the recent Paris meeting of the advisory group on Zaire. The project of the CFMK (Matadi-Kinshasa Railroad) is therefore among the priorities, but according to World Bank officials, the final decision on electrification must also depend on the effect of all financing on Zaire's balance of payments. This means that financing must be accomplished on the basis of concessionary means. It must be organized based on gifts and credits between governments, with the gift factor being high. No final decision had yet been made by the end of 1981.

Shipyards: Financing of 13,997,000 zaires is planned for a project to repair facilities, which should be carried out in 1982. It involves the Ndolo (Kinshasa), Boma (Lower Zaire), Yuki and Boyera (Equator) shipyards. On 17 October 1981, at the Ndolo shipyards, the last seven roadstead tugs were officially put into service (out of a series of nine purchased within the framework of aid from the FRG; six will be in service in Kinshasa and one at each of the ports of Ilebo, Kisangani and Mbandaka).

National transport: Considerable efforts are being made to repair and improve operation of the national transport (Belgium is particularly active in this area). Technical, material and financial assistance is mainly aimed at the SNCZ (rail), the River Lines Administration (RVF), ONATRA and the Shiplines Administration (RVM). The RVF will in particular have a training boat used to instruct individuals wishing to specialize in buoyage and hydrography. The RVM has five senior helmsmen and has sent trainees abroad.

It should be recalled that the national transportation system is an ensemble of domestic lines in Zaire linking the Atlantic (currently the ports of Boma and Matadi) to Shaba via Kinshasa and Ilebo; to Bukavu and Kalemia via Kinshasa, Ilebo and Kamina; to Kindu via Kisangani; and to Mungbere via Aketi.

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Telecommunications

Development plan: The master plan for the proposed telecommunications project in Zaire has now been completed. The plan includes a long-term (about 20 years) development plan and another short-term (about 5 years) plan. One of the immediate objectives of the project is strengthening the planning division of the Zairian National Posts and Telecommunications Office (ONPTZ) by the foreign training of upper-level Zairian personnel. In the long run, the project is aimed at covering all of Zaire with a hypersequence transmitting system and telephone centrals in all the major population centers of the country, with access to the automatic interurban service.

African telecommunications system: At the 15th subregional conference of the Pan African Telecommunications Union (UPAT) held in Gaborone (Botswana) in September, the meeting of experts designated Zaire and Zambia to serve as inter-connection points for the telecommunications system between Central and West Africa. This decision implies construction of the Kinshasa-Lusaka telecommunications axis. Zaire and Zambia manifested a desire to make the efforts needed to carry out the project. The conference also decided to set up the Advanced Multinational Telecommunications Institute in Nairobi.

On 5 December 1981, Zaire and Burundi signed an agreement to make telephone and telegraph connections between the capitals of the two countries possible.

Energy and Water

Inga-Shaba line: According to a spokesman for the CIS (Inga-Shaba Engineers), the high-tension continuous electricity line between Inga and Shaba should go into service during the first quarter of 1982. The last pylon was put in on 22 August 1981 in Kolwezi (1,748 kilometers from Inga). However, energy is not yet being carried.

Zaire-Italy agreement: On 14 September in Kinshasa, Zaire and Italy concluded a technical cooperation concerning electric power. For three years, Italy will provide technical assistance to the National Electric Company (SNEL). It will cover the completion of studies, the drafting of projects and the startup and operation of existing or future facilities.

Nepoko hydroelectric operations: SNEL has ordered a study of the possibilities of utilizing electric energy that could be produced by the three waterfalls on the Nepoko River in the Wamba area (Upper Uele). According to the study, some 6,000 kilowatts could be obtained, particularly in order to supply industrial and agricultural companies in the region and the city of Isiro, which would be linked to the powerplant by a 90-kilometer-long line.

Mbandaka: In November, following a study done by the FRG, it was decided to build a new thermic powerplant at Mbandaka. Financing would be handled jointly by Zaire and the FRG.

Natural gas: During the visit which President Mobutu Sese Seko made to Kigali on 25 August, during which he met with the Rwandan president, the two chiefs of

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state emphasized the priority of the methane gas from Kivu Lake project because of their countries' urgent energy needs and the possibilities which the by-products of that gas offer, particularly for agricultural development. They stressed their interest in the rapid completion of studies planned within the framework of the project in order to embark upon its practical execution. In this connection, they agreed to speed up the establishment of the Zairian-Rwandan joint company for the working, transport and marketing of methane gas from Kivu Lake, in keeping with the agreement signed between the two countries on 3 May 1975.

Distribution of water: Details of the 10-year program of REGIDESO [Water and Power Distribution Administration] have already been published. One of the main points is supplying 144 cities and towns in the country not presently served (estimated cost: \$232 million). Some 70 percent of the population should be supplied with drinking water by 1985 and 85 percent by 1990. The number of centers, as planned by the program, is as follows: Lower Zaire, 6; Equator, 19; Kivu, 21; Bandundu, 24; Upper Zaire, 31. The capital is the subject of a special program.

Social Questions

Wages: On 30 June 1981, President Mobutu decreed an increase in salaries of government employees amounting to 15 percent, in addition to an initial identical increase (15 percent) granted on 1 January 1981. It becomes effective on 20 July 1981. The state commissioner for labor and social security announced on 8 July that workers in the private and parastate sectors would also receive the 15-percent increase in salaries.

National Labor Council: The National Labor Council held a special meeting from 17 to 21 September. It approved, with some modifications, the proposal of the state commissioner for labor and social security concerning the increase in minimum interprofessional wages and minimum family allocations. This proposal must next be submitted to the Situational Committee and then to the Executive Council.

Prices: Evolution of Indexes During the First Eleven Months of 1981

	<u>Kinshasa Markets</u> ¹	<u>Kinshasa Stores</u> ²
January	12,340	44,956
June	14,210	52,474
July	14,720	56,701
August	15,100	58,276
September	15,350	59,276
October	16,003	62,160
November	16,963	65,525

¹ Base October-December 1964 = 100

² Base June 1960 = 100

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Although checked somewhat compared with previous years, the increases are still tangible: 6 percent on the markets from October to November 1981 and 5.4 percent during the same period in stores in the capital. The impact of these increases particularly hurts the purchasing power of workers, whose wages are low.

Purchasing power: The year 1981, declared the year of social benefits, ended worse than it began. Inflation, which exceeded 100 percent in 1979, had been reduced to 50 percent in 1980.

In May 1981, the IRES [Institute of Economic and Social Research] said that the general price increase had fallen nearly to 0. The latest devaluation, imposed by the IMF, had disastrous consequences. The price index in Kinshasa resumed its increase, going from 2.4 percent in June to 4.6 percent in July and 7.5 percent in August, wiping out the 15-percent wage increase granted on 1 July in less than 3 months. Zairian experts accuse the IMF of having miscalculated on the measures and have strong fears about the purchasing power of the working people.

Transfer of remuneration and social benefits of expatriates: Precise documentation on the subject is difficult to obtain. Nevertheless, it should be noted that with respect to transfers of remunerations, the situation is very different in the two major types of enterprises:

1 -- Export enterprises (which can deduct at the source, without complicated administrative maneuvers, from 15 to 20 percent of the currency from their sales) have a satisfactory situation.

2 -- Nonexport companies (which depend, for their transfers, on currency available from the approved banks) are clearly at a disadvantage and delays of varying lengths hit technical personnel indispensable to the companies hard. Furthermore, the administrative formalities are more complicated for them.

Conclusion

Thanks to his undeniable political and diplomatic shrewdness, President Mobutu has succeeded in lending credit to the image of a Zaire progressing slowly but surely down the path of economic recovery promised in November 1965. The objective was nearly attained at the beginning of the 1970's, but the march forward was halted in 1974 by a series of errors of all kinds, including poor administrative and financial management and corruption, known but left unpunished. Consequently, by the end of the decade, Zaire was shot through with a malady that threatened its very existence.

Spurred on by international organizations and friendly countries trying to stave off the irreparable, President Mobutu tried in 1978, in a desperate effort, to get things back on the right track. After the execution of the plan bearing his name and which concluded at the end of 1980 with a good record, Zaire received expanded privileges from the IMS in 1981 and enjoyed the understanding of the members of the Club of Paris. Only the private banks joined together in the Club of London have remained distrustful. More realistic and

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perhaps better informed about the situation inside the country in particular, they have taken the position of a significant inertia.

At the end of 1981, the Zairian problem took on a political tone that had always been present but that gradually became more and more important until it finally predominated. Aware of the trend, President Mobutu exploited it very adroitly in order to conceal the real situation in his country, which he managed to present to the world as much better than it actually is.

Through the long modification of political structures, the apparent democratization of the regime has led to the concentration in its hands of a practically unquestionable and unquestioned discretionary power. Opposition movements abroad are inoperative and ineffective and their following in Zaire is nonexistent.

While the masses support, despite their poverty, a "guide" who presents himself as irreplaceable and who manages to give credit to the image, the danger of destabilization could come, we repeat, from an army which absolutely does not share that confidence in the chief of state. Furthermore, since all interest is directed at the Lower Zaire-Shaba axis, the people in the north, northeast and Kivu feel frustrated and might react.

Nor must all of this make one forget that, according to international standards, the majority of the Zairian people are undernourished and that inflation, once contained, condemns many of them to be content with a barely tolerable minimum. Some observers fear that the very severe anti-inflation measures applied under the influence of the IMF may one day lead to social disturbances if the "barons" of the regime were tempted to make up for their losses at the expense of the masses.

And yet, seasoned observers think that the political future of President Mobutu is linked to the success of the IMF plan and they are unanimous in declaring that there is no other alternative for him if he wishes to continue to govern his potentially rich country.

We believe that it would be a mistake to underestimate President Mobutu and to judge his conduct on the basis of our European criteria alone. "African problems must not," he recently said in an interview granted to the press in Libreville, "be considered on the basis of pre-established cliches. The center, the left, the right or even the center right and center left have no meaning in our political concepts."

While we would willingly follow him on this path, we must nevertheless not close our eyes to inadmissible violations of international morals. He must accept this point of view if he wishes true integration of the north's technology with the potential wealth of the south, of which his country is one of the major pawns in Black Africa.

The revival of economic production has not come about as Zaire and the IMF wished. That is undoubtedly the most serious aspect about Zaire's current and long-term situation. In order to get out of the rut, the country has to produce

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more and it is the realization of this objective that will determine, on the part of wealthy nations, continuous aid without which increased production of better quality is practically impossible. This also means a considerable effort to train nationals capable of efficiently using modern techniques and in the final analysis, real rural development without which any far-reaching progress is quite simply impossible.

As the Zairian chief of state recently stated, with praiseworthy frankness: "Our country has not yet come out of the tunnel." Some foreign and Zairian experts have gone even further in asking: "Is Zaire still capable of getting out of the rut?" Another question: Is the policy imposed on Zaire by the IMF not too systematic, too rigid, too ill-adapted to Zaire's very particular contingencies to be able to succeed?

No one seems anxious or capable of answering these agonizing questions.

According to President Mobutu, 1982 will be the "year of consolidation." He added that he would continue his cooperation with the IMF and the World Bank, that the rural development program would be pushed, that economic recovery would have his complete support and that his state commissioner for finance would be his privileged adviser. As we know, 1982 will also be the year of legislative elections: Will they bring a change, an improvement? Only the future will tell.

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ZAMBIA

BRIEFS

DISPUTE WITH SOUTH-AFRICA REGARDING PONTOON-BRIDGE--When it comes to interfering with countries it does not approve of, the Pretoria regime will shrink from no form of aggression. Lately, the Zambian inhabitants of the Sesheke and Senanga regions, located on either side of the Zambezi River, at the Namibian border, have been deprived by South-African troops of their only means of crossing the river: a pontoon-bridge which the rising waters, which are especially rough at this time of the year, had displaced. As a result, the inhabitants now cross the river on makeshift canoes, running daily the risk of being overturned by hippopotami, eaten by crocodiles or drowned in the eddies of the swelling river. The South-Africans wish to negotiate the return of the pontoon-bridge with Zambezian authorities who, for their part, refuse such negotiations, and rightfully so since they do not maintain diplomatic relations with the racist South-African state, on the one hand, and since the pontoon-bridge belongs to them, on the other hand. They demand that the pontoon-bridge be returned unconditionally. Let us recall that, in the past, South-African troops have actually occupied Zambian territory in both districts. The population was then displaced, the schools closed, and the area used to launch attacks against SWAPO guerillas. [Text] [Paris AFRIQUE-ASIE in French No 261, 15-28 Mar 82 p 15 COPYRIGHT: 1982 Afrique-Asie] 9294

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