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Sub-Saharan Africa Report

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SUB-SAHARAN AFRICA REPORT

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ANGOLA

BRIEFS

UNITA OPERATIONS ANNOUNCED--In a communique published by its delegation in Paris on 1 July, UNITA listed the operations it conducted during the first half of June, announcing that it killed 173 Angolan soldiers, as well as 14 Cuban military; its operations also resulted in 550 wounded and the capture of 35 foreign citizens (half of whom are Portuguese nationals). UNITA moreover noted that it captured 41 members of the government armed forces and that it destroyed 9 helicopters. UNITA losses amounted to 12 dead, 43 wounded and 5 whose fate is unknown. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 16 Jul 82 p 2041] [COPYRIGHT: Rene Moreux et Cie Paris 1982.]

MOCAMEDES PORT IMPORTANCE STRESSED--The port of Mocamedes--the main outlet to the Atlantic Ocean for Angola's southern provinces--is important both strategically and economically. Its role is now threatened both by the aerial supremacy of South Africa, which has increased its reconnaissance flights in the region lately, and (but more distantly, as this latter threat is mainly of concern to the hinterland) by the stepping up of the activities of the Units opposition movement in areas where it is active. Regarding the strategic importance of the port, the authorities in Luanda deny South Africa's claim that Mocamedes is used for the unloading of military materiel for SWAPO. But the port is the main approach for the provision of supplies to the southern Angolese army, since the overland routes linking the ports of Lobito and Benguela (400 km to the north) with towns in the interior (Huila and Lubango) and unsafe and difficult, the situation being insecure. Regarding the economic importance of the port, it is now practically the only outlet to the sea for Angola's southern provinces. Its ore port, which was established for iron ore leaving Cassinga, is the terminus of the railroad which services the province of Cuando-Cubango via that of Huila. Mocamedes is also Angola's principal fishing zone and one of the most important on the African continent. An Angolese and an Angolo-Spanish fishing fleet use it; Soviet trawlers operate farther north. But Moscow is still Angola's principal partner in this sector. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1907, 28 May 82 p 1413] [COPYRIGHT: Rene Moreux et Cie Paris 1982.] 9855

CSO: 4719/1058

CAMEROON

ECONOMIC SITUATION AT 10th ANNIVERSARY NOTED

Paris JEUNE AFRIQUE in French No 1115, 19 May 82 pp 63, 65-66, 69

[Article by Gerard Negreanu: "Capital Trust"]

[Text] On the 20th of May, Cameroon celebrates brilliantly the 10th anniversary of the reunification of the two former English-speaking (Southern) and French-speaking provinces. It was, in effect, in 1972 that the former Federal Republic became the United Republic of Cameroon.

The decade thus defined has been an economically good one. A few key figures show progress in practically all sectors:

1. The gross national product (GNP) increased nearly fivefold, rising from 326.3 billion CFA francs in 1971-1972 to 1,625 billion in 1980-1981.

2. The state budgets and those of the development plans have taken vertiable leaps forward. The state budget? It was 54.4 billion CFA francs in 1972; today it is 310 billion. Development plans? Two Hundred eighty CFA francs were allocated to them in 1972-1976, and nearly ten times more will be allocated to the Fifth (1982-1987).

3. Similarly, and this is an indication of good management-from 1972 to 1982, the portion of investments not directly productive fell from 75 to 45 percent.

These statistics aren't always easy for the average Cameroonian to interpret; on the other hand, the evolution in the sectors of production is directly felt in his daily life. Agriculture, for example. It concerns more than three-quarters of Cameroonians: more than six million people living in rural areas are farmers. Their successes are often cited as an example for all of Africa, Cameroonian agriculture being the real lifeblood of the country and the principal source of currency.

Some examples: cacao, first agricultural production of 105,000 tons in 1975-1976, 122,000 tons in 1979-1980; coffee which went from 58,000 tons in 1977 and 83,000 tons in 1979-1980; pineapples, wood, palm oil, sugar, and cotton advance everywhere, not to mention food crops. Cameroon is on its way to alimentary self-sufficiency, when it isn't exporting to the neighboring countries to the east and south. The government isn't satisfied with giving moral support to farmers, it helps them with concrete measures: an increase in the market purchase price of products, a special incentive instituted in February 1971 to favor new growers of cacao and coffee. In the same way, the modernization of cultivated areas, the policy of extending food-producing croplands and the development of cooperatives have permitted the growth of a "peasant class" consciousness, the working backbone of the country's economic development.

Worth noting also, on the structural level, is the transformation of FONADER (National Rural Development Fund, created in 1973), a banking establishment capable of accepting deposits so as to better fulfill its role of "banker of the peasants," and the supply of fertilizer, whose importation cost 2.12 billion CFA francs in 1977-1978 and 3.92 billion francs in 1979-1980. As a whole, this policy, aided to be sure by fairly favorable climatic conditions, is bearing fruit, and the country's leaders are dreaming of becoming, within the not too distant future, "the granary of Central Africa." Meanwhile, Cameroon is safe from famine and is even seeing a decrease in its importation of food products: 1.38 billion wheat flour imports in 1980-1981 as opposed to 2.34 billion in 1978-1979.

Cameroonian industry is also experiencing a fairly spectacular development, aided, it's true, by natural riches not many African countries possess (deposits of bauxite, iron, hydrocarbides, a very dense and easily controllable water system--the second best system in French-speaking black Africa, after that of Zaire) and by a well-organized banking system.

Pursuing the inventory and exploitation of its natural resources, the country is proceeding rapidly with its industrialization, seeking "no holds barred" the development of its natural resources: iron deposits have been discovered in the region of Mbalam, while that of Mamelles, close to Kribi, promises 120 million reserve tons, according to estimates. The government projects an investment of 60 billion CFA francs for its exploitation. In the area of natural gas, also, all hopes are permissible: with reserves estimated at 200 billion cubic meters the Civil Society for the Exploitation of Cameroonian (SEGAZCAM) plans to establish a liquefaction factory in the Kribi region.

We must also draw attention to the government's realistic oil policy. The production of Cameroonian black gold, which is still in an infant state since it only began in 1978 with 800,000 tons of unrefined oil, reached 4.3 million tons in 1981. The sales volume: 300 billion CFA francs of which 178.62 (that is, more than 57.62 percent of the 1981-1982 budget) went to the Treasury fund. It's a considerable sum. But the leaders have had the wisdom of keeping a cool head in the face of the temptations oil wealth usually provokes and haven't thrown themselves into overly ambitious projects based solely on oil, so as not to run the risk, as has happened elsewhere, of an upset in development projections and an acceleration of the rural exodus, which would deprive agriculture of laborers. On the contrary, according to the Minister of the Economy and the Plan, Bello Bouba Maigari, the authorities consider the revenue proceeding from oil "a subsidy for the realization of development objectives." For, "oil resources are uncertain; deposits are exhausted with time; the prices of this product are subject to unpredictable fluctuations."

The economic picture of the country on this eve of the 10th anniversary of the creation of the United Republic of Cameroon does not of course consist entirely of positive aspects. There are shadows in certain sectors, "developing" Cameroon is beginning to be confronted by the problems of industrialized countries:

--a consumer retail price index that is climbing;

--rental rates that increase more rapidly than salaries;

--difficulty in finding employment in certain sectors, notable for young people and professionals (the corollary, also, of a high rate of school attendance: 100 percent at the primary level);

--the "Cameroonization" of certain key sectors of the economy which the leaders would like to see move more quickly, all the while maintaining the overall balance and the necessity for foreign investments.

Besides this, the Fifth Plan proposes as one of its priority objectives the promotion of national small and medium-sized businesses and the willingness to build an economy more oriented towards the domestic market.

Everything encourages us to think that these objectives can be attained. For Cameroon has another asset: it's the African country with the least debts (around 25 billion CFA francs in 1981, that is, hardly 8 percent of the budget). This is all the more meritorious in that these results have been obtained in an unfavorable international context, characterized by the two oil shocks of 1973-1974 and 1979-1980, a general economic crisis, a major slump in world prices of the staples exported and the considerable increase in value of the merchandise and equipment imported. It's also one of the African countries that has best succeeded in "managing" its budget: thanks to a disciplined policy of economic liberalism, open and directed at the same time.

State budgets are balanced with their own receipts (with the exception of the two deficits of 1973-1974 and 1974-1975). The authorities demonstrate the same rigor with respect to debt utilization: long-term loans, less costly, finance investments which are not directly productive while short-term loans, closer together and tied to more onerous conditions, are allocated to projects which are more immediately profitable.

This manner of administering public finances is responsible for the fact that Cameroon enjoys a precious capital trust with the foreign investors from whom it contracts for the loans it needs. "Businessman's paradise" as JEUNE AFRIQUE ECONOMY wrote several months ago, foreign investors jostle each other in Cameroon: in 1980 Americans, French, English, Spanish, Dutch purchased altogether 296,981 million CFA francs in Cameroon, which represented an increase of 49.3 percent compared to the preceding year. A nice score for 10 years of management!

9825
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CHAD

HABRE SEEN AS GAINING OVER GOUKOUNI, KAMOUGUE

Paris JEUNE AFRIQUE in French No 1115, 19 May 82 p 26

[Article: "Goukouni Losing, Kamougue Not Winning"]

[Text] The ministerial reshuffling announced by President Goukouni Oueddei has become...a constitutional revision. Except that Chad doesn't have a constitution. By signing on 8 May a "Ndjamena declaration" setting up, on a parallel basis to the GUNT (Transitional National Union Government), a State Council, "a body for the conception of ideas, for reflection, or consultation and orientation," Goukouni and his vice president, Col Wadal Abdelkader Kamougue, have given the lie to what they have been professing during the last few weeks: Goukouni wished to reshuffle the government, he decided (or was he forced?) to double cross it; he planned to get rid of Kamougue, crediting the latter as being the strongest today of all the other Chadian enemy brothers; Kamougue threatened to withdraw into the south--to plan a secession;--he is establishing himself and reinforcing his position in the capital and as the leader of Chad.

For at least by appearances, the State Council, presided over by Col Kamougue--and made up of all the other faction leaders of whom Goukouni himself is one--has been called upon to exercise the real power. Most likely its duty is to "help and assist the head of state and the government in conducting domestic affairs, organizing the army, and running the administration," but it will be called upon especially to seek out "the ways and means to achieve peace, maintain and consolidate it, and preserve national unity and territorial integrity." The basic message must be retained through the words: financial management will be the province of the government; peace and diplomacy, in short politics with a capital "P," will devolve upon the State Council. Or in other terms: Kamougue, who presides over the Council, has taken the upper hand over Goukouni who runs the government.

However, these appearances do not portray the realities. The state's two "strong men" are perhaps among the most isolated in Chad today. One of them, Goukouni, has wanted to make changes in his government at a time when his refusal to accept any negotiations with Hissein Habre has been contested by all his partners, including Kamougue himself and Acyl Ahmat, who is reputedly pro-Libyan but who is prepared to deal.

As for Kamougue, protestations have been made against him within the Permanent Committee of the South, which he presides over now only symbolically. Furthermore, the two-headed government established in Ndjamena does not resolve the heart of the problem: the Chadian crisis involves less the current "governors" than the "peace of the strong" which Hissein Habre is the only one in a position today to offer. Purely and simply because it is he who holds the reins of military power. Rebel though he is, he is the one occupying the territory. The heads of neighboring states are pushing Goukouni to negotiate. He is still refusing to do so. He is the only one. And he no longer has the wherewithall to support his obstinacy.

9927
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GUINEA BISSAU

BRIEFS

EC REGIONAL DEVELOPMENT FINANCING--The Commission of the EEC is preparing to adopt a number of decisions about financing for the following projects approved by the member states at an 18 May meeting of the FED [European Development Fund] (1 ecu = about $1). Guinea Bissau: rural development of the Bafata Gabu zone (6.8 million ecu subsidy). The new project, which will be cofinanced by the FAC [Aid and Development Fund] includes: /construction work in rural areas/: access and service roads, reclamation of lowlands; /harness in farming; supplies of multi-purpose cultivators, seeders and carts; /village equipment/: huskers, peanut threshers, corn shelling machines, scales, mills, village warehouses; /peanut silos/: construction of new silos, reconstruction and maintenance of old silos, equipment; /seed production/ for peanuts and replacement of local varieties by more productive grain varieties; /animal husbandry/: health protection for draft animals; /factors of production/: fertilizers, trucks to transport products and crops; /maintenance/ of buildings and equipment; /personnel/: local personnel and its logistics; /training/: mainly on the spot for managerial personnel, and training of some craftsmen, especially blacksmiths; a literacy program will also be set up; /technical assistance/: five experts will be provided by FED. There are 25,000 families who will be affected by the project. Extra production due to the project is expected to be about 13,000 tons of grain, 4,000 tons of cotton, and 6,000 tons of peanuts. FAC will contribute 3.6 million ecus to the project. There will be international bidding for the supply contracts; other expenditures will be under state supervision. [Excerpts] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1907, 28 May 82, p 1381] [COPYRIGHT: Rene Moreaux et Cie Paris 1982.] 9855

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MOZAMBIQUE

BRIEFS

CAHORA BASSA ELECTRICITY PRODUCTION--Electrical energy produced by the Cahora Bassa dam will be able to reach central and northern Mozambique by the middle of 1985, when the work and projects now being carried out under the heading "Center-North line" are complete. When this line becomes operational it will enable Mozambique to directly consume almost 20 percent of the electricity produced by the dam. The annual growth rate is expected to be 10 percent. Next December the first phase of the construction of the Center-North line will be completed. Current will then reach Mocuba, in Zambezia, making it possible to implement a number of industrial, agricultural and mining development projects. Among the centers slated for development are Caia (heavy industry), Luabo, and Marromeu (sugar industry). Electrical energy will also be brought to the urban centers of Nampula, Quelimane and Pemba; these areas now rely on old diesel oil power plants. The second phase of the project--which has already begun--will bring electricity to Nampula. Pemba is the objective of the third phase, which also provides for a number of secondary lines leading from the main one that will provide electricity to less important industrial and urban centers. The whole project will cost $230 million; it is to be financed by credit lines opened by French and Italian banks. The work will be done by a consortium of enterprises of these two countries. Bids have been requested internationally for the construction of six secondary stations on the line. At present Mozambique uses a very small part of the total energy produced by the Cahora Bassa dam, and part of that is transformed in South Africa before being sent back to Mozambique. Zimbabwe is interested in buying electrical energy from Cahora Bassa; the second power plant would have to be installed for this. Most of the energy produced by Cahora Bassa is now sold to South Africa, although acts of sabotage against the high voltage power lines interfere with these sales. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1907, 28 May 82 p 1413] [COPYRIGHT: Rene Moreux et Cie Paris 1982.] 9855

NETHERLANDS BEIRA PORT LOAN--The Netherlands granted Mozambique a 31 million florin loan (approximately 12 million dollars) on 7 July to improve the port of Beira. The loan is reimbursable in 25 years at a rate of interest of 0.75 percent and carries a 10-year grace period. The funds will be used for the purchase of materials and services in the Netherlands. [Excerpt] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 16 Jul 82 p 2041] [COPYRIGHT: Rene Moreux et Cie Paris 1982.]

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NIGER

EFFECTS OF DECLINE OF URANIUM PRICES, FRENCH AID NOTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1905, 14 May 82 pp 1251-1254

[Article by Jacques Latremoliere: "Niamey, a New Rate of Development"]

[Excerpts] There is no doubt that Francois Mitterrand has chosen Niger for his first presidential trip to tropical Africa because Col Seyni Kountche was one of the first African heads of state to make contact with him after 11 May 1981. It is also because this "midway republic"--which is not only a neighbor of war-torn Chad and of that seething mass of ethnic groups and cultures that constitutes Nigeria but also part and parcel of the Sahara region agitated by Qhadhdhafi's propaganda--plays a particularly important role in French policy.

Nigeriens and French have a lot to discuss in the political and economic spheres. But for these talks to be conducted on a sound basis, both sides will have to dwell in depth on their past relations. French people are not aware of the identity problem experienced by Niger. It is questionable whether the Nigerien people themselves have a correct appreciation of this problem. In France, Niger is often viewed as one of those artificial states whose borders were drawn according to the whim, arbitrary decision or interests of the former colonizer. This is perhaps true in the case of its Saharan borders, although the officers and geographers who drew those borders took into account the points to which the populations were gravitating. In any event, its southern borders were set for specific reasons and it is hard to understand why some Nigeriens deplore the split of ethnic groups for which the colonizers are blamed.

These are not simple differences of opinion among scholars. Some provinces--because they were distant or had princes who were good at maneuvering--managed to avoid being conquered or falling within the sphere of influence of the Shehu of Kouka and of the emirates rules by the Foulbe aristrocracy, thanks to a sense of identity which Niger was able to turn to good account to consolidate its national unity endangered by the length of its vital central region.

It is also inaccurate as well as risky to consider the Kaossen rebellion of 1917 as one of the heroic moments of the Nigerien resistance to colonialism. Inspired and armed by the Senussiya--whose former ambitions Colonel Qhadhdhafi tends to espouse today after ousting the last khalif from the Libyan throne--in the Nigerien arena that rebellion merely represented, the resistance of the Berber groups, both pre-Touareg and Touareg[1], to the inevitable dismantling of their symbiotic association with the black inhabitants of the Sahel.

The Tambari of the Kel Gress, for instance, insisted on describing the annual taxes paid to the French administrator as a "war tribute" and this attitude did not change when the French left. In 1981, Qhadhdhafi used it as an excuse to accuse Niger of "persecuting the Touaregs" and it was a decisive factor in the betrayal committed by Mohamed Ag Ahmadou, Colonel Kountche's former principal chief secretary, who defected to Tripoli with 11 other disaffected companions. This incident shows that the Touareg society is unstable rather than that it wants to form a separate state. It is a socio-economic problem rather than a political problem but is just as important for the government in Niamey, considering the location of the uranium deposits, its major source of revenue.

Misunderstandings To Eliminate, Objectives To Understand

With Francois Mitterrand arriving in Niamey in a few days' time, these historical facts need to be recalled so that the effectiveness of his visit is not marred by basic misunderstandings. It would be to the advantage of Niger to revise some of its national themes, not so much because they have anti-French overtones but because they actually run counter to Niger's goals of cohesion, strongly shared by France which is bent on preventing the creation of new methods of destabilization in the region.

The same change of attitude is required on the part of the French side where people have taken a long time to accept the overthrow of Diori Hamani, who was considered to be one of the pillars of the independent French-speaking Africa, and to discontinue their biased remarks against the authors of the overthrow. Jean-Pierre Cot's few words on 18 September 1981 when, addressing the European and African Press Association, he mentioned that military regimes in Africa represent an "acknowledgment of failure" caught people's attention in Niger because it came shortly after Colonel Kountche's visit to Paris. The problem with that phrase is not so much its literal meaning as the interpretation attached to it: namely, that in the view of the French minister a military regime can be justified when a situation becomes catastrophic but that there can be no recovery at all unless there is a return to civilian rule. According to this interpretation, the minister was not stating a fact but expressing a political principle which caused irritation.

As a political principle, the idea is questionable. If 8 out of the 15 French-speaking countries of tropical Africa are now under military regimes or under regimes headed by military leaders, it is partly because, in those countries, the army is the normal career for high school graduates from the poor classes, unlike the sons of civil servants and merchants who prefer to go into other careers. Also, in a period of crisis, it is natural for the army to be considered as a repository of learning and its honesty seems to be guaranteed by the fact that the military stay away from top economic positions. In Africa, contrary to what happens in other continents, most military governments have escaped the charge of being the tools used by the establishment--consisting of landowners, industrialists and businessmen--to curb the aspirations of the masses.

In Niger, through his personality and by keeping a tight rein on his associates, Col Seyni Kountche has succeeded in maintaining the spirit of discipline and integrity which led to the overthrow of Diori Hamani's regime. He did not try, as was done in Benin and in the Congo, to advance his own interests by setting the Marxist ideology in motion through the expedient of a party whose leadership posts are occupied by more or less the same men who form the general staff. What he has tried to do is to channel the youth toward specific tasks of public purpose, among others, land development, building schools, health centers and small dams, planting trees, by incorporating that youth into the Samarya which now has 9,000 village cells and includes close to 60 percent of persons under 30. In the sphere of rural economy, he opted for the cooperative system. The genuine and voluntary participation of all social classes in this project which, since February of this year, has been given the label of "development society," offers in Niger the peculiarity of not claiming to be inspired by a revolutionary ideal but by the tradition of its basic political and administrative structures which have always covered the entire country, even during the colonial years, in Niger as well as in Moslem Chad and in northern Nigeria.

Today, Niger is one of the few French-speaking African countries where tribal chiefs have direct access to the central government in their official capacity and are entitled to participate in the task of parastatal development. The alliance between the regime and the tribal chiefs increases the points of contact with the masses and greatly decreases the measures which need to be taken. It is to be hoped that Francois Mitterrand will recognize this policy as being socialism in action even if it is not called by that name. This will help the two governments reach the fairly large number of decisions which they need to adopt jointly.

After settling these preliminary problems, both heads of state must clarify a problem the solution of which is of paramount importance for the economy of Niger and for that country's relations with France: it is the question of the uranium. To understand the conditions which under the talks will take place, one must remember that in 1981 Colonel Kountche made a public statement strongly denouncing international speculation which, according to him, has prevented the Nigerien state from pursuing its development goals by bringing down the price of that metal on the international market. In 1981, uranium revenues--in terms of direct and indirect taxes, dividends and others--amounted to just 11.7 billion CFA francs compared to 26.8 billion in 1980, so that instead of providing enough assets to cover 90 percent of the investment budget, these revenues only contributed 6 percent.

Uranium, Niger and France

France, represented by the COGEMA (a subsidiary of the French Atomic Energy Commission dealing with the fuel cycle) and by other French companies such as the CFMU (French Uranium Ores Company), MINATONE [expansion unknown] and Pechiney-

Mokta, holds a 54 percent interest in SOMAIR [Aïr Region Mining Company].[2] On an average year, France buys 30 percent of the uranium it requires from Niger and French purchases represent slightly less than 50 percent of the total production which, in 1981, amounted to 4,200 tons of uranium metal representing 5.700 tons of exported yellowcake. France then was likely to feel that the criticism made by the Nigerien head of state was directed at it.

The latter's disappointment is the more acute because his coming to power had coincided with the petroleum crisis which followed the Yom Kippur War. As a result, production of uranium metal jumped from 1,306 tons in 1975 to 4,200 tons in 1981 while the price of a kilo of uranium rose from 8,750 CFA francs to 24,500 CFA francs. This resulted in the investment capabilities of the country being greatly increased. The investment budget could be 10 times higher. This investment drive was accompanied by important requests for foreign funding which meant that between 175 and 1980 the external debt of the state quadrupled (approximately 190 billion CFA francs). During that same period, the GDP increased in value by 8.6 percent. The size of the projects increased accordingly and the development plan for the 1979-1983 period envisaged a 9.5 percent annual growth rate. This far-reaching plan reflected the optimism of a nation which thought that it was finally going to overcome its poverty of many centuries, a poverty felt to be particularly unfair for a country which had joined the market economy.

The price slump is not enough to justify the recession which followed. Uranium is still not quoted officially in the London Metal Exchange. The quotations put out by the NUEXCO [expansion unknown], a private organization, only give an indication of the spot prices based on sales of small amounts of uranium and these prices have dropped from $45 a pound in 1978 to a current $25 or $26, or 15,500 CFA francs per kilo. At the initiative of the COGEMA, the group of German, Italian, Japanese and Spanish shareholders with stock in SOMAIR and COMINAK have agreed in 1982 to pay a surcharge on Nigerien uranium raising its price to 24,000 CFA francs per kilo, but this move will not prevent the 1982 revenue which the state derives from these two companies falling below 10 billion CFA francs.

The real problem lies in the decreased demand for uranium in the world market. The major producing countries, such as the United States and Canada, are also the main users of uranium. They produce enough to satisfy their own requirements and have huge reserves without even counting the reserves of the uranium in Namibia and Australia. The rate of growth of consumption in the world cannot be measured by the example of France because the French nuclear program constitutes a genuine epiphenomenon as a result of the fairly moderate attitude of its environmentalists and of the fact that the EDF [French Electric Company], which is a state company, can take out long-term loans without desperately trying to seek profits. While it is true that the cost of one oil or coal-generated kilowatt is respectively three and two times higher than the cost of one nuclear kilowatt, in the case of the nuclear kilowatt most of that cost represents the initial investment. This is why in Anglo-Saxon countries, where the generation of electricity is in the hands of private companies, the fact that it takes a long time to build a nuclear power station (around 12 years) acts as a deterrent given the uncertainty of changes in the price of equipment. The overall situation is already negative in the United States, where there have been far more cancellations than new orders.

France itself could be led to take advantage of some characteristics of the uranium market. Indeed, its own estimated reserves (150,000 tons with about 2,600 tons mined annually) will only last 50 years providing that its power plants continue to operate as they are doing now by importing 60 percent of the uranium requirements, or 23 years if they only use French uranium. But the rate at which uranium will be purchased could be influenced by the advan-advantages offered by the storage of concentrated uranium from the viewpoint of cost (a 3-year supply of uranium to feed a power station costs the same as a 3-month supply of fuel oil) and of the storage area required (a 2-year supply or uranium for all the French nuclear power plants can be stored in a hangar). Consumption will also decline as the use of the breeder reactor becomes more generalized and this has nothing to do with the fear of exhausting reserves of fuel but with wanting to use the potential energy of uranium more efficiently.

Looking ahead 30 years, and barring a political upheaval which would result in Europe being cut off from the oil fields of the Middle East, this situation is not likely to improve since Great Britain has its offshore oil in the North Sea, the FRG has large reserves of lignite as a backup fuel and Japan, which could be a good buyer or uranium, is suffering from an acute attack of "environmental fever." After that period, the prospects for uranium could be good again if, as will probably be the case, no other source of energy is found which can replace uranium from a commercial standpoint.

Summing up, one cannot suspect the companies, either French or foreign, which are involved in the mining and concentrating of uranium in Niger of being in that business for speculative purposes and, as far as that country is concerned, these companies continue to be irreplaceable clients. Half of the production of concentrate of sodium uranate or concentrate of magnesium uranate, not sold to Frence, is regularly exported to the other four countries, partners of SOMAIR and COMINAK, in proportion to the capital contributed. The ONAREM (National Office of Mineral Resources of Niger) sold 2,000 tons of concentrated ore to Libya with a surcharge even higher than the one paid by the Western countries. The use to which that ore will be put remains unclear.

Along with extracting the ore the operating companies and their shareholders are careful to make this a profitable operation and to bring to the Saharan population the technical benefits which result from these operations. The first unit (ly megawatt) of a coal-burning thermal power plant in Anou-Araren, which burns locally mined coal, began operations in 1981. This power plant is run by SONICHAR [Anou-Araren Coal Company of Niger], a company in which the Nigerien state holds 60 percent interest, the Islamic Development Bank. 23.4 percent, and SOMAIR and COMINAK together, 16 percent. A second unit with the same generating capacity will be added to the first to provide electricity to the mines and the concentration plants, and to neighboring towns, especially to Agades. The agricultural experiment of AMIDAR (Arlit Hydro-agricultural Development) run by the CEA [Atomic Energy Commission] under the sponsorship of

Nigerien Ministry of Rural Development, an experiment which involves pumping water from deep layers and using mineral fertilizers to improve the soil, has made it possible to plant orchards and fields right in the middle of the desert, initiating the local population in the use of irrigation. The project is already supplying the personnel of the mines, in Agades and even in Niamey with fruits and vegetables during part of the year.

The 650 kms of road between Tahoua and Arlit--which was completed in December 1980 and is absolutely essential to supply the mining district (25 kilos of material and miscellaneous products must be brought in to obtain 1 kilo of uranium concentrate)--was financed by CONCERTA [expansion unknown] with the mining partners contributing 75 percent as their share. These partners have also helped to set up the Mining School of the Air Region which graduates 40 foremen a year. Some of them go to work in the mines while the others have no trouble finding jobs in Nigerien industry.

The fact remains that the expansion of mining operations will be slowed down by the economic situation and that it will be subject, above all, to an increase in demand. The N'Iassa N'Taghalgue Mining Company (SMTT) constituted by ONAREM, COGEMA and Kuwait Foreign Trading Contracting and Investment, pursues that goal. A consortium formed by ONAREM, COGEMA and the U.S. company CONOCO has carried out exploration work in the region of Imourarem, 90 kms south of Arlit. These operations have revealed the existence of a deposit of 100,000 tons of low-content uranium. Fluor (USA) and Creps (France) have conducted a feasibility study on that deposit. Prospecting for coal continues and, in this sphere, important signs and deviations have been noted.

Necessary Adaptation

The decline in earnings, created by the drop of uranium prices in the market, has meant an economic slowdown and a significant heightening of social tensions. Another effect was that the Treasury reserves have almost disappeared, dropping from 20 billion to 10 billion CFA francs in 2 years and these reserves were, in fact, the security for the government debt in the private sector (public works) and in the semipublic sector. This development is accompanied by a higher foreign trade deficit, by the postponement or delay in the implementation of major projects (a sugar refinery in Tillabery, a cement plant, a dam in Kandadji) and, finally, by a drop in the number of orders with consequent financial difficulties for the enterprises.

At the same time, the country is turning more and more to foreign aid to finance its programs. In 1981, the amount of foreign aid received was 84 billion CFA francs, of which 25 billion were provided by France and, in 1982, the latter is expected to give at least 5 billion more; the amount of Arab aid requested for the current fiscal year is almost 20 billion CFA francs.

Niger realizes the importance of this aid even if only half of it is free of charge and even if it means a future increase of its debt servicing charges which have already jumped from 2.4 billion CFA francs in 1976 to 16.6 billion

1982. But Niger must also realize that there is a certain gap between the abundance of proposals and aid given and the reality of the economic situation.

For the time being, nothing is likely to replace uranium in the country's package of resources. Peanuts and cotton have practically disappeared from the statistics. Exports of meat and of cattle on the hoof remain at their usual low level. Prospects are good for the textile industry where SONITEXTIL [expansion unknown], formerly NITEX [expansion unknown], has been strengthened by its partnership with Schaeffer, Riegel Textile Corporation, CFAO [French Company of West Africa] and CNF [expansion unknown]. But its production will only go to the domestic market. ELF [Gasoline and Lubricants Company of France] continues to carry out explorations in the area around the oil fields of Agadem, between Termit and Bilma, but nothing has indicated, so far, that the project could be profitable. Projects to mine phosphate and iron ore in Say are still in the initial stages.

Uranium has produced an export economy the profits of which should have made it possible to exploit more mineral resources, to implement large projects and to develop potential resources on an industrial scale. In the same measure that uranium revenues decline, the economic objectives must be redirected, lacking support from exports toward agriculture to substitute for imported goods, but despite the fact that it is very important and in conformity with the social organization established in the country by the new regime, this cannot have the same attraction for international capital. It is to be hoped that the gap mentioned in the previous paragraph will close gradually.

This situation requires more than just postponing the implementation of unprofitable projects and revising the estimated expenditures of the 1979-1983 5-year plan. It also calls for using the maximum amount of available financial resources, that is to say foreign resources, to replace unnecessary imports, mostly by making the country self-sufficient in food production. Col Seyni Kountche, who keeps a close yearly account on the crops, thinks that in 1982 the country will probably have to buy 120,000 tons of grain which will increase the deficit of the balance of payments by 20 billion CFA francs.

Because it is consistent, French and European aid will play an important role during this period, which is not so much one of "harrowing changes" as of adaptation to circumstances; it has already done so by channeling most of its available funds into hydroagricultural development projects in the Niger River Valley. The recently started projects of Namarde-Goungou, Karma and Karaigorou will increase the irrigated area by 1,200 hectares, and the EDF [European Development Fund] will have thus financed 25 percent of Niger's water projects for agricultural purposes.

French aid stands at a high level. In terms of value, it amounts to 30 percent of all aid given by foreign governments. This aid was the driving force behind the study and implementation of big projects such as Kadandji, the railroad between Parakou and Niamey, the telecommunications network, the university, and industrial and mining development. But in the sphere of rural development, the assistance has been limited (23 percent of the credits granted by the Aid and Cooperation Fund and 10.4 percent of loans extended by the Central Fund for Economic Development during the last 5 years) and a change of policy is required. There must also be a change of direction in the technical aid system which has hardly evolved.

Uranium is not "finished" as some people are happy to announce. For a certain period of time, and it is hard to say how long, uranium will have to occupy a less prominent position in the programs. Investments must be selectively revised. This is not a heart attack but, as a mechanic would say, a slowdown in the timer regulating the speed of development. After clearing away the ambiguities cluttering the conference table, President Mitterrand and President Kountche will be able to effectively devote their talks to the tenor of the changes required as far as French aid is concerned.

FOOTNOTES

1. Currently, they number 800,000 and are divided in several "confederations": Sandal-Amakitan in the Koutous, Kel-Air and Kel-Gress. There are also some Ulliminden near Mali and some Jambanza ("red foreigners" in Hausa) who arrived in that region before the Touaregs. By extension, the Berbers are called Azbinawa (men from Air) in Niger.

2. In 1979, the capital stock of SOMAIR (Air Region Mining Company) was 4,348.9 million CFA francs distributed as follows: Nigerien state (ONAREM [National Office of Mineral Resources]), 33 percent; COGEMA, 27 percent; French companies, 27 percent; Urangesellschaft, 6.5 percent; Agip Nucleare, 6.5 percent. The COMINAK (Akouta Mining Company) had a capital stock of 3,550 million CFA francs with ONAREM holding 31 percent of the stock; COGEMA, 25 percent; OURD [expansion unknown] (Japan), 25 percent and ENUSA [expansion unknown] (Spain), 10 percent.

8796
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SENEGAL

COUNTRY'S NEUTRALITY IN FALKLANDS WAR SEEN AS 'CURIOUS'

Paris JEUNE AFRIQUE in French No 1115, 19 May 82 p 26

[Article by our special envoy in Dakar, Siradiou Diallo: "Senegambia Requires It"]

[Text] Dakar and the Cape Verde peninsula have always been considered a strategic position of prime importance in the eyes of military experts. It is known that during the last year (1939-1945), De Gaulle tried in vain to conquer it. And the Petain regime did all it could to retain it. During the negotiations which led to Senegal's independence (1960), the French government insisted upon keeping a naval air base in Dakar. The strategic interest of the Cape Verde peninsula has just been discovered by the British government on the occasion of the Malvinas war.

For two weeks, Royal Air Force planes coming from their bases in Great Britain have been putting on a veritable airborne ballet in the skies above the Dakar-Yoff airport. Hercules C-130 type aircraft heavily laden with war materiel land or take off there in very quick succession. Time only to fill the tank, refurbish the water supply, and quickly check the engines. On the landing strip, it is not unusual to find a civilian Aerolineas Argentinas plane parked next to the RAF planes. The apparent Senegalese neutrality is such that the British and Argentine crews could fraternize, if they wished to do so. When they have time to rest and relax somewhat, they coexist and get along on very good terms at the Hotel Teranga, at the Diarama or at the Ngor Hotel.

While waiting to do battle under less kindly skies, British and Argentines stroll around like amiable tourists, cameras and movie cameras slung over their shoulders, through the streets of Dakar.

It is a curious neutrality which allows the planes of one former colonial power, Great Britain in this case, to use the airport of a non-aligned country to go bomb the territory of another non-aligned country! Of course, with the birth of Senegambia, Senegal's heart beats somewhat to the rhythm of the Commonwealth. It is not in the name of the solidarity of the members of this group that another African country, Sierra Leone, is authorizing British warships on their way to the Malvinas to put in at Freetown? Might we say that North-South relations are solid in ways in which South-South ties are not? The attitude of the Dakar and Freetown governments in any case reveals the weakness of of Third World organizations. Fortunately, over and above the official positions, the people's hearts do not waver. In this case those of the African peoples beat to the rhythm of the viva Argentina! ("Long Live Argentina!"). And so it will be as long as there remains one parcel of colonial territory to be liberated.

9927
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SUCCESS OF MUGABE'S EUROPEAN TRIP REPORTED

Paris JEUNE AFRIQUE in French 9 Jun 82 pp 28-29

[Article by our Harare special correspondent Francois Soudan: "In the Land of Continuing Miracle"]

> [Text] Robert Mugabe came to introduce his country to Europe. With some strong trumps in his hand.

Robert Mugabe is a calm president. Unlike some of his African counterparts, glued to their presidential palace out of an obsessive fear that a coup d'etat is just waiting for his departure to break out, the Zimbabwean prime minister on 3 June was to complete a trip far from Harare. What better argument, after all, could there be than such a long absence--seven European countries visited in close to three weeks*--to demonstrate to the West that there was no substance to the dire predictions of civil war that have been stirred up continually since the ouster of Joshua Nkomo in February 1981? "Zimbabwe is a stable country," Robert Mugabe said repeatedly in both private talks and press conferences. "Help out. Invest. History will vindicate you." Did he persuade his listeners, this 57-year-old former guerrilla leader who 26 months ago became prime minister of what used to be white-farmer Rhodesia?

Doubtless it is too soon to say. But after several days spent between Harare and Bulawayo, from townships to ministerial offices, one can at least say with certainty that there is a case to be made.

The first success, and a remarkable one it is--Mugabe called it a "veritable miracle" in London--was the formation of an integrated national army. The odds were certainly against any attempt to turn ex-freedom fighters accustomed to loose discipline into a highly structured force by integrating them with the white offiers who formerly served under Ian Smith and had fought against them for 7 years. Especially since relations between the guerrillas of ZIPRA [Zimbabwe People's Liberation Army] (Nkomo) and ZANLA [Zimbabwe African National Liberation Army] (Mugabe) have not been warm since pre-independence days. It is a fact unique in the annals of colonialism that it is the same white general--Sandy MacLean--who was commander in chief of the colonial army,

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* Great Britain, West Germany, Italy, Holland, Belgium, France and Greece.

who today commands his former adversaries, the latter having moved up from the status of "terrorists" to that of regular soldiers. Assisted by Rex Nhongo (the former commander of ZANLA) and Mafela Masuku (ZIPRA), MacLean is at the head of 60,000 men who have been trained and organized by 70 British advisers and 300 "recycled" white officers. This army, the reorganization of which was completed several months ago, has in the main succeeded in withstanding the tensions which divided Robert Mugabe and Joshua Nkomo in 1981: only 500 ZIPRA guerrillas (out of 20,000) deserted when "Big Josh" was thrown out. There remains one question, however: what is ultimately to be the real mission of the 5th brigade, trained in the eastern mountains by North Korean instructors and composed exclusively of former "Mugabe-ite" combatants from ZANLA? Some observers in Harare believe that this elite unit, extremely low-profile at the moment, might well constitute Robert Mugabe's pretorian guard...

The spectacular military reconciliation is in fact nothing but the reflection of another, more fundamental one: that between Whites and Blacks. "You are Africans like us," Mugabe had told them. "We want you to stay." Hostile, then skeptical (40,000 of them left the country in two years), many were finally convinced, and the emigration rate has been in decline for several months. These 170,000 "white Zimbabweans" (compared to 210,000 at the time of independence) are no longer interested in politics, and only two things matter to them: the education of their children, and maintaining their standard of living.

At their private pools and bridge clubs they talk at great length about their apocalyptic fears that the social changes made by the new regime will translate into a decline in their income. And it is true that free primary education, the spectacular expansion of the health infrastructure, the general increase in wages and the creation of 100,000 jobs have considerably increased their tax burden. But it is also true--and many admit it--that they would never find such quality of life in Europe, Australia or even South Africa: "Zimbabwe is super!" proclaim the tee-shirts worn by their fair-haired children.

But for the great rural masses--90 percent of the 7.5 million inhabitants--the change from Rhodesia to Zimbabwe is not always in evidence. Only 14,000 peasant families crowded into the Tribal Trust Lands (native reserve areas on poor land) have been re-established on white farms abandoned by their proprietors. Officially it is claimed that in the next 3 years some 164,000 families will be established in this way. But in order to do that it is necessary to compensate the European farmers--credibility compels it--and thus considerable sums of money must be mobilized. This is undoubtedly the most difficult problem today confronting Robert Mugabe and his finance minister, Bernard Chidzero. Especially since the Zimbabwean economy, once the euphoric boom of the months immediately following independence had subsided, has settled into an unstable equilibrium. Growth in Gross National Product [GNP], which had reached the remarkable level of 12 percent in 1980 and 10 percent in 1981, will probably not exceed 5 percent this year. The rumors of a massive devaluation of the Zimbabwean dollar (between 12 and 20 percent) are becoming increasingly believable in Harare, and several gold, nickel and asbestos mines belonging to Anglo-American and Turner Newall, have had to either close their operations or cut back. Worldwide recession, drop of currency, the disastrous corn harvest of 1981 (down 45 percent because of drought) and the shortage of skilled labor are probably responsible for the disappointing level of Western investment, in spite of the modest success a year ago of the International Conference for the Reconstruction and Development of Zimbabwe (ZIMCORD). This concerned Robert Mugabe and allegedly convinced him to go to Europe to plead the young republic's cause, despite his abhorrence of "the perpetual mendacity of some Third World leaders." He came to obtain the loans needed to finance the very ambitious 1983-1986 development plan, which calls for expenditures equal to Fr 34 billion, or CFA Fr 1,700 billion, 38 percent of which are supposed to come from OECD [Organization for Economic Cooperation and Development] countries.

Is there real substance behind his high-sounding words, and does he have the nationwide base needed? Apparently, yes. His prestige has not been tarnished in two years of independence, and his party, ZANU, [Zimbabwe African National Union], has a solid majority (57 of 100 seats) in the parliament. Especially since the spectacular winning over of five of the 10 white deputies in Ian Smith's Republican Front (which has now become politically insignificant). There remains Joshua Nkomo's ZAPU [Zimbabwe African People's Union], which is still quite popular in Matabeleland and which has not without reason been accused of fomenting armed disorders. But between the hardliners of his party grouped around former political commissar Dumise Dabengwa (known as the "black Russian") and the conciliators (particularly the four ZAPU ministers who remained in the government after the ouster of their leader), "Big Josh" is left with nothing more than an increasingly marginalized role as mediator.

In any case, he is no longer the undeniable leader of the opposition, the alternative he had hoped to become. And it will not be for him to exploit the real differences within ZANU dividing a radical central committee born in the guerrilla phase and a very pragmatic governing team. These differences, incidentally, are responsible for the prime minister's sometimes inconsistent rhetoric: violent, very "Comrade Bob" when he speaks in Shona to members of his party; moderate, almost soothing when he speaks in English to white farmers. Split personality? No, the tactical skill of a loner for whom solitude, up to this point, has been a pretty good teacher.

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