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AFRICA

TRANSLATIONS ON SUB-SAHARAN AFRICA
FOUO No. 620

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___ Cameroon	___ Lesotho	___ Somalia
x Cape Verde	___ Liberia	x South Africa
___ Central African Empire	___ Madagascar	___ Swaziland
___ Chad	___ Malawi	___ Tanzania
___ Comoro Islands	___ Mali	x Togo
___ Congo	___ Mauritius	___ Uganda
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TRANSLATIONS ON SUB-SAHARAN AFRICA

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PAN-AFRICAN DEVELOPMENT INSTITUTE ACTIVITIES REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 28 Dec 78 p 3364

[Article: "Activities of the Pan-African Institute for Development"]

[Text] The Pan-African Institute for Development [IPD, General Secretariat in Geneva] is particularly interested in rural development, which it promotes through the training of students in its three regional institutes: in Douala, Buea and Ouagadougou. A fourth center is planned for east Africa.

In the course of the academic year 1977-78 the Douala center enrolled 48 students, coming from Benin, Burundi, Cameroon, Gabon, Upper Volta, Madagascar, Niger, Rwanda and Togo.

The Buea center was attended by 61 students, coming from Botswana, Cameroon, Ethiopia, Gambia, Ghana, Kenya, Liberia, Malawi, Nigeria, Uganda, Sierra Leone, Somalia, Sudan, Swaziland, Tanzania and Zambia.

Under a contract with the government of Upper Volta, the Ouagadougou center has organized the training of 25 potential members of the higher staff in matters of rural development.

In these three African centers the Institute employs 53 experts: economists, sociologists, engineers, etc., of all nationalities, European and African.

Estimated expenses for the current fiscal year (1978-79) amount to 720 million CFA, and the budget is guaranteed by contributions of donating organizations and industrialized countries, and by subsidies from various African states (Nigeria, Ivory Coast and Cameroon.)

At the regional meeting for Africa of the United Nations conference on science and technology for development, the IPD presented a working paper dealing with the effective utilization of science and technology for development. Furthermore, the IPD published, in September 1978, an important selected bibliography on integrated rural development.

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ARAB AID TO AFRICAN COUNTRIES REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3427

[Excerpts] During the second quarter of 1978, the Kuwaiti Fund for the Development of the Arab Countries and the Saudi Development Fund granted 14 developing countries in Europe, Asia and Africa loans totaling the equivalent of $373.94 million to finance projects concerned with electric power, telecommunications, railroads, ports, road construction, irrigation and water supply, industry, education and other programs of social interest. We publish below the details on grants involving Africa (for the first quarter, see MARCHES TROPICAUX ET MEDITERRANEENS of 29 September 1978, p 2573):

Mauritania

Construction and equipment of a national police academy at Nouakchott and 10 outbuildings for academy administrative personnel (total cost: Rl 12 million).

Construction of a law and court complex at Nouakchott (total cost: Rl 20 million).

Construction of a hospital in El-Aioun and restoration of the clinics in Bouji, Boutilimit and Tamboura (total cost: Rl 10 million).

Development of Nouakchott Radio Broadcasting Station programs (total cost: Rl 8 million).

Restoration of wells and construction of 64 new wells (total cost: Rl 30 million).

Construction of a printing house for textbooks and academic volumes and of schools in most towns (total cost: Rl 20 million).

Saudi Development Fund: Rl 100 million (terms not published) for these various projects.

Benin

Restoration of the Godomey-Bohicon- Abomey Highway; repair of asphalt and laterite roads; purchase of necessary equipment; a study for the improvement of the Ouidah-Allada Highway (total cost: KD 6.01 million).

Kuwaiti Fund for the Development of the Arab Countries: KD 2.25 million. Rate of interest: 2%; term: 25 years; deferred: 5 years.

Guinea-Bissau

Extension of Bissalanca Airport runway from 2,400 to 3,200 m, drainage and fencing. Reinforcement of the runway and access roads. Provision of lighting and navigational aids in conformity with ICAO [International Civil Aviation Organization] standards. Construction of a power plant with connecting network and civil engineering projects. Construction of an 1,800-square-meter terminal and a fire-fighting station (total cost: KD 3.78 million).

Kuwaiti Fund for the Development of the Arab Countries: KD 2 million. Rate of interest: 2%; term: 25 years; deferred: 5 years.

Installation of an industrial complex in the Cumere area for the processing of local products (peanuts, rice), for the production of crude and refined oil, of proteins, oil cake, cattle feed, polished rice and soap (total cost: Rl 270 million).

Saudi Development Fund.

Liberia

Construction of a 61-km road between Tubman Bridge and Bomi Hills and a concrete bridge across the Saint Paul River (total cost: Rl 80.8 million).

Saudi Development Fund: Rl 31.8 million (terms not published).

Extension of the Bishroud Power Station through the installation of two 13-Mw diesel generators designed to supply 5,000 moderate-income Monrovia families and meet the country's energy needs until 1982 (total cost: Rl 108 million).

Saudi Development Fund: Rl 38.8 million (terms not published).

Gabon

Construction of the Trans-Gabonese Railroad; provision of locomotives, the signaling system and telecommunications (total cost estimated at Rl 4.657 billion).

Saudi Development Fund: Rl 70.6 million (terms not published).

Kenya

Conversion of the Sansumua Dam into a flow-control dam. Construction of three distribution reservoirs, two pumping stations and 200 km of conveyor conduits to supply Nairobi with water (total cost: Rl 80.8 million).

Saudi Development Fund: Rl 31.8 million (terms not published).

Madagascar

Construction of a concrete diversion dam, a tunnel and an underground hydroelectric power plant at Andekaleka. Installation of two 28-Mw turbines and two generators. Construction of a 150-km-long 138-kV power line to Antananarivo and three stations (total cost estimated at Rl 408.63 million).

Saudi Development Fund: Rl 42.4 million (terms not published).

As of 1 July 1978: 1 Saudi rial = $.29, 1 Kuwaiti dinar = $3.63.

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INTER-AFRICAN AFFAIRS

CLUB DE DAKAR PROPOSALS REVIEWED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 1

[Editorial: "Proposals of the Club de Dakar for the Renewal of Lome"]

[Text] Negotiations for the renewal of the Lome Convention formed the main background of the work of the fifth general assembly of the Club de Dakar, analysed below by Jacques Ferrandi, former director of the European Development Fund, and a member of the club.

Faced with sudden changes in international economic affairs which the president of the club Mr Mohamed T. Diawara summarized, the industrialized countries and the PVD [underdeveloped countries] tried to define a new contractual framework for their trade which would be applicable simultaneously on a world-wide level through the international institutions (UNCTAD [United Nations Conference on Trade and Development], UNIDO [United Nations Industrial Development Organization] etc.), and on the regional level. Negotiations on the world-wide level are progressing only slowly and by fits and starts because of the excessively diverse motivation of the different partners, as became evident in the recent failure of the Geneva Convention on the common assets of raw materials. On the other hand, the nine countries of the European Community and the 55 countries of Africa, the Caribbean and the Pacific (ACP) have succeeded in organizing their trade within the framework of the Lome Convention.

In both cases the objective of the underdeveloped countries is the same: To secure their growth by promoting their general industrialization, which is considered a necessary condition for their agricultural development. This objective is likely to be fulfilled only under three conditions. The underdeveloped countries must find outlets for their manufactured products not only in their own markets but, on a substantial scale and for a long time, on the markets of the industrialized countries. They must be able to raise, under acceptable conditions, the private capital which is essential to their industrialization, and which they cannot collect totally from their domestic savings. Finally they must be assured of a certain stability in their income earned from exports, that is to say, from the market price of the raw materials which, to this day, still constitute the main bulk of their trade with industrialized countries at profitable rates, particularly in the case of sub-Saharan Africa.

The Lome Convention, with its different funds for financing and with the STABEX [Export Income Stabilization System], fulfills these requirements fairly well on a world-wide scale.

However, if a prolongation of the economic crisis beyond the prognostications of experts should coincide with the first successes of the policy of industrialization pursued by underdeveloped countries, notably Southeast Asia and Latin America, this might pose a threat to the results already obtained. The underdeveloped countries have observed among their industrialized partners a temptation to resort to protectionism in order to defend domestic industries and to safeguard domestic employment, as well as a decline in long-term private investments.

Some forms of "neo-protectionism" practiced by the United States and Europe were denounced in a communication by Prof Bela Balatta, consultant of the World Bank and a member of the faculty of Johns Hopkins University in Baltimore, who would prefer to see the industrialized countries frankly resort to tariffs, which, it seems to him, are more in keeping with the law of supply and demand than are various insidious non-tariff measures such as quota systems, government subsidies within the framework of a "rationalization of industry" and policies aimed at setting up an apportionment of the market.

Is it then necessary to rely on the law of supply and demand alone to bring about the structural adjustments in industrialized countries which would lead to the new international division of labor? Mr Claude Cheysson, who is in charge of development in the Brussels European Commission, but who was expressing his personal views as a member of the Club de Dakar, categorically rejected the very idea of protectionism, which would be "suicidal" for Europe. On the other hand, he advocated a "signal planning", accompanied by a system of "advance alert" which would allow European countries to take, in time, the measures required to bear the economic and social cost of the adjustments imposed by the industrialization of the Third World.

Third World industrialization should furthermore be included--as, paradoxically, it is not--among the criteria to be taken into account in plans for industrial restructuring in Europe, for which the EEC spends from 4 to 5 billion dollars every year.

Such planning should be worked out with the cooperation not only of the state, but also of the economic "operators," industrial and commercial bankers representing the private sector--whose place in the development of the underdeveloped countries would thus be recognized--as well as of representatives of labor.

Moreover, the underdeveloped countries, and particularly the African states, must be prepared to define their priorities and their own projects. These criteria would be met by the project of the Club de Dakar which consists in determining "master plans" of development by geo-economic regions. The Club has already prepared a preliminary sketch of such a plan for west Africa in the broadest sense (from Nouakchott to Kinshasa), for the realization of which it is seeking funds.

As for the financing of investments by the private sector, everyone seems to acknowledge that there is available capital for all projects which are seriously studied and which present the prospect of earning a profit. (The discussion stimulated by Mr Ernest H. Plesser's report on the occasion of the fourth session of the Club in Luxembourg showed that the responsibility of financing non-profit-making projects, in the banking sense of the term, cannot be assumed by the private sector.) If private investors have been hesitating for several years to become more involved in Africa, or, for that matter, in any part of the Third World, it is because they consider the non-commerical risks too heavy. Africans, to whom these fears seem ill-founded, expressed astonishment, in the discussions of the Club, at the requirements of private investors, which they deemed excessive. To relieve their qualms, Mr Claude Cheysson expressed the wish that the next convention of the EEC/ACP should set up a collective guarantee which would supplement the mechanisms of national guarantees, considered inadequate by private investors.

Up to that point the Club members present were, but for a few minor questions, in overall agreement with the positions of Mr Cheysson, or with those of the Brussels Commission, such as they are known. On the other hand, the improvements on the Lome Convention suggested by the Club's president, Mr Diawara, in his opening remarks--suggestions which were not all reiterated in his closing speech--are in opposition to the European Commission. The latter does not regard with favor the creation of new funds to be added to those already existing, a process which often contravenes the objective striven for, and further accentuates the dependence of the beneficiary countries. Within the sluggish economic climate of Europe, a doubling of the amount of the fifth EDF [Economic Development Fund] is not likely to be accepted. Finally, and perhaps particularly, the Brussels Convention is opposed to a "globalization" of STABEX, that is to say, to its extension to all products exported by the ACP (their number is around 1,700) to all destinations, beginning at a threshold of dependence equal to or close to zero, without even mentioning the compensation of the effects of inflation. One might as well guarantee the balance of trade of the totality of the ACP and entrust the responsibility for it to the International Monetary Fund.

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EEC-ACP SUGAR TALKS REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 pp 3363-64

[Article by Brussels special correspondent: "Sugar: Common Front Against Incoherence"]

[Text] In a communication which it recently transmitted to the EEC Council, the European Commission draws attention to the incoherence of the Community and the member states in the sector of sugar. The situation can be summed up as follows: While the world market registers important surpluses, some European enterprises, benefiting from public guarantees, continue to keep up sugar investments in the countries of Africa, the Caribbean and the Pacific, and thus promote overproduction.

In its document, the Commission calls for a common front on projects of sugar refinement in the ACP states which have the backing of EEC states. The incoherence which it has observed has led the Commission to take a closer look at the evolution of investments in process or projected in the sugar sector in ACP countries. They have found that:

--The sugar production of ACP states necessarily earmarked for export will reach 2.9 million tons in 1981, as against 2 million at present (To these should be added, of course, surpluses from other underdeveloped countries, for which only partial information is available.)

--Two-thirds of the projects in progress or planned in the ACP states receive financial backing and technical assistance from Community operators, who generally benefit from government guarantees or interest discounts. The actions of the Community operators are in the fields of promotion, engineering, the management of enterprises, the supply of equipment on credit, as well as in some particular cases, the guarantee of assuring the marketing of sugar for a certain contractual period. In most cases these actions are carried out jointly by one or more European firms.

Situation of the World Market

In the course of the last three campaigns, the sugar market has evolved as follows on a world-wide level (in 1,000 t of raw sugar; September-August balance sheet):

	1975-76	1976-77	1977-78 (est.)
Original stock	17,305	20,440	23,330
Production	82,780	86,080	92,500
Quantities on hand	100,085	106,520	115,830
Consumption (1)	79,650	83,190	85,500
Final stock	20,440	23,330	30,300
Percentage of consumption	26	28	35
Price in free world market, in UCE [European Account Units] tons (2)	273.90	169	130.63

(1) Calculated by the difference between the quantity on hand and the final stock.
(2) Annual average July/June (London "spot" price).

At the same time, the availability for export from the Community tends to increase on account of the "preferential" importation of sugar resulting from the increased production.

Situation on the Common Market

Such a situation poses for the Community and for its member states a very grave problem of coherence between the different policies, internal and external. This incoherence comes to light in the matter of sugar and of the corresponding shipments of production and processing equipment. It also exists in other fields. The Commission has selected the sugar dossier only as an example, in order to provide the data necessary to the appreciation of a significant file, and in order to propose to the Council and to the member states the reflections which it urgently calls for.

The data which the Commission has collected from official sources concern all sugar projects in progress or envisaged in ACP states, whatever may be their source of financing.

From these data it appears that by 1981, after all the projects that were planned have been completed, the production of ACP states will reach 4.8 million tons, as against the present 3.5 million tons. The predicted balance of imports and exports, taking into account the projected development of consumption in the ACP countries, shows a large surplus of sugar production, which the ACP will inevitably earmark for export; available supplies will thus increase to 900,000 t compared to the present situation (current exports of ±2 million tons, of which 1.22 million benefit from the guaranteed Common Market price on the basis of the Lome protocol), that is to say an increase of 45 percent.

Sugar Balance-Sheet of the EEC
(in 1,000 t equivalent white sugar)

	1976-77	1977-78 (est.)
1) Production within the framework of the quotas A+B	9,820	10,740
2) Imports:		
--from ACP and PTOM [expansion unknown] states and India	1,313.2	1,305.2 (1)
--from the Third World		
(a) in original form	27	27
(b) processed	131	128
3) Exports:		
--in original form	1,477	2,859
--processed	262	259
4) Consumption	8,997	9,242
5) Stocks at intervention	941 (2)	1,587 (3)

(1) period of delivery July-June
(2) on 31/12/1976
(3) on 30/9/1977

This increase in global production will arise from 66 identified projects of varying sizes, among which some are still imprecise with regard to anticipated volume of production. Forty-four of these projects are carried out or planned with the help--only exceptionally minimal, but generally considerable--of European operators, who are themselves supported by an arsenal of government aid to exports.

One justification sometimes given for the size of certain projects is that one should guarantee profits by attaining a minimum size. This does not justify the projects destined entirely for export, and it cannot conceal the fact that the only motive for orienting projects in this direction has frequently been the exclusive concern for investing capital goods. In this matter five countries occupy a significant place:

Tons of raw sugar available for export	Actual	Estimated 1981
Cameroon	12,000	100,000
Ivory Coast	0	160,000 (1)
Kenya	0	105,000
Sudan	0	187,000
Swaziland	216,000	359,000

That is to say 683,000 t for only five countries (which could have been 883,000 t).

(1) This figure would have been 360,000 t if the president of the Ivory Coast had not had the courage to cancel operations of 50,000 t each, initially planned for and already almost undertaken.

Some European operators are involved in all the projects concerning the following countries:

Cameroon: France, United Kingdom
Ivory Coast: Belgium, Denmark, France, Netherlands, United Kingdom
Keny: France, United Kingdom
Sudan: Belgium, United Kingdom
Swaziland: Denmark, United Kingdom

The Commission observes that the estimates of sugar production increase in ACP states must be made with a certain prudence. Indeed, among the projects recorded, some are in the process of being carried out, that is, are sure. Others are at the stage of being studied from the technical aspect, or are under financial negotiations. Still others are as yet only under consideration on the part of governments and promoters, and there is still hope that they may be adjourned sine die.

On the other hand, the Commission points out that estimates of the progression of future local consumption are those of the authorities in charge, who communicated the information on this subject. These estimates are not a priori unreasonable, but there is a good chance that they may not be attained. They must therefore be considered with caution, all the more so as the private consumption of sugar, being affected by food habits, tends to lag behind the standard of living.

This estimate of the prospects of the evolution of sugar consumption takes into account only the evolution of its consumption as a food; a new element may be introduced through the utilization of sugar cane and derived products for the manufacture of alcohol to be used as a source of energy. The Commission emphasized that this development would only take on importance in the long run.

The Commission also made clear that the ACP sugar protocol has been set for an indeterminate period, and that modifications can only be expected to take effect by 1 April 1981. One must nevertheless anticipate that the ACP states will try to open up discussions on the outlet for sugar in the Common Market, in light of the situation described above. It is clear that, in the present state of the Common and world markets the EEC cannot consider the slightest increase of the quotas specified in the protocol.

The Commission believes that the same concern must apply in the matter of the sale of equipment for the production and the processing of sugar that the member states can facilitate in other underdeveloped countries.

This reasoning can and must be extended to other domains (such as oil refining or the petrochemicals industry which are or might be subject to the same incoherence. The Commission therefore wishes that a debate would take place in the Council, so that certain principles might be defined the application of which should then be clearly delineated in each sector.

Taking the field of sugar as an example, the Commission proposes that all actions carried out or envisaged by EEC enterprises with the active support of member states should be organized according to a carefully thought out combined effort. This combined effort would be prepared through an exchange of detailed information on all sugar projects which the member states (or else, the Community, through the EDF [Economic Development Fund] or the BEI [European Investment Bank]) would support or plan to support, either directly or indirectly, by the mobilization of loans or through the intermediary of credit-suppliers. On the basis of this information:

--The EEC and its members states would endeavor to adopt more appropriate attitudes;

--The Commission would call the state of the market and its characteristics to the attention of the World Bank, the African Bank of Development and other investors;

--The ACP states and other underdeveloped countries would be informed about the concerns of the EEC; they would be supplied with all data which would give them a better understanding of the context (both world-wide and Community-wide) in which their investment policies in sugar may be fitted.

According to the Commission, the same type of common front should be organized, in forms yet to be defined, in all sectors where an appreciable increase in exports from underdeveloped countries, and notably from ACP states, risks creating serious disturbances in the world and Common Markets with regard to profits or other matters.

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INTER-AFRICAN AFFAIRS

BRIEFS

TRIPARTITE MEETING ON COOPERATION--Presidents Lamizana of Upper Volta and Kountche of Niger came to Lama-Kara (northern Togo) on 7 and 8 December to take part in a tripartite summit meeting whose essential objective was to strengthen the cooperation among the three countries, especially in the area of transport. According to a joint communique made public at the end of the meeting, the three chiefs of state expressed their desire to take all measures to carry out the projects termed "vital" for the states of West Africa as a whole. The three countries should shortly set up a permanent committee charged with promoting and coordinating the projects relative to creation of transport infrastructure. These involve in particular the rail and road connections linked with the project to enlarge the port of Lome. Experts from the industrialized countries could aid the permanent committee in preparing an overall study of these projects. Furthermore, the communique states, the three chiefs of state expressed their satisfaction with their "perfect identity of view" on all the problems raised. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3440] 11267

STABEX GRANTS--The EEC has just assigned 15.25 million UCE [European Account Units] to four signatories of the Lome Convention, under the Export Income Stabilization System [STABEX]. These four countries are: Tanzania, which received 8.1 million for the decrease of its income from export of sisal in 1977; Mauritania, 3.6 million for iron ore; Swaziland, 3.37 million, also for iron ore; and Western Samoa, 88,000 UCE for bananas. Uganda, for cotton, Sudan, for peanuts, and Cape Verde, for bananas, have also asked to benefit from STABEX for the financial year 1977. Their requests are still under consideration. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 3341] 9347

EEC EMERGENCY AID--In order to combat invasions of migrant locusts over the next 6 months in Djibouti, Ethiopia, Kenya, Somalia and Sudan, the EEC has decided to participate in the financing of a United Nations Food and Agricultural Organization (FAO) emergency program in the amount of 1.3 million EEC units of account (UC). The total cost of the FAO program, amounting to 1,663,000 UC's has also been assumed by Belgium (73,000 UC's), Denmark (69,000 UC's), the Netherlands (176,000 UC's), the United Kingdom (135,000 UC's), Saudi Arabia (382,000 UC's) and the Arab Bank for Economic Development in Africa (38,000 UC's). Furthermore, at the request of the United Nations High Commissioner's Office for Refugees, the EEC is going to participate in the implementation of a program of repatriation and resettlement of Zairian refugees. EEC aid will come to 4 million UC's. This program consists of the transportation of 60,000 people from Angola, Sudan, Uganda and Zambia and the resettlement of 110,000 people in Zaire. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p3426] 11466

ALLEGED MULTI-COUNTRY MERCENARIES--Reports from British journalists indicating that Moroccan mercenaries had joined forces with Jonas Savimbi are incomplete. Diplomatic sources in Rabat confrim that not only Morocco is sending mercenaries to UNITA but that mercenaries of several other nationalities are represented: Guinean, Mozambican, Cape Verdian, Beninese, Malagasy, etc. [Text] [Paris AFRIQUE-ASIE in French No 176, 11 Dec 78 p 39] 9387

TRANS-AFRICAN ROAD PROJECT--Nigeria will soon complete the last 60 km of the Trans-African axis highway which crosses its territory to Cameroon. This was announced on 18 December by the Nigerian News Agency. The Nigeria portion is 833 km long out of the total 6,300 km. It passes from the extreme southwest at Mfum village to the southeast border with Cameroon. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Dec 78 p 3507]

CSO: 4400

ANGOLA

AMBASSADOR REFUTES PUBLISHED ALLEGATIONS ON DETENTE

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 3360

/Text/ Pursuant to the article "France's Chances in Angola," which appeared in our issue of 24 November /issue not received by FBIS/, we received the following information from Mr Luis J. de Almeida, ambassador of the People's Republic of Angola /RPA/ in Brussels, who is soon to be accredited in Paris:

"In regard to the various items of the above article, I have the following clarifications to make:

a) The 'no' to CEMA. That type of value judgment errs in its haste. To be sure, we have not yet joined CEMA, just as we have not joined the Lome Convention. However, we attend all CEMA's meetings as an observer, just as we now do in regard to the EEC/ACP /EEC/African, Caribbean, Pacific Common Market/ conversations, where we have acquired the status of observer. But to assume from that that we are going to join the ACP would be making a hasty judgment. One does not conclude an act of marriage without being well-acquainted with the fiancee with whom one expects to live in the future.

Moreover, our relations with CEMA are excellent to the extent that CEMA's principles are compatible with our interests and because CEMA is made up of countries which are our most privileged friends, those which have always aided us, whereas those which compose the EEC, with a few exceptions, are more inclined to support the enemies of our people. However, that does not prevent us from cooporating with the EEC also while respecting universally accepted laws and the independence and sovereignty of Angola.

For your information and that of your readers, I must tell you that I do not have the honor of being a member of the Politburo of the MPLA-Labor Party, as your correspondent wrote. However, I am a long-standing militant of the MPLA, which I have served for a long time.

b) The Shadow of the Swiss Bankers. It is also false to say that I 'am making an effort to set up commercial representation in Switzerland.' As Switzerland does not belong to my 'area of jurisdiction,' it is not up to me to make such an effort. The opening of a commercial representation in Switzerland by the

Angolan Government is in response to the need to establish a center for documentation and information on the RPA's economic and commercial reality in the middle of Europe.

As for the statement according to which Angola is allegedly, and I quote, 'disappointed at the small amount of aid it has received from the socialist camp,' that is simply a fabrication involving only its author. The support given the RPA by socialist countries and friends is considerable and tends to become still greater as a matter of mutual interest. The same holds true for the EEC.

c) The Belgian-Angolan Flirtation. There is not and there cannot be any flirtation with anyone. In politics and economy there are no flirtations. On the other hand, what does exist is the roughing out of a Belgian-Angolan cooperation which will be profitable to both parties. The RPA has no preference for this or that Western country and is not at all trying to have, and I quote, 'a Western fiancee,' as Claude Jadoul wrote.

'Western fiancee?' For what purpose? In business, common sense dictates not having exclusive associations. What our leaders are seeking is the economic and social development of our country in as short a time as possible; to attain that objective, they are trying to diversify the RPA's economic and commercial relations with every country in the world while respecting our political options and our independence, which we want to be not only political but also economic.

As for technology, we are seeking that which is the most advanced and best corresponds to our development goals, regardless of the origin of that technology."

8568
CSO: 4400

APPROVED FOR RELEASE: 2007/02/08: CIA-RDP82-00850R000100010038-8

ANGOLA

BRIEFS

UNITA AIRCRAFT DOWNING DENIED--The UNITA opposition movement, led by Jonas Savimbi, has declared, in a communique published in Brussels, that it downed a Boeing 727 carrying 50 Cuban soldiers. Jose Luis de Almeida, Angola's ambassador to Belgium, denied this report, specifying that neither the Angolan army nor the civil aviation company TAG /expansion unknown/ has this type of airplane. "The army," he indicated, "uses mainly French troop transports of the Transall type, and TAG uses Boeing 737 planes." The latter is a member of the IATA /International Air Transport Association/, whose rules forbid it to transport military personnel. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3456/ 11267

ANGOLAN REFUGEES MOVEMENT--Andre Miranda, Angolan charge d'affaires in Zambia, has indicated that out of a total of 13,000 Angolan refugees in Zambia, 3,000 have gone back to Angola in recent months. The repatriation operations have been temporarily halted: because of the rainy season, the roads are unusable. Return to the remaining 10,000 refugees will be carried out next year. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3456/ 11267

ALLEGED GDR TROOP PRESENCE--A total of 5,000 East German soldiers, parachutists and elite troops are presently in Angola, according to a statement made in Munich by Franz Josef Strauss, head of the Bavarian Christian Social Party (CSU /Christian Social Union/, opposition) and minister-president of the Land of Bavaria. In a press conference given after his return from Lisbon, where he had participated in NATO's parliamentary conference, Mr Strauss stated that, according to his information, 2,000 of these soldiers had recently joined the ranks of 10,000 Cubans to crush the UNITA movement. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Dec 78 p 3520/ 8568

CSO: 4400

CAPE VERDE

BRIEFS

ADF AGRICULTURAL, WATERWORKS LOAN--Two loans totaling 960 million CFA francs have just been granted to the Republic of Cape Verde by the African Development Fund (ADF) to finance the agricultural development project of Asomada and the water-supply project for the town of Mindelo. Two previous loans from the African Development Bank and the African Development Fund had already been granted to Cape Verde for financing two development projects (telecommunications and agriculture). The new loans granted were the subject of agreements signed for Cape Verde by Corentino Santos, governor of the Banco de Cabo Verde. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 3374] 11267

CSO: 4400

GABON

BRIEFS

INCREASED BUDGET ADOPTED--Meeting on 16 December under the chairmanship of Omar Bongo, head of state, the Gabonese Council of Ministers examined and adopted the proposed budget for 1979. It calls for receipts and expenditures in the amount of 282.42 billion CFA [African Financial Community] francs, not including an "optional program" of 11.1 billion, which will become a part of the budget only if the corresponding foreign resources can be arranged. According to a communique issued at the conclusion of the council's meeting, the 1979 budget has the double objective of continuing the country's efforts toward financial recovery and maintaining a level of activity sufficient for its economy. The budget gives special emphasis to the infrastructure, which will account for 53 percent of the expenditures; 32 percent of this amount is to be allocated to the Transgabonese Railway alone. Agriculture's share will increase from 4 to 8 percent. Greater effort is also to be expended on roads and aeronautics. The 1979 budget is an increase over that of 1978, which was originally 243 billion CFA francs but which was reevaluated during the year by the Gabonese Government. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Dec 78 p 3510] 8568

FIRST CUBAN TRADE DELEGATION--For the first time, a Cuban trade delegation has visited Libreville, at the beginning of December. Led by Arsenio Viera-Laguna, director of Cuba-Export, it offered to the Gabonese foreign trade administration, as well as to various importers, a range of products from foodstuffs to agricultural machinery. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3446] 11267

CSO: 4400

GHANA

BRIEFS

NEW FISHING VESSELS--Fishing: first delivery of boats ordered from Italy--We said in our 21 June issue that the State Fishing Corporation of Ghana had entered into two contracts with the Italian shipbuilder Esercizio Cantieri for construction and delivery of four trawlers and two tuna boats. The first of the trawlers, the 1,500-ton "Sheketeh," has been delivered, and the other three are to be delivered at the rate of one every 4 months. As for the tuna boats, they will be built and delivered subsequently. In its December issue, the magazine FISHING NEWS INTERNATIONAL gives the characteristics of these units, which have the most modern equipment, but does not specify their costs. We recall that the contract for the tuna boats came to 20 million dollars. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3441/ 11267

DIFFICULTIES IN COCOA SECTOR--Cocoa: important insecticide-dusting operation impeded by lack of equipment--An important insecticide-dusting operation in the Tepa district of the Ashanti region, for which more than 2,000 persons had been mobilized, has practically failed for lack of sufficient equipment; that which was to be delivered did not arrive. On the other hand, in order to combat better the cocoa smuggling which is rife particularly in the region of the Volta River, the Cocoa Marketing Board and its subsidiary, the Produce Buying Division, have launched in that region an information campaign called "Meet the Farmers," and has urged the farmers to conduct antismuggling patrols themselves all along the Togolese border. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3441/ 11267

CSO: 4400

GUINEA

PDG CONGRESS BALANCE-SHEET, NEW POLITBUREAU MEMBERS LIST

Paris AFRIQUE-ASIE in French No 176, 11 Dec 78 pp 35,36

[Excerpts] With the participation of 1054 national delegates reunited from 17 to 21 November at the Palace of the People in Conakry, the 11th congress of the Democratic Party of Guinea (PDG) will not turn out to be a simple formality. For 6 months these participants have been intensively prepared nation-wide, even in the most remote hamlets. Eighty-five thousand copies of the voluminous report of the central committee were printed in French (as well as in Arabic, English, Spanish and Portuguese) and 300,000 in the six national languages (Maninka, Soso, Pular, Kisie, Kpelewo, Loghoma); the report was broadcast for 175 hours on radio and television. It was the subject of deep studies and discussions in the 2500 local revolutionary powers (PRL, that is village communes or city districts), in the 300 committees heading up sections, in the 34 federal bureaus, in the military garrisons and in the three mass organizations of youth, women and workers, as well as among personnel in Guinean embassies and communities in foreign countries.

Remarks, criticisms, and suggestions had then been entertained in the assemblies of the PRL, section conferences and meetings of regional councils of the revolution. Finally, a meeting of the National Council of the Revolution (CNR) at Kankan from 21 to 25 August had drawn up a preliminary summary account of all these discussions.

First of all, the congress made official the phase of the state party, of which this congress constitutes the first meeting.

It was also, of course, the time to draw up the exhaustive reports on progress made in all fields and in all regions since independence.

But when the hour arrives to consolidate past achievements, to perfect material and human resources already accumulated, one is at that moment particularly obliged to take a critical look at the realities.

Between decisions and their application, between theory and practice, there is invariably a rather large margin. And it is on these weak spots and failures, on deficiencies and errors, that the accent has been placed. Thus, for example, there are those who have cited the difficulties sometimes encountered by the motorized production brigades (BMP), installed in the PRL because of the lack of detached rooms or of repair shops. Or furthermore, disagreements emerging between peasants and certain professionals fresh out of agriculture school but insufficiently experienced. In similar fashion, people have asked that the Fria law be brought up-to-date· the legislation concerns means to be used in the fight against drought, which has become a national preoccupation; also, the law of the charter of February 1975 on popular commerce, which upholds the monopoly on the sale of imported products and on staple goods delivered by producers. This problem, moreover, has received unanimous attention.

If congress has decided to safeguard these attainments of the people, it has also declared itself in favor of maintaining its coexistence with the private commercial sector. "Consumers are not masochists," emphasized one of the speakers, while the others all insisted on the imperative necessity of putting adequate infrastructures and policies in places (warehouses, means of transporting merchandise, more accurate and complete forecasts, sufficient stocks, greatly increased numbers of shops, selection of those responsible for implementation) in order to assure the proper functioning of the people's commerce.

But the central preoccupation of the congress has without a doubt been the choice of responsible personnel at all levels and in all spheres. It is significant that those parts of the opening speech that received the most applause were those in which the Supreme Commander of the Guinean Revolution warned once more against infiltration of responsible positions by profit mongerers, tired elements, flatterers and complacent persons "who want to please everyone at the same time."

At an earlier time, the matter before the congress was one of renewal of the national leadership of the party.

Voting took place in the presence of the only people to vote, under the direction of Madeira Keita, founding member of the PDG and first secretary general of the party, and of other senior officials who participated as well in the creation of the PDG, Richard Bagnan and Doudou Fall. And it is under these democratic conditions that the following were reelected to the national political bureau (BNP): Lansana Beavogui, first minister; Mamadi Keita, minister of education and cultural affairs; Moussa Diakite, minister of the interior, security and justice; Ismael Toure, minister of finance and economics; N'Famara Keita, minister of rural advancement.

Next July

On the other hand, the following officials have entered the BNP: Damantang Camara, permanent secretary of the BP and president of the legislative assembly; Saifoulaye Diallo, minister of social administration; Jeanne Martin Cisse, minister of social affairs; Toumany Sangare, minister of transportation; Abdoulaye Toure, minister for administration of exchanges; Sekon Cherif, minister of rural development of the Labe region; Lansane Diane, minister of justice; Abdouleye Diawo Balde, minister of rural development of the N'Zerekore region.

But this is only the beginning of a process of reinforcement and renewal which should reach throughout the whole state party, starting from the ground up. It is in this manner that elections for new leaders at the PRL level and at the level of district and regional revolutionary powers will take place next July. It is then that the National Council of the Revolution, where the federal authority resides, will elect the new central committee of the state party of Guinea.

9387
CSO: 4400

MOZAMBIQUE

'PRAGMATIC' SPIRIT MAY BE SUFFUSING AGRICULTURAL FIELD

Paris JEUNE AFRIQUE in French No 936, 13 Dec 78 p 85

[Article by Francois Soudan: "Agriculture: the cursed ministry. Retreat following the failures of socialization of the countryside. Pragmatism is the order of the day"]

[Text] "The Ministry of Agriculture is the ministry of famine." One hardly troubles oneself with nuances in Maputo when it comes to passing judgment on the failures and the falterings of socialism. Mozambique's double revolution--both national ans social--has in fact encountered its first serious crisis since independence. It is a crisis with a specific cause: agriculture. Thus the mobs who gather daily in the streets of Maputo in front of wall posters from the JORNAL DO POVO comment with a mixture of humor and bitterness on the disillusionments of the rural revolution.

In fact, Mozambique has not recovered from the mass exodus in 1975 of the 4000 Portuguese landowners who occupied the best pieces of land in the country. Taking with them sacks of seed and light agricultural equipment, sabotaging what they could not remove, the colonists left the Mozambican countryside in complete disarray. The only areas spared were the northern provinces of Tete, Cabo Delgado and Niassa, solidly held by FRELIMO during the fight for liberation.

Failure of Collectivism

These will be the only provinces, moreover, which will accept without reservation the policy of collectivization. Shortly after independence, the authorities in Maputo, in consultation with Soviet experts, launched a policy of "heavy" rural socialization, somewhat on the model of Stalinist collectivization from 1930 to 1935: creation of large state farms and cooperatives, rash purchases of agricultural machinery often ill-suited, from the countries of Eastern Europe, systematic recourse to Western technology.

Turning to the Chinese Model

The result was catastrophic: passive resistance of the population, particularly evident in the south; disturbing fall in the production of agricultural commodities and products for export. On 17 August 1978 Joachim de Carvalho, minister of agriculture accused of having "systematically given priority to technical matters to the detriment of popular initiative," had to resign (JEUNE AFRIQUE No 924). He was subsequently arrested along with four other members of the Central Committee of FRELIMO and several of his Portuguese advisors.

Since that time, under the influence of Samora Machel, who himself headed this "cursed ministry" for more than two months, Maputo seems to have drawn a few lessons from this first experience. A rural policy along "Chinese" lines is beginning to be put into operation, with the creation of light structures of production and especially with the development of villages of the "ujamaa" variety, fashioned on the Tanzanian model. At the same time, a portion of the rural sector has been denationalized and material incentives introduced (plots of land, livestock, etc.). Moreover, the very newly appointed minister of agriculture, Mario de Graca Machungo, does not hide his desire for "rationalization." His term with the Ministry of Industry had been marked by a distinct openness towards Western investors with whom he had established close ties while directing the Mozambican credit organizations.

Agriculture and Socialism

The evolution of rural policy in Mozambique is quite representative of relations between socialism and agriculture in Africa. Angola, another former colony of Portugal, also seems to be moving in the same direction. To be sure, Maputo's foreign policy remains pro-Soviet, as does that of Luanda. But its current rural experience is a patchwork of Chinese, Guinean (Bissau) and Tanzanian models. It is probably what one would call pragmatism.

9387
CSO: 4400

MOZAMBIQUE

BRIEFS

PLANNED HUNGARIAN MILITARY COOPERATION--Hungarian Minister of Defense Lajos Czinege stated over Hungarian national television that his country will aid Mozambique in the military sector. The aid will be in the form of assistance in the training of the Mozambican Army's medical personnel and in the training of Mozambican military cadres in Hungarian military schools; this is in accordance with a request made by Mozambique and Hungarian capabilities. The interview of the Hungarian minister was held subsequent to a report on the visit of a Hungarian delegation to Mozambique in mid-November. Lajos Czinege had served as the head of that delegation. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Dec 78 p 3520/ 8568

COTTON CROP SATISFACTORY--The Mozambican province of Nampula harvested more than 20,000 tons of cotton during the 1977-1978 season. This positive result was achieved despite difficulties of various kinds: lack of insecticides, agricultural equipment and tractor parts, and absence of agricultural technicians. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3456/ 11267

NEW FISHING VESSELS--The state company EMOPESCA /expansion unknown/ has purchased six new fishing boats--presently undergoing repair and modification in the Maputo shipyards--which will go into service at Beira at the beginning of next year, after being fitted with modern navigation equipment. These new vessels, which have characteristics different from those normally used in Mozambican waters, will be used for shrimp fishing. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3456/ 11267

PLANNING FOR SALT FACTORIES--Mozambique intends to create several plants for preparation of salt. Proposals are under study for such an installation at Nacala. Another project is far more advanced: the one relating to the Mambone plant, in Inhambane province, construction of which is to begin imminently and which will start operations in 1980. Its minimum capacity, 7,500 tons per year, will be raised later to 20,000 tons per year. In Mozambique there is a salt-preparation plant, at Matola, which is presently paralyzed because of technical difficulties. The 17 saltworks of Matola province are capable of producing up to 20,000-23,000 tons of crude salt per year; they are presently working at the rate of 10,000-12,000 tons. /Text/ /Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3456/ 11267

CSO: 4400

NIGER

BRIEFS

SAUDI AID--Saudi Arabia has agreed to finance several projects in Niger totalling 55 million CFA francs. The projects include a sugar refinery and a thermal electric plant. The aid was obtained during President Seyni Kountche's recent visit to Saudi Arabia. [London Reuter in French 2046 GMT 8 Jan 79 PA]

CSO: 4400

NIGERIA

BRIEFS

SOVIET MILITARY AIR TRAINING--A Soviet military aviation official, Pavel S. Kutakhov, visited Nigeria in November and was received by the chief of staff of the Nigerian military aviation, Vice Admiral John Yisa Doko, who himself had visited the USSR in 1977. During his 4-day visit, Kutakhov promised that his country would help develop the military aviation of Nigeria, whose main combat plane is the MiG-21. [Text] [Paris MARCHES TROPUCAUX ET MEDITERRANEENS in French 22 Dec 78 p 3507]

OIL LOADING TERMINAL CONTRACT--ETPM (Entrepose-GTM pour les travaux petroliers maritimes) [Depot-GTM for maritime petroleum operations] which had concluded a first contract with Mobil Producing (Nigeria) for $10 million in October 1977 for development of the Ekpe oilfield, has just concluded with the same company a new contract for $7.5 million to construct an offshore loading terminal for 280,000 ton tankers. The terminal is scheduled to go into operation in June. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3441]

EUROPEAN BANK LOAN--The European Investment Bank on 15 December granted a loan of 25 million uc (1 uc = 0.84 naira = $1.32 American) to the Nigerian Industrial Development Bank, Ltd. (NIDB) to help finance various medium-importance industrial projects. This loan, the most important granted by the bank in the framework of the Lome Convention, is also the bank's first venture in Nigeria. The loan is for 11 years at 5.75 percent after assumption of 3 percent of the interest by the European Development Fund. [Excerpt] Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 22 Dec 78 p 3507]

CSO: 4400

SOUTH AFRICA

BRIEFS

URANIUM FOR BELGIUM--Under the terms of an agreement signed last Spring but which have only now been revealed, South Africa will supply Belgium 1,600 tons of uranium for a total price of about 720 million francs. This contract, between the Belgian SYNATOM (Syndicate for purchase of natural urnaium, which includes the Belgian electricity producing companies) and the South African Harmony Gold Mining Co. Ltd, provides that South Africa will deliver annually 84 tons in the years 1980-1983 and 168 tons annually in the period 1985-1991. This will cover 18.5 percent of Belgium's needs. [Excerpt] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 3392]

CSO: 4400

TOGO

BRIEFS

ADB HOSPITAL CONSTRUCTION LOAN--Two agreements for loans totaling 1,857.44 million CFA francs, granted to Togo, were signed in Abidjan on 30 November, at the headquarters of the ADB [African Development Bank]. These loans, intended for financing the construction and equipment of the Faculty of Medicine of the University Hospital Center of Lome, have been granted by the ADB and by the Nigeria Trust Fund (NTF), which the bank is charged to administer. This is the first time that the NTF has acted in Togo, whereas it is the ADB's eighth operation in Togo. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 p 3378] 11267

EYADEMA ON COMMON DEFENSE--In a talk which, according to the AFP, is to appear in Paris next January, in the first issue of the REVUE TRIMESTRIELLE AFRICAINE DE STRATEGIE, the Togolese chief of state declares himself in favor of creating a joint military force within the framework of a regional defense pact grouping the states of West Africa. As is known, this pact, proposed by Nigeria and Togo within the framework of the CEDEAO (West African States Economic Community, which groups 16 countries), is to be on the agenda of this organization's next summit meeting, in Dakar in May 1979, and would complement the nonaggression treaty signed by the member countries in Lagos last April. General Eyadema declares himself in favor of a distribution of the military tasks at the subregional level, and a joint defense arrangement in which each would specialize "in function of his strategic specialty." "It seems to me that such an arrangement," he stresses, "would be of a nature to deter the adversaries who, for the present, are plunging our continent into fratricidal wars." But he considers "unrealistic" for the moment the proposal to create an African military high command within the framework of the OAU, which would group nearly 50 states. He would prefer a subregional framework. He declares further that an inter-African force such as the one conceived within the framework of the CEDEAO could take action in other regions, southern Africa in particular. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3440] 11267

CEMENT COMPANY INVESTMENTS--Two billion CFA francs for expanding CIMTOGO (Togo Cement Company)--CIMTOGO, with which the French group Lambert is associated, is going to invest 2 billion CFA francs to enlarge its Lome plant.

This investment should enable the company to double its clinker-crushing capacity, which should rise from 320,000 to 700,000 tons per year. This was indicated by Claude Lambert, president of the Lambert Group, who was received on 6 December by the Togolese chief of state, General Eyadema. CIMTOGO's production is intended for supplying Upper Volta, Niger, Nigeria and also Togo. The French group is also to invest in construction of a plant for making cement sacks. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 15 Dec 78 p 3340] 11267

CSO: 4400

ZAMBIA

POLITICAL, ECONOMIC SITUATION REVIEWED ON EVE OF ELECTIONS

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 8 Dec 78 pp 3386-3387

[Text] The time is approaching when President Kenneth Kaunda of Zambia will have to face elections and win at least half of the votes in order to remain in office legally. These elections are coming at a time when the country is experiencing the most serious economic crisis since it achieved independence and when the regime's political credibility has fallen to its lowest level.

For President Kaunda, the elections could not come at a worse time. Nearly all political and economic indicators are unfavorable to him. The raids of the Rhodesian army on the guerrilla camps of Josuah Nkomo more than 320 kilometers inside Zambian territory have tragically unveiled the powerlessness of the Zambian Armed Forces and heightened the growing feeling of insecurity, while the scarcity of foreign exchange reveals even further the chronic weakness of the economy, to the point that President Kaunda was forced to restore the rail link with Rhodesia, thereby turning his back on one of his dearest political principles.

The reopening of the border with Rhodesia can be fully justified by economic considerations. It has made it possible to import fertilizer indispensable for crops next year and should loosen restraints on the copper exports which represent 90 percent of the country's export receipts.

But at the same time, this reversal is profoundly humiliating on the political level. It goes in the direction of an abrupt change in orientation of Zambian policy, recommended by President Kaunda's main rival, Simon Kapwepwe, former vice president and former minister of foreign affairs, who was prevented from competing in the presidential election against Kenneth Kaunda by a dubious modification of the constitution by the party in power, the United National Independence Party (UNIP), a maneuver which, both in Zambia and abroad, was viewed as a cynical attempt to disqualify him.

Whether or not President Kaunda obtains a majority in the coming elections, few observers think that he will be willing to take a back seat. On the contrary, everything indicates that he is resorting to an increasingly arbitrary form of government, thereby following the example of the majority of the African chiefs of state when they see their popularity and the people's trust in them diminish.

At the same time as the presidential election on 12 December, the National Assembly elections are to take place. The primary elections preceding elections for the parliamentary body have already been held.

According to the Zambian Constitution, the first three winners of the primary elections compete in the Assembly elections. Nevertheless, the Central Committee of the UNIP can even rule out the winners of the primary elections if it deems them to be "undesirable." This year, the UNIP eliminated 30 candidates who had won in the primaries, including former minister of finance Arthur Wina, member of the last National Assembly and one of the most virulent critics of the government, Elias Chipime, general director of the Standard Bank (Zambia) and one of the most representative members of business circles, and Valentine Kayopa, who won a reputation in the former Assembly as a critic of the government.

These eliminations definitely seem to indicate that the Zambian establishment wants to have a mere "rubber stamp" Assembly emerge from the elections.

From Prodigality to Austerity

One of Zambia's main problems is that during the years following independence, the country became accustomed to the idea that it was rich. The high prices of copper on world markets then ensured the government of the receipts it needed to cover its domestic expenditures and finance even the most sumptuous imports.

The fall in the price of copper and the increase in prices of oil and other imported products resulted in a sharp deficit in the balance of payments of a country which had never felt the need to be thrifty or steadfastly seek out other possible sources of foreign exchange receipts.

This point is perfectly demonstrated by the operation of the governmental machine, which is generally fairly inefficient and is even moreso in the area of the planning of well-thought-out projects that might attract foreign aid. Officials of the principal international aid agencies and ambassadors from countries which grant bilateral aid almost all privately recognize that if a project financed by aid should come to pass in Zambia, the Zambian authorities generally expect the donor to furnish not only the financing and the experts, but that it study and plan the project, which all granters of aid, whether national or international, are increasingly hesitant to do.

Aside from the inefficiency of the governmental machine, essentially due to an impracticable system in which the Central Committee of the UNIP is supposed to define policy and the Cabinet put it into practice (when in practice, both are generally involved in a futile and morally devastating war), Zambia's difficulties stem from its land-locked nature and its excessive dependency on copper.

China's building of the Tazara railroad was to respond to a double objective: improving Zambia's connections with the sea and reduce its dependence on the southern road network. It was a politically motivated project which it was hoped would be beneficial in both areas.

The Lusaka and Dar es-Salaam governments thought that the railroad would give Zambia means of political pressure to bring Rhodesia to repentance, while strengthening political and economic ties between the two countries and open wide the door to the economic development of the northern region of Zambia and the southern region of Tanzania.

But things turned out differently. Practically none of these objectives was attained. What is worse, by a twist of fate, the railroad (and the situation of the Dar es-Salaam port) helped worsen relations between Lusaka and Dar es-Salaam, with authorities from the two countries blaming one another for the poor performance.

At the time when President Kaunda made the decision to reopen the railroad with Rhodesia, Zambia's situation was desperate. The most crucial point was foreign trade. No recent or certain figure is available, but according to reasonable estimates, the country's foreign exchange reserves show a deficit of about 150 to 170 million kwachas (1 kwacha = about 5.20 French francs). The situation would be even worse if the foreign suppliers of recent imports had been paid.

Actually, there is now a blockage of commercial settlements going to foreign countries on the order of 500 million kwachas. In other words, foreign suppliers will have to wait 16 to 17 months before being paid.

But even if copper prices should experience a sudden increase (which a few experts believe possible in short-range terms), Zambia's foreign exchange problems would not be resolved. Zambia's long-term indebtedness is estimated to total some 1.2 billion kwachas, which represents the highest per capita debt on the African continent, including Zaire and Egypt.

Worst Problem: Skilled Labor

In order to face the crisis, the RCM (Roan Consolidated Mines) and NCCM (Nchanga Consolidated Copper Mines) mining firms, both controlled by the government, have made impressive progress in reducing production costs and have learned, more rapidly than the government itself, to live in the new environment of austerity. The RCM announced modest profits for the first two quarters and both the firms, the RCM and the NCCM, are resolutely seizing the opportunity offered to them by the sudden and fantastic increase in the world price of cobalt, which is mined at the same time as copper.

The price rose as high as 33,000 kwachas per ton, making exports by air profitable. Plans are now well underway for a considerable increase in the production of that ore next year.

However, if one asks the officials of the mining firms in Lusaka or the Copperbelt, they reply that the most crucial problem they must solve is not the currently low price of copper or transport (the latter seems possible to solve, not only by the opening up of the border with Rhodesia, but also by the reopening of the Benguela railroad which runs through Angola). Their main concern is the steady drain of white skilled labor in industry.

Due to the rigorous policy of "Zambianization," the proportion of white expatriates, which was 16 percent of the total labor force at the time of independence in 1964, has now fallen to 7 percent. They still number some 4,000. The proportion of Zambians replacing the white expatriates has dropped every year, reflecting the need for increasingly lengthy training so that workers may occupy posts involving higher and higher levels of technology. At the same time, this bears witness to the development of industry, which has created new technical jobs that initially could be filled only by expatriate technicians.

In the course of recent months, mining management has not been able to recruit enough personnel to compensate for the departures of expatriates, which is due to a number of reasons, particularly the poor financial situation of the mines. This affects wages and the working conditions that they can offer.

But other factors present a negative image of Zambia, including the scarcity of consumer goods in stores, caused by the lack of foreign exchange and the lack of security, as well as the spreading anarchy in the country. This anarchy takes the form of armed robberies, whose number is constantly growing.

In addition, the recent antiwhite demonstrations caused by the Rhodesian raids within Zambian territory can only heighten these problems.

Actually, a large part of Zambia's economy does not depend on the white skilled labor; this is true only in the mining sector. A feeling of malaise is therefore developing in the community of white farmers. The latter are not very numerous, but they produce a substantial portion of the country's food crops. Their massive departure would pose serious political and economic problems.

For all of these reasons (not the least of which is President Kaunda's desire to see a stable white community remain, in keeping with his ideal of creating a multiracial society), no country wants a settlement of the Rhodesian question and the pacification it would bring to the region more than Zambia.

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CSO: 4400

END