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Sub-Saharan Africa Report

FOUO No. 744



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SUB-SAHARAN AFRICA REPORT

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INTER-AFRICAN AFFAIRS

BRIEFS

USSR-AFRICA TRADE--In 1980 trade between the USSR and African countries totaled 2 billion rubles (\$2.6 million), a 40-percent rise over 5 years. In the first 6 months of the current year the largest increases occurred in trade with Mozambique (up 161 percent), Tanzania (up 109 percent), Guinea (up 54 percent) and Algeria (up 50 percent). The USSR has economic dealings with 47 of Africa's 51 countries and in the coming 5 years it intends "to foster mutually advantageous trade with African countries and other fledgling nations." [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1872, 25 Sep 81 p 2423]

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ANGOLA

PRECARIOUS FINANCIAL SITUATION OF CEMENT PLANT

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 4 Sep 81 p 2291

[Text] The report of the Empresa de Cimentos de Angola (CIMANGOLA) for the 1980 fiscal year contributes some useful information on the activities of that firm. CIMANGOLA, a joint publicly and privately owned company, followed on the heels of Secil do Ultramar, SARL, to conclude a process begun in 1978 with the nationalization of that company and ended last year with the signing of the contract with the associated Danish firms.

The fiscal year reviewed was also marked by two contracts signed to overhaul the cement plant and to build an access platform near the factory. Work should begin before the end of the year and will make it possible for cement to be produced at installed capacity level and to be quickly shipped out to the provinces or other countries.

CIMANGOLA sales during the 1980 fiscal year totalled 243,000 tons or 32 percent of the installed capacity, if the sales volume is regarded as the same as the production volume. This, however, was not the case, since there were stocks left over from the previous fiscal year which were sold. With this correction, production is estimated at about 31 percent of installed capacity.

The production plan was realized to the tune of 72 percent, and the sales plan to 76 percent. The sales plan showed different results, however, depending on whether it concerned sales on the domestic Angolan market (95 percent execution) or sales abroad (48 percent execution).

Contrary to what its directors anticipated in 1979, CIMANGOLA continues to experience a precarious financial situation. The company must cope with high financial costs, particularly in the form of interest owed to banks for short-term financing. It has attempted to negotiate a contract with banks to obtain long-term financing and return the company permanently to a sound position. A contract of this sort would give greater operating flexibility and reduce the amount of interest owed. However, it was unable to conclude the contract, and as of last 31 December, the day on which the past fiscal year closed, CIMANGOLA still owed banks interest amounting to 38.8 million kwanzas.

With the reorganization of the cement plant, production should increase. But in the best of circumstances, the favorable impact of this recovery will not be felt before 1982. It is only then at the earliest that the company can think about settling its debts which now total more than 75 million kwanzas.

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ANGOLA

BRIEFS

FRENCH TRADE MISSION--The French Foreign Trade Center (CFCE) is organizing a multi-sectoral trade mission to Angola November 18-26, 1981. It will focus on equipment and supplies for agriculture, livestock raising and agro-industry, and will be accompanied by Mr Calude Lecluse, head of the African Section of the CFCE. This mission, organized in conjunction with the Angolan embassy in Paris and in close cooperation with the economic expansion post in Luanda, will give the participants an opportunity to meet officials from the Angolan agencies and departments involved in agriculture, livestock raising and the food industries. [Excerpt] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2348] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

PORTUGUESE ELECTRICAL EQUIPMENT--At the end of August Angola signed two contracts with a Portuguese company. The first is a \$10 million contract to furnish and install equipment to modernize the high voltage power line linking Cambambe dam to Luanda. The second, in the amount of \$5 million, involves construction of a thermal power plant in the center of the country. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2348] [COPYRIGHT: Rene Moreux et Cie Paris 1981]-9805

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BURUNDI

ECONOMIC REPORT TO U.N. CONFERENCE ON LDC's: 'BETTER CONNECTIONS WITH OUTSIDE WORLD'

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No. 1867, 21 Aug 81 pp 2147-2149

[Burundian Report to the U.N. Conference on Least Developed Countries: "Have Connections with the Outside World."]

[Text] Except for a few details and nuances, we find exactly the same charm, attraction and weaknesses in Burundi as in Rwanda. The two countries are juxtaposed. One seems to be the carbon copy of the other: the same lush green hills, the same dispersed dwellings which intrigue geographers and socialologists so much, the same soil good for many different crops, the same paradisiac climate, the same Congo-Nil mountainous spine and, to cap it all, the same ethnic groups: a Hutu majority, Tutsi minority. In Burundi, however, this is the main difference--the "giant" Tutsi are in power.

Of course as far as the land is concerned, Rwanda is compared to Sicily and Burundi to Belgium; the countryside of one country brings to mind Switzerland, and the other Savoy, but these are hardly distinctions that separate them. During the Belgian administration, moreover, this region was only a single territory, Ruanda-Urundi, with Bujumbura as the main city. Now there are two sovereign states and, curiously, this was when serious dissension began to appear between the Hutu and Tutsi communities.

We also find in Burundi the problems we discussed for Rwanda: distance from the sea, strong population pressure, soil depletion, or in short a situation which gives this country all the characteristics of an underdeveloped economy. The figures change and so do the names of the cities, but we are still in a rugged country.

A Landlocked Country with Population Problems

It is a long road to Dar-es-Salaam, Burundi's supply port. First there is a 180 km stretch on Tanganyika Lake from Bujumbura, the capital, to Kigoma in Tanzania. Then 1,200 km by rail from Kigoma to the port of shipment, Dar-es-Salaam. This is the most frequently used itinerary (85 percent of foreign trade). Another possibility is to pass through Uganda to reach Mombasa in Kenya, in other words the Rwandan route. You can also reach the Mozambique ports via Zambia and Mjulungu (a lake port), or Lobito on the Atlantic through Zaire. But it is out of the question for the time being to use this itinerary because of the disturbances which have been afflicting Angola for years.

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One need only remember the almost complete halt in supplies between October 1978 and July 1979 to get an idea of how precarious Burundi's relations with the outside world are. At that time, a veritable air-lift had to be set up from May 26 to 17 July to avoid critical supply problems. One hundred forty-four flights were made between Bujumbura and Dar-es-Salaam and 5,000 tons of goods were shipped. The operation cost \$6 million, and the net loss for the economy was \$45 million. We understand that the officials have prepared projects in this area. We will examine them further on.

Another concern, and not one of the least, is the population growth in a restricted area. With one million more people in the next 10 years, and 95 percent of the population scattered in rural areas, intensively working land which is becoming depleted, what will the situation be by 1990? The geographic and social characteristics (hilly countryside and small land-holdings), deforestation, the result of energy needs, overgrazing and farming habits are all such that the soil is becoming depleted and the yield is declining.

One would have to change nearly the entire structure to put modern techniques into practice which could assure an adequate food supply. There is still land to be exploited, mainly in the Ruzizi plain, the area bordering Tanganyika Lake and in the Mosso region to the east, but investment capital and resources are needed. Aside from international aid, how can they obtain them, if not by foreign trade?

Coffee, the Only Real Wealth

Exports are virtually confined to coffee, and efforts made to diversify the so-called cash crops have not had convincing results. It is true that there has been progress made with cotton and tea, but not enough. Let's look at the figures: in 1981, 19,000 tons of coffee, 6,000 tons of cottonseed, 2,000 tons of tea and a little quinquina. These four products account for 92 percent of the total value of exports. Coffee alone accounts for 75 percent. In 1978, exports went up to 6,243 million Burundian francs¹, with coffee accounting for 5,139 million, and imports amounted to 8,842 million, or a 2,599 million deficit. The next year this rose to 3,978 million. The balance of payments followed the trend and was in disequilibrium. This trend can only worsen. It is impossible to see how it could be otherwise in a country that has to import capital goods at any price merely to be able to improve exports in coming years.

Slow Progress

In 1970 and 1976, the annual growth of GDP averaged 2.7 percent, or just a little above the population growth (2.2 percent). Beginning in 1977, the rate of increase went up to 4.4 percent on average. This is explained by the increase in investment which, in constant values, went from 15.5 billion Burundian francs between 1974 and 1976 to 29.4 billion during the next 3 years. The growth in recent years has been particularly great in the industrial and service sectors, 12 percent a year, while the increase has averaged only 1.9 percent for food crops, or a rate lower than the rate of increase in the population, a disturbing fact. Investment for the 1978-81

¹ 90 Burundian francs = 1 U.S. dollar.

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period can be broken down as follows: 54.5 percent for the tertiary sector, 26.7 percent for the secondary sector and 18.8 percent for the primary sector.

It is important to note that only one-fifth of these investments was financed out of domestic savings, with the rest coming from foreign aid. It can be estimated at 12 percent of GDP between 1974 and 1980.

As for the outstanding foreign public debt, it went from 629.6 million Burundian francs in 1974 to 9,054 million in 1979. Debt servicing went from 88.4 million to 377.4 million during that same period. However, the debt service as a percentage of exports has remained relatively stable--3 percent in 1974 as compared with 3.7 percent in 1979. This rate is expected to increase to 16 percent by 1985.

Fragile Economic Situation

Thus the economic and social development of Burundi is hampered by a certain number of factors representing real bottlenecks: low farming capacity, with foodstuffs for the most part not entering the monetary circuit; an industrial nucleus concentrated mainly in Bujumbura; overly weak infrastructures for an expanding population; limited mineral resources; and, finally, an evident lack of trained personnel. All of these facts place Burundi among the poorest countries. However, the banks of Tanganyika Lake are just as restful as those of Lake Geneva, the mountains are not far away, the attraction is immediate. Livingstone, moreover, found that it has a much better climate than Scotland. The era of ratings has changed many things.

1981-90 Ten-Year Program

You don't have to be a genius to imagine the unrelenting efforts that will have to be made before the Burundi economy can come close to becoming a modern structure.

Invest, produce and export, this is economic orthodoxy. Burundi's leaders are perfectly well aware of this. First of all, here are the forecasts they made on the growth of capital, i.e. of total resources (GDP plus imports): at market prices, total resources should increase from 89 billion Burundian francs in 1980 to 109 billion in 1985, or at an annual rate of 4 percent. The GDP alone, valued at 74,252 million in 1980, will rise to 107,603 million by 1990, or at an annual rate of 4.3 percent. The various components of the GDP will increase as follows: agriculture 2.1 percent, industry 11 percent and exports also 11 percent. It is immediately obvious that the problem of the food shortage cannot yet be solved and that imports of grains and especially of fats will be needed for a long time to come.

How then do the different objectives outlined for all the projects link together, sector by sector?

Rural Sector

Food crops will therefore increase by only 2.1 percent a year. The planners decided to be modest, since agricultural structures are still too rigid to hope for any notable improvement in yields. Efforts will be concentrated in the Ruzizi valley (rice) and in the Mosso valley (sugar cane and oil-palm).

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Export crops should register a considerable increase in production: coffee will advance from 19,000 tons to 34,000 tons (1985), cotton from 6,000 to 7,500 tons and tea from 2,000 to 3,600 tons.

The rural sector has a total of 74 projects, including the following:

- Integrated rural development (food crops and cash crops) at M'Panda, Kirimino and N'Gozi;
- Livestock improvement project in Mugamba/North;
- Reforestation (Congo/Nil ridge and the south of the country);
- High-altitude cultivation of food crops in the tea-growing regions;
- Vegetable and fruit growing projects (around Bujumbura).

Industrial Sector

More than 30 projects involve agro-industry, including a project to expand the Bujumbura brewery (banana beer), construction of a sugar refinery, a coffee and tea factory, a textile factory, etc. The projects for a cement and a fertilizer factory are linked to the extraction of carbonite phosphate in Matongo, near Kayanza.

In the mining sector, great hopes have been placed in mining nickel, with reserves at 300 million tons. As for energy needs, they will increase and regional projects have been prepared, in cooperation with Zaire and Rwanda, within the competent committees of the CEPGL (Economic Community of the Countries of the Great Lakes).

Transportation Infrastructure

Three corridors, if one can use that term, provide Burundi with communications with the outside world: road, air and lake corridors.

Roads. It is imperative to ensure links with neighboring countries, and from there the hitch to the port, in all seasons. The most important projects are the following:

- Route to Rwanda: repair of the Bugarama/Kayanza asphalt stretch that goes to Butare in Rwanda;
- Continued construction of the Bujumbura/Bukavu (Zaire) road;
- Construction of the shipping route to Tanzania, eastern section, i.e. toward Isaka and Mwanza (rail to Dar-es-Salaam); this road will also join the one Rwanda intends to build to Rusumo;
- Construction of the stretch of road along Lake Tanganyika ending in Kigoma. For the time being it is more a trail than a road that links that city to Nyanza.

These projects together represent 304 km of tarred roads.

Lake. It is absolutely essential to modernize the small fleet that connects Bujumbura with Kigoma, an indispensable artery for Burundi. A container ship with a deadweight of 400 tons and a capacity of 14 20-foot containers is to be delivered very shortly. They are planning to order two ferry-boats.

Air transport. The runway at Bujumbura airport will be enlarged to 400 meters for the B-747's. Work is in progress. In addition, the secondary runway will be tarred.

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Finally, modern facilities are planned to make Bujumbura airport an international class airport. Moreover, six provincial airport will be developed. It is evident that air travel has not been overlooked. This method of transportation will undoubtedly become much more than a secondary means in the years to come.

We still have not referred to the large railway project. You could say that in order to keep up with a number of African countries, and particularly its immediate neighbor, Rwanda, a railroad has been planned by the Burundian authorities. It is related to the future plans to mine nickel in the Musongati region. A first line will link the mine to the Tanzanian network, and a second line will service the capital. This project fits perfectly into Burundi's development plans. The annual production of ore for export, 35,000 tons, and foreign trade estimated at 170,000 tons will ensure the profitability of these lines, claim the planners.

This picture would not be complete without mentioning tourism, which is the subject of 16 projects involving hotel facilities, and the social sector with health and training. One doctor for 34,000 inhabitants, one nurse for 16,000 and one hospital bed for 300 do not provide sufficient health coverage, so 3 percent of the investments will go to this sector.

Finally, it has been observed in Burundi, as in France, for that matter, or in California, that training given to "persons who have been promoted" could not be immediately used for management personnel, to encourage those who do not have the knowledge but who want to learn and understand. The training, in other words, is not fitted to the jobs. During this 10-year period, officials will try to solve this problem, which in many cases amounts to about the same thing as squaring the circle.

Foreign Aid

To carry out this program, Burundi needs aid estimated at \$4.4 billion, That is a given. The money-lenders will study it. It is true in any case that Burundi, like Rwandi, will find its true development within a regional community, whether it be the Great Lakes or the Kagera River. A time will come when pointless rivalries will have to give way to the needs of a world doomed to evolve. It is a shame, but an economy does not thrive on sentiment but on cold and harsh realism.

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POSSIBLE U.S. INVOLVEMENT IN ANTI-DACKO COUP

Paris JEUNE AFRIQUE in French No 1080, 16 Sep 81 p 22

[Article by M.K.N.: "Barracuda Made in U.S.A.?"]

[Text] For awhile there had ceased to be talk in the corridors about the fine hand of Uncle Sam in African coups. And then, suddenly, following General Kolingba's putsch, our esteemed colleagues at E QUOTIDIEN DE PARIS and (to a lesser degree) LE FIGARO and LE NOUVEL OBSERVATEUR were advancing the theory (which, with the former publication, has the status of a near-certainty) of American involvement.

Indeed, if it is clear that Washington did not take any direct part in the army's seizure of power, it may seem premature to discount any possibility of direct knowledge, as seems to be suggested by a number of signs and confidential information learned in Paris and Bangui.

Contacts

--Two American military advisers arrived in Bangui from Kinshasa (where the United States maintains one of its biggest African embassies), several days before the coup. A third was on the scene the very day of the putsch. This information has been confirmed by French military sources both in Bangui and Paris.

--One of the civilians who worked hardest in the background for Kolingba's seizure of power, Bernard-Christian Ayandho (former prime minister under Dacko, dropped in July 1980), has been to Washington several times this year. According to someone very close to the former president, Ayandho was supposed to have made "an increasing number of contacts" there, particularly through the Central African representative to the United Nation, Kibanda (with whom he shares family ties).

Contratulations

--The secretary general of Dacko's party, the UDC (Central African Democratic Union), Jean-Claude Kazagui, was in Washington in late August, at the invitation of the State Department. Officially on a mission to "sensitize" the U.S. administration to the necessity of economic assistance to the Central African Republic, he supposedly undermined Dacko by claiming that the latter was not sufficiently "firm" with the opposition.

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--Finally, American Ambassador Arthur H. Woodruff was the first envoy accredited to Bangui to pay his respects, Tuesday 1 September, to General Kolingba, and one of the confidants of the new president, Military Attendant 3rd Class Alphonse Kongolo (who has been named minister of planning) recently returned from the United States (where he has maintained numerous ties) after 4 years of military training.

These elements do not prove American involvement, either taken separately or all together. All the same, they do amount to a collection of troubling pieces of circumstantial evidence. Some in the Central African capital are convinced of the reality of the American connection, and point out that the timers on the bombs which did not explode that were discovered 14 July both in Douar and Bangui after the attack against the Cinema Club, were of American manufacture. And it was just in the wake of 14 July that Dacko began to totter. However, all things considered, another theory is perhaps more credible: the explosives and their timers might simply come from the 20 tons of C-4 plastique supplied to Libya in 1977 by former CIA agent Edwin P. Wilson, now an advisor to Qadhdhafi.

Doubt

Reality or fiction? Covert operation by the Americans or a baseless concoction intended to embarrass the new French authorities? One thing is certain: Washington is not indifferent to the fate of a Central African Republic wedged between a "Libyanized" Chad and the soft underbelly of Zaire. Especially since in the wake of 10 May the White House has some doubts about Paris's firmness.

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REASONS FOR ANTI-DACKO COUP NOTED

Paris JEUNE AFRIQUE in French No 1080 16 Sep 81 pp 18-22

[Article by Francois Soudan: "Who is Behind the Coup?"]

[Text] Comic-opera putsch, or military coup? Who were the real players in General Andre Kolingba's overthrow of David Dacko? Our special correspondent investigates.

Nothing has happened in Bangui, or at least very little. The potholed streets bordered with mangrove trees, the green hills which rise and fall on the Zairian side of the Ubangi River, the white villas and the iron-roofed hovels in this city built up in the midst of dense jungle, have seen nothing, heard nothing.

In the sections of Nord de Fouh, Boy Rabe and Miskine, fiefdoms which have perennially opposed--sometimes violently--the regimes of Jean Bedel Bokassa, and later David Dacko, the "coffee mamas" and the "makala mamas" (women who sell fritters) are carrying on with business as usual at their smoking cooking pots. Only the three unpretentious towers which grace this otherwise uniformly flat capital city--the Hotel Safari, the Sodiame, and the Soviet Embassy (closed since 1979 and "placed under the protection of the Romanian Embassy," as one reads on the iron grillwork) seem to contradict the overwhelming impression of lethargy.

Nevertheless, there really was a coup in Bangui on the night of 31 August-1 September. A "Benin-style" putsch, without noise and furor, with only a few armored vehicles in the streets, a little like the one in Kerekou in October 1972 in Cotonou. It is true that Andre Kolingba, 45, decked out in his five-star battle regalia which further accentuates his cherubic demeanor, needed only to cross about 10 meters to inform David Dacko that the time for his retirement had come. The distance which separates the general staff headquarters from the presidential residence at Camp du Roux, on a hill overlooking Bangui. The pretorian guard, the famous "Green Berets," composed of Central Africans especially trained for this job and of French paratroop commandos (most of them blacks or mulattos), under orders from Col Mention, did not lift a finger. "When the army demands that the president resign, that is a coup," said David Dacko on the evening of 4 August at a very brief press conference. Doubtless. But after all, Bangui is a small city where appearances can be deceptive and there are always rumors: because of the fact that Dacko was free and smiling on that Friday, people believe that the putsch was only a piece of theater, and that Dacko was himself a willing accomplice. A comic-opera coup, in short. A coup staged for effect.

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Not so simple, however. General Kolingba's taking of power has something of the nature of a triple revenge. Revenge by the army, first of all, against a chief of state who ever since September 1979 has treated it like a poor relative: no training and ridiculously low appropriations. "We were the orderlies of the French, we served the Barracudas as their boys," one officer confided to us. Though relatively limited, the prestige of this 1,900-man army (which was 7 generals and about 10 colonels) with the populace increased the more it was discredited by the political class. Dacko was unaware of this, and by means of the traditional little game of transfers, dismissals, and promotions, as well as by his creation of the pretorian guard that was depriving the soldiers of their monopoly of force, he tried up to the last to appease the hurt feelings of General Andre Kolingba and his friends, who moreover did not try to disguise their "concern" about the politicians' sterile games and the danger of destabilization" of the country.

It was not until 14 July and the bloody attack against a Bangui movie-house, responsibility for which was claimed by Iddi Lala's pro-Libyan group, that Kolingba reportedly decided to play his own cards. Even before then, however, reports which the secretary general of the UDC [Central African Democratic Union] (Dacko's party), Jean-Claude Kazagui, and prime minister Simon Bozanga (the "hard-liners" of the president's entourage) sent regularly to Renaissance Palace, emphasized the necessity of neutralizing Kolingba. The general knew this, just as he suspected that if Dacko had tried several times (without success) in 1981 to bring him along on his official trips to Libreville, Kinshasa and Nairobi (for the OAU [Organization of African Unity] summit), it was because he was up to something.

Convinced of the need to "disconnect," a frequent sufferer from heart ailments, Dacko believed he would be abandoned by Paris and in effect decided to orchestrate his own succession: his friend, Monsignor N'Dayen, the Archbishop of Bangui, during one of Kolingba's absences, was to take power with the support of another N'Dayen, his brother, the commander in chief of the police. Dacko then would have been "overthrown," with his consent, by his own faithful supporters. But in the aftermath of 14 July, David Dacko, who decreed a state of siege in the face of the increasingly threatening opposition, was to call on the army. Three months previously, he could have asked for the intervention of the French troops, but since the election of Francois Mitterrand on 10 May things had changed, and the Barracudas were strictly confined to their barracks.

Invested, therefore, with the authority to preserve order, Kolingba decided to see what he could get for his support. He went to Dacko at the end of July, tendered his resignation, and demanded the replacement of the head of the police. "Big David" rejected Kolingba's first "suggestion" (see J.A. No 1079), but yielded on the second: Lt Col Christopher Grelombe, a confidant of the general, took the place of N'Dayen as head of the police.

From that point, the game was ready to be played out: on 31 August Kolingba, who had control over both of the state's armed bodies, needed only to collect his forces. But this general who has been called ambitious, an alumnus of the military schools of Brazzaville (where he was a schoolfellow with former Congolese president Marien N'Gouabi) and Frejus, ambassador to Canada and West Germany under Bokassa, and who was the reputation of being a strong man, did not act alone.

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His victory was also revenge for several civilians who worked behind the scene for his accession to power. Unquestionably, the most active among them was former prime minister Bernard-Christian Ayandho, head of the first Dacko government, "dismissed" in July 1980 (at the same time as ex-vice president Henri Maidou) following the violent protest demonstrations in the schools in June. Ayandho had never forgiven Dacko for having thus sacrificed him, and since then he had made himself the advocate-- both with the Gabonese, with whom he maintained excellent relations, and with the Americans (see story below)--of a "Kolingba solution" to counter the risk of a "Chadization" of Central Africa.

It was he, after all, who on the morrow of the Barracuda operation, brought Kolingba back from Bonn to Bangui, and then insisted that he be named army chief of staff. And his former military attache, Major Evariste Konzale, was one of the principal instigators of the putsch of 31 August....

Another active individual in recent months: Jean-Marie Songomali, a high official in the Agency for Cultural and Technical Cooperation (ACCT), a member of the Bokassa family (he married a niece of the deposed emperor) and at one time a confident of the opposition figure, Francois Pehoua. A brilliant and affable person, Songomali held several grudges against the Dacko team: after having accused him of being implicated in a mercury-trafficking affair (see J.A. No 1078), which he vehemently denied, maintaing that it was a "baseless concoction," aimed at discrediting him, David Dacko in effect tried unsuccessfully to replace him on the ACCT by his chief of staff, David Zokoe.

The final influential personage, Michel Gallin-Douathe, a remarkably vivacious sexagenarian, an alumnus of the French Overseas College who was a civilian administrator in the French ministry of the interior (he holds dual citizenship), and one of the ministers Dacko had sacked, was easily persuaded to come out of his Parisian retirement to help the new authorities.

So it was revenge for the army, for Ayandho, and for several others, but--this too must be said--it was also revenge for the Yakomas, for the more than 20 years during which power went increasingly into the hands of the M'Bakas, the ethnic group to which Boganda, Bokassa, and Dacko belonged. All the key men in the new leadership are in fact Yakomas: Kolingba and a substantial number of his ministers, as well as Ayandho, Songomali, Gallin-Douathe, all came from the same group. Is one monoethnism to be replaced by another?

Bound together by links which are often familial, the military team that surrounds President Koulingba is not, however, free of contradictions. The various political currents which divide the country traverse the new leadership too. There is grumbling for example, about the fact that Major Allam, the secretary of state for the interior, is a friend of Ange Patasse, that Lt Col Grelombe (secretary general of the government) and General Yangongo (the brother of Abel Goumba's right-hand man and minister of labor) are rather "socialistic," that Major-Domo Kogola (planning) was at one time the bodyguard of Pehoua, and that Kolingba himself trusts no one but himself.

There is also the problem of inequalities in administrative authority within a government which one can predict will at least be "muscular" regardless of its effectiveness in other domains. While some ministers, such as the one for foreign affairs, Jean-Louis Gervil Yambala (an honorably discharged lieutenant colonel), or even Alphonse Kongolo, seem likely to be able to assume their responsibilities, others--it would be cruel to cite them by name--will have much to learn.

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All the same, the first statements by the new regime agree on one point: firmness, particularly with respect to opposition groups, all of whose activities have been banned. No one in Bangui is ignorant of the fact that what in the final analysis moved Kolingba to action was the monster demonstration organized Sunday 31 August at M'Poko airport to welcome Ange Patasse on his return from Brazzaville. The soldiers could simply not accept this virtual second government which had been established for several months in Central Africa.

No doubt they received encouragement from several neighboring countries for the realization of their ambitions and what they believed to be the carrying out of their "mission," and particularly from Gabon and Zaire, whose presidents, after having pressed Dacko to end his experiment with an infectious and "anarchic" multi-party system ("anarchic" was the term employed by one of the two heads of state), subsequently described themselves in private as "disappointed" by the indecisiveness of a man who "approves motions but never executes them." And then, there is France...an omnipresent and encumbering partner, whose interference was unceasing since the accession to power of David Dacko, "Giscard's man," and whose vacillation following 10 May certainly contributed to destabilizing somewhat more a president whose position was already quite weak.

The French in Bangui, however, are happy: "The circus is over!" said one to me. "The gobodes" (unemployed youths) "will no longer come to distribute their tracts on the terrace of the Rock Hotel, now they are going to have to get to work!" There is also smiling in the residential quarter of the "200 villas," where the French officers say they are "relatively sure" that they are going to stay. There is a smile, too, on the face of the blonde barmaid at a restaurant on David Dacko Avenue who sports on her tee-shirt, in enormous letters, the words "I love the Barracudas." "A soldier in power in Bangui: that brings back memories around here, huh?"

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CENTRAL AFRICAN REPUBLIC

REGIME'S ATTITUDE TOWARD IMF PROGRAM UNCERTAIN

Paris JEUNE AFRIQUE in French No 1080 16 Sep 81 p 21

[Article by S.G. "An Economy Adrift"]

[Text] Obtained only after a hard fight last June in Paris, will the moratorium on Central African debt (Fr CFA 57 billion) be kept or will it be thrown into question by the new regime?

In Paris, those concerned say that it is too soon to attempt a diagnosis. But they are not expecting any change, especially since the accord concluded with the support of the International Monetary Fund [IMF] is relatively favorable to Bangui: it includes a consolidation of arrears, a rescheduling of the debt over 9 years and a grace period of 4 years.

Loans

But the implementation of that program should begin at the latest in mid-October, after the signing of a confirmation agreement with each of the creditors. And particularly with France (Fr CFA 14 billion), Yugoslavia (4.1 billion), Switzerland (2.4 billion), and the United States (1.1 billion). Not to mention South Africa: 8.2 billion, including 7.8 billion in private loans and 0.4 billion in governmental loans, all obtained by Bokassa for the construction of 500 villas and the Hotel Intercontinental.

The results of these bilateral negotiations depend now on the new minister of economic and financial affairs, military administrator Thimothee Marloua, who, one ignores the remote possibility that payments will be stopped--can only ratify the Paris agreement. Should he do otherwise, he might alienate the investors, who expect to see financial reform, as does the IMF, with which a program of economic recovery was concluded in March 1981.

Austerity

This 2-year program involves Fr CFA 40 billion in investments with top priority given to agriculture and indispensable economic infrastructure. It also calls for wage stabilization, gradual reduction in the rolls of public sector employees, and tax increases. Its objective is to put an end to the economic and financial deterioration which has continued since the fall of Bokassa: a decline in the real per capita

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income, an aggravation of budgetary deficits: Fr CFA 10 billion in 1980, compared to 6 in 1977; a fall in export earnings (23.6 billion compared to 28.6) and growing import costs (42.6 compared to 25.5); which has resulted in a trade deficit of 19 billion, compared to the 3 billion surplus in 1977; deterioration in the balance of payments deficit: 13 billion in 1977, 43.4 billion in 1980; 49 billion forecast for 1981.

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COMORO ISLANDS

ECONOMIC PROBLEMS OF ARCHIPELAGO SURVEYED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868, 28 Aug 81 pp 2203-2205

[Text] A photograph of East Africa taken from a satellite shows an image of Madagascar resembling a ship, the prow of which casts aside a cluster of small islands, some in the midst of the Indian Ocean, others at the northern mouth of the Mozambique canal. The latter include the volcanic Comoro Islands archipelago, including Mayotte (375 sq km, 46,000 inhabitants), Moheli (290 sq km, 15,500 inhabitants), Anjouan (425 sq km, 118,000 inhabitants, and Grande Comore (1,147 sq km, 163,000 inhabitants).

Like that of Karthala, a volcano which is still active, the history of this archipelago has been and continues to be rather agitated. Without a doubt, this is because of a population with very diverse origins, made up of Malays, Sakalava Malagasy, Persians, Indians and Arabs, or perhaps also because of the foreigners who stop there, for as long as their ship is in port or for a lifetime--Portuguese, Germans, Englishmen, Frenchmen and even Chinese. To this very day, since the epoch of the "battling sultans" in the 16th century, quarrels and local intrigues have never ceased, prospering moreover in the midst of the fragrant scents of vanilla and ilang-ilang, thanks to which this land became known as the "perfume islands."

To look no further than our own era, these last few years have been very agitated. In 1975, the unilateral declaration of independence, in response to "rude conduct" on the part of France, was a surprise, but Mayotte, the separatist which did not want to remain in the bosom of its "three sisters," acted alone and returned to the French fold--a move which annoyed the former sponsor and reduced the new state. A month later, in a dramatic coup, the president was overthrown, the regime hardened "in the Cambodian fashion" and France packed its bags and left, slamming the door, except on Mayotte,* where the legionnaires established themselves to build...what else but roads.

But on 13 May 1978, in a feat masterminded by Gilbert Bourgeaud, alias Bob Denard, previously seen in action in Katanga and Biafra, the former president was put back in power.

And then, as if to bear out its reputation as the "shifting islands," the Comoros annexed the Glorieuse Islands, little islets lost in the Indian Ocean, which it

*On 6 December 1979, the French National Assembly assigned Mayotte the status of a "special territorial collective" for the next 5 years. In 1985, the population of Mayotte will again be consulted.

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happened Madagascar coveted. Again a cause of friction with Tananarive, which had brutally expelled 16,000 citizens of the Comoros from Majunga in 1975.

All of this, as can be imagined, could hardly benefit an economic situation which, to say the very least, had never been very flourishing.

Deteriorating Soil and Rapid Population Increase

The Comoros are among those countries which find themselves acutely faced with the problem of survival in terms of food. With a population increasing at a rate of 3.5 percent per year, and never having been able to eliminate the lag which developed initially in the production of subsistence crops, one can hardly see what path might lead to a happy solution. In any case, the soil is becoming exhausted and the extent of the arable is limited by a small overall area. We encountered this problem previously in the study of Rwanda and Burundi, but the situation is still more delicate here. The Comoros have no neighbors, and if the sea vessels which bring in 30,000 tons of rice and other basic foodstuffs every year were to cease to call at these islands, the situation would become dramatic. No, to speak the truth, the future days of the perfume islands do not seem very certain to be happy.

It is true that the authorities are attempting to "plan" family development, but the results will be long in coming in a population in the grip of tradition, and thus ill-suited for the application of modern concepts. Also, the government is placing its hope for the time being in corn, which seems to provide better yields than rice, and in better yields for other food crops, such as cassava, sweet potato, etc, which grow up to 400 meters above sea level in the shade of the coconut palm. Without any doubt, the prevailing temperate tropical climate and soil of volcanic origin lend themselves well to a number of agricultural crops, but for years the forest has been deteriorating thanks to cutting at regular intervals. The soil has thus deteriorated and the rivers, flowing now on permeable soils, are draining away and their sources are tainted. For this reason rainwater had to be collected in tanks, leading to substantial proliferation of microbes. In the Comoros, 80 percent of the population is affected by malaria, and infant mortality (malnutrition and illness) is 20 percent. One would think the scenario describes a nightmare universe. This is, however, not quite true, because in tropics, and in the Comoro Islands in particular, the sun and the sea temper and ameliorate the harsh reality. But the Comoro Islands do not remain turned in upon themselves and their difficult problems, but also engage in exchange with the world. What then is the situation with foreign trade?

Trade Out Of Balance

Food crops, sorghum, corn, rice, sweet potatoes and the few livestock products are consumed on the spot and are involved in practically no commercial transactions. Volumes hardly vary and remain quite stable:

rice: 3,350 tons in 1966, and 3,661 tons in 1978
corn: 1,155 tons in 1966, and 1,545 tons in 1978
cassava: 23,000 tons in 1966, and 24,460 tons in 1978

The only advance is seen for coconut (some of the copra is exported): 29,400 tons in 1966, and 48,700 tons in 1978.

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Income crops, on the contrary, are playing an ever more preponderant role in the economy: Grande Comore is the vanilla island (second largest world producer), Anjouan produces mainly cloves and ilang-ilang* (leading world producer), and Moheli produces copra (a byproduct of the coconut). Here, then, is the contribution of each of these products to the total export value in percentages:

	1974	1977	1979
Ilang-ilang	36.7	26.7	14.1
Vanilla	22.1	49.2	69.1
Copra	23.2	6.1	5.3
Cloves	11.3	13.4	10.0

Vanilla and ilang-ilang thus account for the lion's share, being trailed at some distance by copra and cloves. The four together, in any case, account for 98.6 percent of the exports.

Imports are mainly made up of food supplies and heavily outweigh exports. Rice alone accounts for 20 percent of the import value. In 1975, imports totaled 4.968 billion CFA francs as compared to exports worth 2.037 CFA francs, leaving a deficit of 2.931 billion, the rate of coverage being only 41 percent. More recently, in 1979, there was a deficit of 2.369 billion, but the rate of coverage was 60 percent. There are no minerals of value justifying exploitation in view, nor any prospects for oil. Thus it is hard to see how the deficit trend can be reversed. Perhaps at a future date tourism could make a substantial contribution to foreign trade, but we are far from that point now.

Finances of an Undeveloped Country

The Comoro Islands are not lacking in resources and it cannot be said that the country is poor. However, its economy is not yet developed enough for its financial situation to show a positive balance.

Commercial trade which is out of balance inevitably leads to a deficit in the current payments balance. Only contributions from abroad in the form of loans or gifts can reestablish the balance. There is, however, one striking point when one studies this balance carefully, and that is the freight and insurance category. They accounted in fact for debits to the account totaling 1.298 billion CFA francs in 1978 and 1.820 billion in 1979. In other words, 65 percent of the export income! It is costly to be an island, above all when it is distant from the major production and consumer markets.

As to the foreign debt, it came to 21.3 CFA francs in 1980. The debt service came to 461 million CFA francs, or in other words the equivalent of 27 percent of the domestic federal budget income. This represents a burden which it is difficult for public finances to bear.

A poor infrastructure, with few roads, no real ports, an airport with limited capacity, infrequent communications among the islands and intermittent service to the African

*The flower of the ilang-ilang is used in making perfume.

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continent and the rest of the world complete the economic picture in the Comoro Islands. Overall, matters do not appear in a very favorable light. A gross national product estimated at 1980 at \$70 million, representing \$200 per capita, gives some idea of the underdevelopment of the country. The plan of action which has been drafted for the 1980's should be able, if implemented methodically, to correct the situation.

A Detailed and Consistent Plan

First let us specify the main options selected: to guarantee independence in foodstuffs on a priority basis, to improve internal and external communications and to resolve health problems rapidly. Let us then examine the main projects which have been developed in terms of these goals.

Self-Sufficiency in Food

Some 95 percent of the population lives in the rural sector, which contributes 40 percent to the gross national product. Agriculture is far from the main economic activity. The soil of volcanic origin, although porous, is rather rich, but in view of the demographic pressure, the limited arable land poses difficult choices between the use of land for food crops or income crops. The balance will never be easy to strike. The fact remains that a number of proposals have been studied. However, let us first examine the activities in progress:

The coconut palm project (\$5.2 million, financed by the World Bank) is designed to increase the production of coconuts, and thus that of copra;

the corn project (\$3.1 million, financed by the EDF [European Development Fund]) has led to the planting of 221 hectares of corn on Grande Comore for the 1981-82 season. If the expected yields are obtained, corn will be extended to Anjouan and Moheli; and

improvement of the growing of vanilla, cloves and bananas (\$7.6 million, financed by the African Development Fund), and finally, the poultry breeding project (\$2.3 million, EDF and UNDP [United Nations Development Program]), which should result in the annual production of 4 million eggs and 325 tons of poultry meat. This will be combined with the development of sheep breeding, which should lead to the production of 250 tons of meat annually. Currently, the residents of the Comoros must be satisfied with 5 kg of meat per year. This supplementary contribution will truly be welcome.

According to experts, the potential for reaching an acceptable food production level would require the development of 51,000 hectares of available land. This would suffice to feed the 55,000 families in the Comoro Islands. In addition, these conditions favor the raising of goats and sheep above all, and also favor fishing, although the coastal waters are not especially rich in fish. If the fishing zone were extended to a radius of 50 km from the archipelago, a catch of 20,000 tons could be expected (present figure, 6,000 tons).

Let us stress the following, among the 17 projects making up the structure of the rural plan:

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The development and exploitation of the forests: planned reforestation of 300 to 400 hectares per year to protect the soil and provide wood for carpentry and heating fuel; and

the intensification of soil protection and restoration. This project calls for a pilot operation in 3 years covering 150 hectares (Nioumakele Basin, on Anjouan) which will subsequently be extended to other areas.

Plans call for the creation of Rural Development Support Centers (CADER) so that the projects can be carried out under the best possible conditions. Planned to play a motivating and advisory role, but also to provide fertilizer and other supplies at cost, these CADER will be set up gradually. Five bodies of this sort are already in operation, and 10 others will be established in the coming months.

Internal and External Communications

Despite the excellent location of the archipelago on the Mozambique channel, which made it a port of call in the past, the modern world seems to have ignored this privileged location. Without a doubt the British took note of it during the last war and established a base there, but once Vichyist Madagascar came under its influence, the Comoros lost their strategic interest. Also, there is no port worthy of the name. Only coastal vessels drawing little water can tie up along the ancient wharves of Moroni, the capital, or Fomboni (on the island of Moheli). Therefore, the few oceangoing vessels which stop in the Comoros drop anchor in the roadstead, and small harbor vessels ply back and forth to the loading docks.

The major project in this sector is the development of a deepwater port at Mutsamudu* on the island of Anjouan. This site is preferable to that at Moroni, where the rocky bottom makes dredging impossible. The planned facilities will include a 250-meter quay (with an 8- to 9-meter draft) and a warehouse store. Handling equipment for the wharf operations has also been planned (traveling cranes, forklifts, hoists, etc). The total cost will come to about \$27 million.

Simultaneously, the ports at Moroni and Fomboni will be improved so that Mutsamudu can truly play the role of a dispersal port for the region. These two operations are expected to cost \$22 million.

Once the port infrastructure has been built, external communications will be substantially improved, but communications among the islands remain infrequent due to the lack of facilities. Three vessels ply these routes but they are ancient and of limited capacity. Thus the purchase of a 350-ton coastal vessel and a 2,000-ton cargo ship is planned.

It is clear that in the case of the Comoro Islands, air service is much more than an auxiliary facility. It has become a sometimes vital necessity.

The Moroni-Hahaya airport commissioned in 1975 has not yet been completed. The work must be continued in order to make of it an international class airport (cost, \$7 million). As to the Anjouan and Moheli airports, they need extensive updating.

*Total traffic in 1977 was as follows: imports, 60,000 tons, including 10,000 tons of oil products; exports, 3,000 to 4,000 tons.

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Air Comores operates a Fokker 27 (44 seats). The purchase of an additional aircraft appears obviously urgent. It should be noted, however, that Air France provides a weekly flight between Paris and Moroni via Dar-es-Salaam.

However, there are also interior islands where the roads are often nothing but bare tracks impassable in the rainy season. Plans for this sector call for peripheral roads and some service roads to the interior.

One might say honor to whom honor is due, for the Moroni-Hahaya airport road (18 km) will be rebuilt on a priority basis.

By the end of 1983, if the projects are carried out, there will be 450 km of paved roadway. But the whole of a maintenance service, also incorporated by the planners, will remain to be implemented.

The plan includes, of course, sustained campaigns for health improvement (80 per cent affected by malaria) and the training of cadres and team leaders.

If the 10-year effort bears fruit, then, there can be no doubt that small industry, other than craft operations, will begin to see the light, and that tourism, practically nonexistent now, can develop seriously.

Are the Seychelles, farther to the north, with their 100,000 visitors every year, not already a considerable encouragement?

Assessment of the Plan

The cost of the complex of projects can be estimated at \$450 million. Apart from the assumption of operational expenditures by the lenders for 5 years, and the total or partial repayment of the foreign debt, the government of the Comoro Islands hopes to obtain favorable prices from certain suppliers, in particular the producers of oil. It is probable that the Comoro Islands leaders are too hopeful on this latter point, because the OPEC countries, as a general rule, will give no special discount to Third-World countries, preferring for various reasons, one of which at least is a cost-accounting consideration, to grant them advantageous loans, or indeed gifts.

This being the case, the Comoro Islands hope that the international community will examine their plan with interest and that their requests for aid will produce results. In this connection, it will be recalled that French aid to the Comoros, suspended at one time, was resumed, and the relations between the two countries were normalized despite the delicate problem of Mayotte, which still remains unresolved.

Where the Comoro Islands are concerned, one might believe that, from the strictly developmental point of view, it would have been better for them to remain in the French orbit, contrary, moreover, to what we had to say about Cape Verde in relation to Portugal. It is better in fact to negotiate the labyrinths and the convolutions of the administration in Paris than the complicated and often uncertain mazes of the IMF [International Monetary Fund], the World Bank, or some other international organism. This was the price of independence. This is without a doubt one of the explanations for the attitude of the Mayotte leaders.

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GAMBIA

CIRCUMSTANCES LEADING TO PROPOSAL OF SENEGAMBIAN FEDERATION EXAMINED

Paris JEUNE AFRIQUE in French No 1078, 2 Sep 81 pp 36-39

[Article by Francois Soudan: "The Price of Security"]

[Text] Having learned from the tragic events in Banjul, presidents Jawara and Diouf have declared themselves in favor of a Senegambian federation.

With much guttural clamor and the ample movements of their blue boubous pushing herds of dirty goats in front of them onto the mouldy planks of the ferry, the Mauritians were the first to return. Small shopkeepers and breeders, seen throughout Banjul, they cautiously took refuge on the other side of the Gambia river during the first hours of Kukoy's putsch. For four days, they watched their stalls burning in the distance, before getting back onto the first "ferry" which was leaving from Barra. Today, they are feverishly counting their losses which Dawda Jawara promised to compensate. However, for them, it will no longer be quite the same as before: the huge contraband traffic from which they also made their living as small-time smugglers or occasional retailers has, in effect, a strong chance of becoming nothing more than a memory.

Contraband

The Senegalese are there and it is not a hidden fact in Dakar that one of the missions of the expeditionary force, which is present from Banjul to Garowal along the entire stretch of Gambian territory, is to clean up this huge "duty free" supermarket which the country of Dawda Jawara has become.

One would find everything in Banjul: whisky and hemp, cameras and trucks...Weapons as well: poachers who operate in the Senegalese national parks came here to stock up on kalachnikovs, whereas the gamekeepers are only equipped with old Mas 36 rifles. It is estimated that nearly 70 percent of the products imported by Gambia were smuggled out of the country. An extremely lucrative market from which the very rich bourgeoisie of Banjul profited including the family of Dawda Jawara itself. Furthermore, contraband and also tourism are two closely related activities; an aggressive, polluting, high tourist trade (a dozen or so luxury hotels between Banjul, Sere Kunda and Bakau whose total population does not exceed 60,000 inhabitants) that is beginning to spread along the banks of the Gambia river since the transformation of Juffure, the ancestral village of the American writer Alex Haley (author of "Roots"), into a place of pilgrimages for Black American tourists.

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Although the putschists did not attack the Westerners (very strict orders were given in this regard by Kukoy), certain hotels like the Bungalow Beach, frequented primarily by Swedes, were occupied by young rebels.

During a matter of several hours, they tied about 20 tourists to trees before forcing them to lie down under beds...

Hardly surprising, in view of the extent of frustration experienced by an urban population (whose annual income per inhabitant hardly surpasses 1,500 French francs or 75,000 CFA francs which the opposition to Jawara's regime was able to swell during recent years to the point of becoming a permanent threat. A many-sided opposition, rallying the Akou (bourgeois of Banjul) who are hostile to a president who always depended on the rural masses, as well as leftist functionaries barred by the Constitution from all political positions, and joined by unemployed workers and the uprooted. Three principal groups: the National Convention Party (NCP), of former vice-president Cherif Diba (excluded from the Progressive People's Party--PPP--in 1968 following a financial scandal), supported by the Akou; the Gambian Socialist Revolutionary Party (GSRP), rather pro-Soviet and the Movement for Justice in Africa (Moja).

Opposition

All three, in varying degrees, participated in Kukoy's putsch (who furthermore, is a member of GSRP). But the last of the three is, by far, the most original: basically Pan-African with roots in various English-speaking countries such as, Nigeria, Sierra Leone and above all, Liberia (where it played a decisive role in the overthrow of William Tolbert), Moja extols "social and African justice" according to the directives of its principal inspirer: Tipoteh Natogba, economic minister of Liberia.

In Banjul, the Moja was directed by two extraordinary personages: Koro Sall, an old associate of N'Krumah, professor forever wearing a beret in "Che" fashion, and, particularly, Samuel Sylla. Sylla is the "Black Falcon", an odd mercenary trained at the British military academy of Sandhurst, officer in the Nigerian army during the Biafra war ("effective, fierce, dangerous", as Yakubu Gowon described him one day). Having returned to Banjul in 1969, he was given a position by Jawara, who feared him, at Radio-Gambia (with a minister's salary). These three opposing forces, which nothing outside of a common hatred of the "Jawara clan" brought together were, thus, united on Thursday 30 July, behind Kikoy Samba Sanyang and the rebel elements of the Field Force. Today, they no longer exist or almost do not. Beheaded.

Cherif Diba: arrested; Pingou Georges (leader of GSRP): shot and killed; Koro Sall: shot and killed; Kukoy and Sylla: vanished. Dawda Jawara, therefore apparently has a free hand, as never before, for better or for worse. Undeniably, the worse would be to retain the structures, the systems and the style which prevailed until now, not leaving him any other choice of surviving other than instability and permanent repression. Will this weary man, who declared the day after the putsch: "if it were only up to me, I would have resigned from power", have the will to start very profound reforms? The creation of a prime minister's post, the opening up of political careers to functionaries, reform of the majority party, the PPP, permit hope for a possible commitment in this direction.

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Dissolution

However, it remains that the freedom enjoyed by Jawara is now little more than one strictly supervised, almost illusionary. The Senegalese army which gave him back his position, lost at least 30 men in this action and a non-negligible part of its operational budget. A gap, which the million dollars promised by Jawara as compensation for families of victims, will certainly not be able to fill. Moreover, the officers who surrounded Lieutenant-Colonel Abdourahmane ("Abel") N'gom, commandant of the Senegalese contingent in Gambia, have understood better than others the state of dissolution into which this country had plunged, half of which had been declared "a disaster area" the day after the putsch. Perhaps, they would be reluctant to intervene a third time if nothing were done to remedy the causes of the "Gambian malady": nepotism, disorganization, corruption. Especially since strict orders, which obliged them to use only very restrained fire power during "Operation Fode Kaba II", were not well accepted by some.

Integration

The sight of President Jawara giving his press conferences at the State House in Banjul, surrounded by Senegalese military, permits one to guess how little freedom the Chief of State will have from now on. And the concordant declarations, on 19 August in Dakar, of Jawara and Abdou Dioud in favor of a "Senegambian federation" Combining the security and defense services of the two countries, only confirm what must be called a defacto integration. Like Zanzibar allowing itself be absorbed, 15 years ago by Tanganyika into a "Tanzanian federation", Banjul does not, in effect, have either an army or security service to integrate.

From before 1965, independence date of Gambia, the formation of a "Senegambia" was already anticipated in Dakar. It took shape in the following years by the creation of an interministerial commission and the signing of a treaty of association including agreements of mutual defense. "Operation Fode Kaba II" gave this union physical shape.

From a simple historical point of view, the creation of a Senegambian federation may pass, after all, for the correction of multiple colonial aberrations: on each side of the borders (but Senegal and Gambia are not the only ones in this case), they are in effect, the same people, the same culture, the same heroes whose names are: Yaba Diakhou, Lat Dior Diop, Mamadou Lamine or...Fode Kaba.

Nationalism

From the aspect of political ethics, the proposal can defend itself as well: the most ferocious adversary of an integration was always, in effect, the most corrupt group of the Banjul bourgeoisie, who feared--and rightly so--that a Senegambian federation would make it lose the substantial gains which it drew from contraband. It can finally be said that independence is under way and deservedly so: in 15 years, the political class in power in Banjul did little (or almost nothing) in this regard than transform its country into a travel folder and a supermarket for traffickers.

However, there exists, undeniably, a certain Gambian national feeling due, above all, to a century and a half of British colonization. A feeling which the

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- Senegalese military intervention, understandable as it was, did not conduce to change--far from it. Everything depends now on the way in which the men of Dakar will concern themselves with Gambia, without for all that occupying it...

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GAMBIA

PROS AND CONS OF SENEGAMBIAN UNION DISCUSSED

Paris JEUNE AFRIQUE in French No 1081 23 Sep 81 pp 33-34

[Article by Sylviane Kamara: "It is Urgent to Wait"]

[Text] Though it appears natural, the Senegambian confederation project gives rise to varied reactions.

A frog in the throat, a burr under the saddle, a suppository in the behind of Senegal: metaphors for Gambia are not lacking and are in no way flattering. Gambia is a small bit of something irritating, which is a nuisance and which can hurt. So it goes without saying that the Senegalese greeted with relief and enthusiasm the announcement by their president on 7 September that confederation of the two countries will take effect 1 January 1982. "I think that in the immediate future Senegambia will impose a few sacrifices on Senegal," explained Abdou Diouf, "but in the medium and long term this union will benefit both Gambia and Senegal." A confederation, then, there will be, with each state, for the time being, retaining its sovereignty.

Yet in mid-August, circles close to the Dakar government were talking of a federation to come into being within 6 months, with President Abdou Diouf as head of the Senegambian state, and Sir Dawda Jawara as vice president. The latter would accept at the outset, in the euphoria of his gratitude to the Senegalese, but would later withdraw. In any case, it is not certain that this formula would win the support of all Senegalese. "Jawara as vice president?" asked a Dakar youth with surprise and sarcasm "Senegalese interventions at 6-month intervals have proven his weakness. He should settle for the post of governor of Gambia!"

Contraband

It is true that the rebellion at the end of July did nothing to restore his standing. Perhaps a federation could more easily be set up with the successor of the present Gambian president. But the last word has not yet been spoken. "Confederations have always evolved towards federation," considers Senegalese Prime Minister Habib Thiam, "and we wish for the closest cooperation with Gambia."

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In the economic and political fields it is not denied in Dakar that the problem of contraband will have to be examined on a priority basis. Imports by Gambia in fact largely exceed its needs. The state thereby collects considerable customs duties, and fraudulently disposes of its surpluses across the river. It is consequently urgent and indispensable for Senegal that the tax structure be harmonized between the two countries.

What of the reactions of other states, particularly Guinea-Bissau? Its shadow was thought to lurk behind the rebels who proposed the establishment of a federation to join Gambia, Bissau, and the "liberated" Casamance! That is why the head of state, Joao Bernardo "Nino" Vieira, declared on 9 August, while visiting Senegal, that "we are in Dakar to lend once again the support of my government and people to the action taken by the Senegalese Government, so that peace and security may reign in our subregion."

At the same time Col Manuel Saturnino, minister of interior, pointed out to Dr. Daouda Sow, Senegalese defense minister, that the authorities of his country were well aware that a Senegalese reconnaissance aircraft had flown over their border, but had been content to strengthen their military dispositions. "We did not react," Col. Saturnino said in substance, "but next time, we will fire!"

The people of Guinea-Bissau are nevertheless disturbed, for Kukoi Samba Sanyang, leader of the Gambian putschists, has taken refuge in their country. Though his arrest was not made public until 26 August, the Gambian and Senegalese governments knew as early as the 8th that the brains of the coup d'etat was under lock and key.

Security

If Bissau wavered that long, it was because the Council of the Revolution was divided as to his fate. President "Nino" favors his extradition. But others maintain that Kukoi Samba Sanyang--who enjoys full freedom of movement [as published]--after all represented himself as a Marxist-Leninist. How could he be handed over without abjuring the faith, or antagonizing Angola, Mozambique, and the USSR? For pro-Soviet communists take a very dim view of the way events have turned, and this Senegambian confederation looks to them like an annexation.

They are not alone in their frowning. Britain took offense at the Senegalese intervention of October 1980, and it is probable that it will make great efforts to wreck or delay the confederation, which would cause the loss of a part of its influence over Gambia.

But whatever Bissau or London may think, Senegal could hardly permit the development in Gambia of a regime far too different from its own, no matter what its nature. Would a Maoist government in Dakar accept a pro-Soviet team at Banjul? One can get along with any neighbor, but can one, without risking his own safety, admit just anyone into his house?

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IVORY COAST

INDUSTRIAL STATISTICS SHOW DECLINE IN MOST SECTORS

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 pp 2330-2331

[Text] Even before the fiscal year ends next 30 September and before the companies' accounts are published several months after that date, Ivory Coast industrialists are not hiding either their distress over the results of the 1908-81 business year or their concern over the difficulties to come.

It is true that oil production prospects--the magnitude of which nobody in Abidjan knows, except for certain members of the Oil Committee¹ -- give reason to hope for a better future. However, as Mr Lambert Konan said last June in the opening address of the general assembly of the Chamber of Industry he presides over, "the path that leads to this future will be fatal for many companies that will find they do not have the resources needed to cope with the decline in economic activity between now and 1981-83, the slowdown in government investment, the sudden and massive increase in interest rates, inflation, problems in collecting their debts and corresponding cash problems."

In order to place this statement in the context of the Ivory Coast, a balance sheet of the activities of the secondary sector in 1980 and 1981 should be drawn up, on the basis of the statistics available for last year and the few data on the current fiscal year. Then in conclusion, we will review the main plans that Mr Maurice Seri Gnoleba, minister of industry, has for his country's industry. He is already speaking proudly of the projects as not being easy, but as full of hope.

A Balance Sheet That Varies by Sectors

Ivory Coast industry showed a growth rate of 22 percent in 1980, as compared to 18 percent in 1979 and 20 percent in 1978. Although the increase in volume was only 10 percent, against 12 percent in 1979 and 15 percent in 1978, the results for the 1980 fiscal year are very close to the annual average for the decade of the 1970's, i.e., a 23 percent increase in value and a 12 percent increase in volume.

Exports, valued at 282 billion CFA francs in 1980, grew more rapidly (+38 percent) than sales on the domestic market (+15 percent), and they account for 35 percent of the total turnover of industries (795 billion) and 48 percent of total Ivory Coast exports (590 billion).

¹This committee includes the secretary general of the government, the mining minister, the finance minister, the director of PETROCI and the director-general of the Autonomous Sinking Fund. Oil production in 1981 will amount to about 480,000 tons of crude oil extracted from the Belier deposits.

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At the same time, the number of persons employed by Ivory Coast industry (71,373) increased by 6 percent and total wages (94.6 billion CFA francs) by 26 percent. The 1981 economic decline, expressed in terms of volume, should range between -15 and -20 percent.

Ivory Coast industry came closer to some structural objectives it had set in 1980 and thus is increasingly in the hands of the Ivorians every year. The "ivorization" of capital is progressing and amounts to 64 percent, 53 percent of which, however, is government-owned and only 11 percent in the hands of private investors. Ivorians account for 75 percent of the work force, other Africans 22 percent, and non-Africans 3 percent.

The supply of factories with Ivory Coast raw materials is developing and now accounts for 60 percent of total turnover. Decentralization is being pursued: Abidjan now accounts for only 60 percent of production, as compared with 70 percent 2 years ago.

An analysis of the figures for industry and public works by branches is needed to get an idea of exactly how the secondary sector has developed. (Most of the statistics have been extracted from studies conducted by the Ivory Coast Chamber of Industry.)

The structure of Ivory Coast industry has changed very little in the past 3 years: the agro-food sector is still the predominant one, refining has gained nearly 2.5 points as a result of the increase in oil prices, and mechanical and electrical industries such as wood processing industries have declined by 1.5 points. Overall, industry accounts for 71 percent of the secondary sector in 1980, as compared with 65 percent in 1979 and 64 percent in 1978.

A. Construction and Public Works

This sector has developed prodigiously in 20 years (with a turnover multiplied by 36) and, what is more, went through an exceptional period in 1976, 1977 and 1978, when growth rates in terms of value ranged around 40 to 60 percent. However, the massive reduction of government investment caused a slowdown in activity which gradually took the form of stagnation in 1979 (+13 percent in value), of a considerable setback in 1980 (-6 percent in value or -20 percent in volume) and is very likely to take the form of a sharp drop in 1981 (-40 percent in volume).

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Turnover for the Secondary Sector
(In billions of CFA francs)

	<u>79-78</u>	<u>80-79</u>	<u>81-80</u> <u>estimate</u>
Industry	549	650	795
Construction and Public Works	309	349	327
Total	858	999	1122

Change in Turnover
(Percentage)

	<u>79-80</u>	<u>80-79</u>	<u>81-80</u> <u>estimate</u>
Industry	+18%	+22%	-5%
Construction and public works	+13%	-7%	-25%
Total	+16.3%	+12%	-12%

Structure of Ivory Coast Industry
(Percentage of turnover)

	<u>1978</u>	<u>1979</u>	<u>1980</u>
Agro-food (branches 6 to 10)	37.2%	37.2%	37.3
Textiles (11)	12.8%	12.9%	12.5
Timber (13)	7.3%	6.8%	6.0
Oil refining (14)	9.9%	10.5%	12.3
Chemical industry (15)	7.7%	7.8%	7.7
Mechanical and electrical industries . (18,19,20)	11.6%	11.0%	9.5
Other	13.5%	13.8%	14.7

These sudden changes in volume of activity are of course characteristic of the construction and public works sector, but that doesn't make them any less dangerous. Employment has been seriously affected: 45 percent of the 57,000 workers have been laid off in 2 years, and the financial situation of most of the companies is more than strained because of payment arrears, bad debts, and the climb in interest rates and inflation.

	<u>1979</u>	<u>1980</u>	<u>1981</u>
Turnover (billions of CFA francs) . . .	349	327	245
Number of companies	329	298	250
Employees	57,000	43,900	32,000
including:			
Ivorians	33,000	25,000	17,000
other Africans	21,000	16,800	11,800
non-Africans	2,450	2,044	1,300
Total wages (billions of CFA francs) .	73.6	68.8	50

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B. Industry

1. Agro-food. At the very heart of Ivory Coast's economy, this sector has a turnover of nearly 300 billion CFA francs. It has grown in step with Ivory Coast industry as a whole, at a rate of 22 percent in value between the 1979 and 1980 fiscal years. However, divergent results are noted in the different branches.

Branch 6: Processing of grain and flour (CA [turnover] 1980: 113 billion)

This branch is increasing its turnover very rapidly (+73 percent in 1979, +63 percent on 1980), thanks to the flour mills (the Grands Moulins of Abidjan is the 14th largest firm in Ivory Coast). The rice husking factories, however, have operated below their capacity in 1980-81, because delivery from the OCPA paddy has been inadequate.

Branch 7: Canning industry (CA 1980: 70 billion) This export-oriented branch (85 percent of sales) has shown a decline in its turnover since 1978 (-8 percent in 1979, -7 percent in 1980). Pineapple canning firms are unable to compete against the Asian market and must sell their goods on the world market at a price below production cost. In 1981, the three main companies in this sector, and especially Salci, a subsidiary of SCOA [West African Trading Company], are on the verge of bankruptcy.

Branch 8: Beverages and ice (CA 1980: 31 billion) The rate of increase in the value of this branch, which has exceeded +35 percent a year since 1975, suddenly fell to +7 percent in 1980. In 1981, the most recent figures show a decline in the volume of activity of about 14 percent for this sector. The major companies are Solibra and Bracodi, the 11th and 13th largest Ivory Coast firms, respectively.

Branch 9: Comestible fats (CA 1980: 44 billion) In 1980, this branch recovered slightly in comparison with 1979--a 19 percent increase in value, as against a 4 percent increase. But the difficulties which the cocoa butter companies encountered in obtaining supplies of the basic raw material, i.e., cocoa, seem more than paradoxical in a country ranked among the foremost world producers.

In 1981, the cocoa processing plants have fared better without a doubt, while the Palmindustrie production apparatus was disorganized because of that firm's financial problems. The Blohorn group, the largest private firm in the country which is showing good growth for this year as a result of constantly expanding its line of popular consumer products, even had problems obtaining supplies of oil because of the shortage of Palmindustrie.

2. Textile industry, branch 11 (CA 1980: 99 billion CFA francs) The building of a strong and competitive textile industry appears as one of the successes of Ivory Coast's industrial policy. Downstream from the CIDT, the agency in charge of cotton production, six spinning, weaving and printing companies (Gonfreville, Icodi, Uniwax, Sotexi, Cotivo and Utexi) are part of the 37 Ivory Coast firms recording a turnover of more than 5 billion CFA francs in 1980.

The textile industry, which exports 30 percent of its output, grew by 19 percent in 1979 and 18 percent in 1980. However, the financial difficulties of the CIDT, to

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which the Agricultural Stabilization and Price Support Fund (CDDPPA) and the Ivory Coast government have loaned substantial amounts, might lead to the abolishment of the preferential prices for cotton granted to cotton mills.

Moreover, illegal imports undermine the market whenever controls are relaxed. The 1981 and 1982 fiscal years may therefore turn out to be less favorable for the textile industry.

3. Timber industry, branch 13 (CA 1980: 48 billion CFA francs) The timber industry, which was flourishing just a short time ago (+25 percent increase in value between 1975 and 1978) slowed down in 1979 (+10 percent). There has also been a persistent drop in the percentage of rough timber processed in local factories (42 percent in 1978, 41 percent in 1979, 37 percent in 1980).

Finally, since May 1980, the world timber market has fallen into a deep slump and a number of timber processing companies which traditionally were also in the rough timber business are going through a very difficult period and, if not forced to file for bankruptcy, are at least in a dormant state.

4. Oil refining, branch 14 (CA 1980: 98 billion CFA francs) Oil refining has tripled its turnover in 5 years. After a slight decline in production in 1978, the turnover of this branch increased in value by 47 percent in 1979 and by 35 percent in 1980, because of the increase in oil prices.

An expansion of the production capacity (2 to 4 million tons a year) of the Ivory Coast Refinery (SIR), the Ivory Coast firm with the highest turnover, should maintain this upward trend in 1981, if the general slackening of the economy and the increase in consumer prices of oil products do not cause a sharp reduction in domestic demand. Whatever the case may be, the Ivory Coast refining industry is increasingly export-oriented: exports totalled 57 percent of turnover in 1980, as compared with 47 percent in 1979 and 41 percent in 1978.

5. Chemical industry, branch 15 (CA 1980: 62 billion) The turnover of the chemical industry almost doubled in 4 years and its increase in value seems to have levelled off slightly at over 20 percent a year. However, SIVENG, the main company in this branch and the country's primary producer of fertilizer (60,000 tons), is no longer able in 1981 to play the role of "financial institution" that the fertilizer subsidy and prefinancing policy of the Ivory Coast government implicitly assigned it.

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MALAWI

TRANSPORTATION, TOURISM, ENERGY FOCI OF ECONOMIC PLAN

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868, 28 Aug 81 pp 2201-2203

Malawian Report to the United Nations Conference on the Least Developed Countries (Paris, 1-14 September 1981): "The Revival of Growth"

Text One might almost say that Malawi follows its lake, that it follows the exact shape of it equally as much as it blends with it. A strip of land, barely more than 100 km wide, the country is, in effect, squeezed between the western shore of Lake Malawi, formerly Nyassa, and the Zambian frontier, and becomes even wider, slightly, towards the south in the direction of the valley of the Zambezi. If you add that Livingston discovered this enormous body of water in 1859, that specialists are very interested in the almost unexplainable variation of its water level, and that, lastly, the region is located in the extreme south of the great geologic fault of eastern Africa, you will have said all there is to say about this state, born in 1964, with limited resources. Basically a country which, a priori, calls up no particular commentary, as historians say when they lack anything more interesting to say.

Nevertheless, upon taking a closer look, in Africa Malawi is a case which is unique in its genre. Its president (for life), Dr Hastings Banda, has dared establish close relations with the "white bastion" of apartheid. Having become, at that time, champions of anticommunism, the Malawian chief of state took the side of South Vietnam and the United States in the Indochinese war. Soon after he played the part of privileged speaker for Pretoria within the framework of the South African policy of openness with the independent black states. Banda, not hesitating to "ally himself with the Devil," had the ambition to "kill apartheid by contact." "Dialogue is the best method to hasten its end," he said...

In 1971, he was received in South Africa in spectacular fashion--pushing Tanzania and Zambia, intransigent on the principle of apartheid, even farther from the "renegade." Afterwards, everything was not clear between Pretoria and Lilongwe which recalled its immigrant workers, but, even so, relations between the two countries remained rather close. On the other hand, Zambia was obliged to "talk economy" with South Africa and reestablished a good relationship with its neighbor, an instance which stands alone. Thus, everything seems apparently to have calmed down again between the "socialist" countries and Malawi; the economy has prevailed over politics, but what a lot of agitation provoked Malawi's attitude. This must be remembered.

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Economic necessities prevailed and this was preferable, especially when it is a matter of a sensitive point or global hot spot. Then Malawi, with its six million inhabitants, marching against the current of history, had benefitted, in that way, from the favors of a powerful South Africa; permitting it to get off to a good start in the economic sphere (financing of railroads and the transfer of the capital to Lilongwe notably). This does not deny that Malawi finds itself anyway, in 1981, in the "LDC club" (least developed countries)...The PMA (pays les moins avances--least developed countries); which pleases its adversaries who see in that a just sanction against a type of conduct they consider, at the very least, debatable.

Perceptible Progress Over a Period of Years

Everything seemed constrained to continue along the momentum of the years following independence, that is along the path of a constant and substantial progression in the PIB--gross national product: 6.1 percent per year, on the average, when in 1978 the economic growth rate began to sag, notably in the agricultural and industrial sectors. This setback was caused by unfavorable climatic conditions affecting tobacco, tea, and corn; the fall, on world markets, of the price of agricultural exports; the inevitable rise in the price of fuel, and worldwide inflation. These elements combined with a sharp growth in consumption and a corresponding reduction in savings caused the economy to slow down and brake its progress. It was from that moment that the deficit in current operational accounts rapidly became worse and reached the fateful rate of 12 percent of the PIB; a year later it reached 16 percent, while normally this figure should have been 7 to 8 percent.

Of course it was necessary to borrow, and not always under favorable terms. A few figures will show the situation even better.

Foreign debt by 31 December 1978 rose to 508 million kwacha (1 kwacha = \$1.25; \$1.00 = 0.8 kw) and the trade deficit rose to 130.6 million kw in 1980; the tendency for the future is to increase further.

Faced with this situation, the government adopted the austerity measures that one adopts in similar cases: increase gasoline taxes, budget cuts in operations and equipment, limits on imports, and a lowering of credit ceilings. Cyclical measures, the specialists are in the habit of saying, which must be rapidly "relieved" by more long term decisions in order to reverse this troublesome tendency. That is precisely the goal of the plan of action for the decade of 1981-1990.

Goals Which Must Be Attained

First of all, exports must be more diversified. At present, tobacco alone represents more than 50 percent of the value of all exports. This weakness touches many African countries.

Alternate forms of energy must be developed as quickly as possible, hydroelectric notably, so as to lower the imports of petroleum products whose price continually goes up, causing even more of a deterioration in exchange rates. Methods and structures of transportation must be improved and developed in order to get a firm grasp on foreign trade and thus mitigate the handicap of continentality. These are the principal goals proposed by the authorities for the eighties.

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It is surprising not to find here one of the essential goals we have often seen put forward in nearly all the countries already studied: food independence. And yes, Malawi is self-sufficient in food products for the moment, a situation rare enough to be singled out. But taking into account the demographic growth rate, 2.6 percent yearly, and diminished possibilities for the extension of land under cultivation, the problem will make itself known shortly. Thus an effort is expected to be made in the framework of higher productivity of farmland.

More particularly, in the matter of the GNP, the government has forecast, between now and 1984, a renewal of the rhythm recorded in the seventies, that is 6.1 percent, and then achieving, by gradual progress, a growth rate of 8 percent in 1990. The GNP, at market prices, will grow therefore by a total figure of 82 percent between 1981 and 1990. As for the GNP per person, it will grow by 40.4 percent. It will be interesting to see how the chief sectors are distributed relatively in their percentage of the GNP during the coming decade.

This apportionment appears to conform to that which is habitually found in this domain: the share of agriculture diminishes and that of industry, in contrast, grows.

The Plan by Sector

It is not surprising that the rural sector and the infrastructures of the transportation sector are the most well off. Produce more, while diversifying at the same time, transport better also...Let's take a rapid look at each of these key sectors of the economy as regards the 10-year plan.

Rural sector. Thus, produce more corn, sorghum...but also cotton, tobacco in order to continue to assure food independence, to increase and diversify exports (tobacco, tea, sugar) and furnish the agro-industries with their raw materials. In animal husbandry, the production of milk and milk products will be encouraged.

In forestry, the plan aims to increase the production of charcoal and timber and to protect their natural milieu by systematic reforestation.

Extension of the cultivation of tea in the Mzuzu region: 2,120 hectares to 3,240 hectares.

Reconditioning of 2,000 hectares by irrigating land located in the valley of the Shire.

The "Hatara irrigation plan" concerns 400 small land-owners. The project anticipates especially the extension of the cultivation of rice.

Fishing: at present nearly 80,000 tons of fish are caught from Lake Malawi every year. But this quantity is not sufficient. An effort at modernizing the fleet and factories will be undertaken.

There are already 25 fishing centers around the lake. They are going to be improved. Thus, certain ships of the Muldeco Fisheries are already equipped with modern search instruments (sonar sounder); this will become more widespread in the coming years.

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Industrial Sector (manufacturing, energy, minerals). New industries will be constructed in connection with the accelerated production of related farm products.

Thus a new packaging unit for tobacco has just been created. Two others are forecast 2 years from now.

Creation of a new cement factory at Kasungu with a capacity of 400 to 800 tons per year.

A fertilizer factory is planned as well.

In the realm of energy, the hydroelectric power station at Nkula will see its capacity increased from 118 to 158 MW.

Moreover, studies will be made to install new stations. Hydroelectric potential is important and, in the future, it will be able to replace part of the power supplied by petroleum products.

It would be difficult to say that much hope is placed on mineral resources. Of course, there are indications, traces, but nothing yet which might permit contemplating any exploitation at all.

The coal discovered near Nkara in the north represents a reserve of 20 million tons, and in the same area there might also be uranium.

The clay bed at Changlumi will be workable in the future and production will be linked to the installation of the new cement works at Kazungu.

Infrastructure--Transport. For a long time, the only outlet from Malawi to the exterior was the Salima railroad (south of Lake Malawi) to the port of Beira in Mozambique. Certainly, there is also the possibility of reaching the rail station of Lichinga, Mozambique (formerly Vila Cabral) by crossing the lake, and from there reaching the port of Nacala. It is a long and tortuous journey...two ferry crossings under precarious conditions. Lately, the situation has improved with the joining of Nyaka to the network ending at Nacala, and with the link, since 1979, between the capital Lilongwe and Salima.

The principal project, which is moreover underway is the joining of the capital to the Zambian frontier at Mchinji (120 km). Opening of the line has been announced for 1982.

In the north, a sugar complex has been planned at Dwanga and a wood pulp plant at Vighia. These two factories will be linked by the rail network. But that is still a long way off.

As for the highway systems, they will be improved between the north, the center, and the south. Removing the capital to Lilongwe has not brought about liaisons with the south which is more densely populated and richer. There is much still to be done in this area.

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Lake Malawi is, in the final analysis, more an obstacle than a means of liaison: frequent local storms and variable water levels prevent the erection of permanent installations. This is such a hazard that one goes around it more often than crossing it.

Traffic between the Malawian shore and Mozambique diminished a little more each year since the rail link was established with Nacala by way of Nyaka: in 1976: 954,000 passengers by rail, 132,000 by lake; in 1971: 1,126,000 as opposed to 84,000. The decline is also noticeable in freight.

The aerial infrastructure has not been forgotten either: the international airport at Kamuzu, 18 km from Lilongwe, will go into service very soon and will replace the one at Chileka which also served Blantyre. Six other airports will be set up (paved runways) at Mzuzu and Monkey Bay.

Tourism also accounts for a dozen projects among which is the construction of two hotels (420 rooms). Without any doubt Malawi can attract visitors who will prefer the calm of picturesque sites to the popularity of more famous but crowded locales.

Financing the Plan

Of the total of 5,360 billion kw which all the projects represent, the directors of the plan hope that 90 percent will be settled in the form of gifts and loans at reduced interest rates. In any case, it will be the subject of long discussions and laborious bargaining. It is certain that the finances of Malawi could not tolerate aid which is not paired with "soft" conditions, for what good is it to help if it consists of building a hospital without medical supplies, or a rail line or a road without a repair service, or a hotel without qualified personnel. It is the entire problem of operating expenses which is thus posed and which we have discussed in other studies.

<u>Item</u>	<u>1980</u>	<u>1985</u>	<u>1990</u>
Agriculture	42.5	41.6	36.2
Industry	12.9	13.9	17.1
Construction	5.1	5.2	7.0
Electricity/Water	1.6	1.7	1.2
Others	37.9	37.6	37.7

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MOZAMBIQUE

BRIEFS

RADIO SET OWNERSHIP--According to production forecasts and the general population survey made last year, it is likely that Mozambique will have one radio for every four families by the middle of this decade. At the present time, Mozambique is sixth on the African continent with one radio for every 52 people, which adds up to a total of a little more than 200,000 radios for the entire country. On the basis of the production of the Maputo electronics factory that manufactures portable sets under the brand name Xirico, the figure of one radio for every 23.6 inhabitants is anticipated by 1985. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 4 Sep 81 p 2292] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

ELECTRIC EQUIPMENT PURCHASES--The port of Beira received a shipment of electric equipment in mid-August that had been ordered by a company under the Ministry of Trade, Intermetal Dimel, from various countries (East Germany and Portugal) and financed by a line of credit granted Mozambique. Further purchase orders for electric equipment were issued by the same company in other countries (Brazil, Soviet Union, Hungary and Czechoslovakia). All these supplies will form now on be sent directly to the user by the shipping countries, without having to go through the headquarters in Maputo. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 4 Sep 81 p 2292] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

AIRLINE SALE OF PLANES--Eight Nordatlas planes have just been sold by Empresa Estatal de Transporte e Trabalho Aereo (TTA) to Limetal company, a private firm that salvages ferrous and non-ferrous metals, ores and oxides. These airplanes, purchased from Portugal 2 years earlier by the management of COMAG (which never bothered maintaining them), were immobilized and unused. During the 2 years they were operating, these planes transported fruit from Angonia to Beira and Maputo. The TTA, established in 1980, judged them irreparable after a long period of neglect and that is why it sold them for scrap. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 4 Sep 81 p 2292] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

BULGARIAN BANKING COOPERATION--Mozambique and Bulgaria signed a protocol to modernize the data processing system in the National Bank of Mozambique on 6 August. This event followed discussions in Sofia in 1980 between the governor of the Mozambique Bank, Mr Sergio Vieira, the Bulgarian government, and banking officials from that country. Groups of Mozambicans will soon be going to Bulgaria to study their banking system, while Bulgarian specialists will come to Mozambique later on to provide their technical assistance. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French 4 Sep 81 p 2292] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

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USSR FACIM PAVILLION--The Soviet Union's participation in the Maputo International Fair (FACIM-81) is on a larger scale than its previous participation in 1978 and 1980. The following organizations are represented: Autoexport, Tractoexport, Tekhmachesport, Macpriborintorg and Sovesportfilm, in addition to the Ministry for Light Industry, Inturist corporation and the Soviet Chamber of Commerce. This group of participants is exhibiting nearly 1,000 samples of products manufactured by more than 60 Soviet firms (MTZ-50 Super, MTZ-80, and K-701 tractors, an Oural-4320 truck, a KVZ-30 motorbike, sewing machines, radios and television sets, cameras, watches, fishing and hunting gear, clothes, and shoes, among others). [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2348] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

INCREASED FRENCH FACIM PRESENCE--The official French delegation to the Maputo International Fair (FACIM-81), officially inaugurated on August 29th, is considerably larger than in previous years. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2348] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

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NIGERIA

PETROLEUM PRODUCTION, REVENUE DECLINES

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2334

[Text] According to some sources, Nigerian oil production, on the decline constantly since the beginning of the year, will climb back up in June to more than 1.3 million barrels a day, as compared to only 1 million barrels in May (or one-half January's output), or to a total output for the month of 40.3 million barrels, including 35.2 million for export.

According to other sources, however, production is still falling. The 28 August issue of the FINANCIAL TIMES reported that it showed the following development during the first 7 months of the year (in millions of barrels a day):

January	2,001
February	1,806
March	1,799
April	1,605
May	1,070
June	800
July	770

According to some oil experts, it could have been even less than 640,000 barrels a day in August.

In these circumstances, and with the country's recent decision to reduce the selling price per barrel (\$40 up to now) by \$4 (MTM of 4 September, p 2280), it is certain that Nigeria is going to experience a substantial decline in revenue.

However, one should bear in mind that the budget forecasts for the current fiscal year which began 1 January had anticipated the receipts per barrel at \$36. This figure is less than the \$38.50 collected by the government when the rate was \$40. It will therefore come close now to the \$36, but with fewer tons exported.

In any case, the federal government has already announced that its oil revenue for the year will drop by at least 4.35 billion naira, or 30 percent of the estimates.

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NIGERIA

OIL PRICE TO BE ALIGNED WITH SAUDI ARABIA'S

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868, 28 Aug 81 pp 2222-2223

[Text] The OPEC conference in Geneva ended in complete failure, as the 13 member countries could not reach agreement on a single price for crude. Saudi Arabia refused to accept an agreement on a reference price of \$35. The maximum increase in selling price it was willing to accept was \$2, raising it to \$34. Any chance of reaching a common price became impossible from that moment on. The only concession Saudi Arabia agreed to is to reduce its production, now around 10.3 million barrels a day, by 1 million barrels a day beginning next month. The outcome of the failed conference is that the price schedules previously in effect--\$32 for Saudi Arabia, and \$40 to \$41 for Nigeria, Algeria and Libya--remain officially unchanged.

Nigeria, formerly known as one of the most intransigent countries of OPEC, has changed its attitude. The head of its Geneva delegation, Alhaji Yahaya Dikko, who is the chief government energy adviser, declared even before it was apparent that the conference had failed that, whatever the outcome, his government had decided to align its reference price with Saudi Arabia's. Nigeria is in fact one of the countries most deeply affected by the reduction in imports by industrialized countries and the competition from North Sea oil currently sold at a price \$4 to \$4.25 less per barrel. The enormous decline in Nigerian production since the start of the year and the resulting loss of government revenue have threatened to seriously jeopardize implementation of the development plan.

Experts believe that even if Nigeria aligns its sales price with Saudi Arabia's, it will take it at least 6 months to regain its share of the market.

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NIGERIA

BRIEFS

INSECURITY IN LAGOS--Since the beginning of the year, 24 Nigerian policemen have been killed by armed robbers in Lagos and the surrounding area, according to reports from NAN, the official Nigerian press agency on August 18. The agency added that the number of armed attacks in the Nigerian capital has declined considerably in the last few months as a result of the increase in police patrols. A few weeks ago the federal government launched a large-scale operation to combat these attacks that victimize a good number of Lagos citizens. Police have set up barricades day and night in various arteries of the capital and provide stricter security than in the past. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868, 28 Aug 81 p 2223] [COPYRIGHT: Rene Moreux et Cie Paris 1981.] 9805

NEW NNPC HEAD--While waiting for the complete reform of the Nigerian National Petroleum Corporation (NNPC), the Federal Parliament (House of Representatives and Senate) has approved an amendment to the bill on this reorganization that provides for the appointment of a person with ministerial rank as president of the national corporation. You will recall that the current president, appointed on a temporary basis in July, is Mr Horatio Agebah. He is assisted by the former advisor to the head of state on energy matters, Mr Lawrence Amu, who was at the same time appointed managing director to replace Mr Odoliyi Lolomari (MTM of 21 August, p 2167). So now it will be the responsibility of the head of state himself to appoint the future minister and president of the corporation. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2334] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

OIL DEPOSITS DISCOVERED--Elf Aquitaine (Nigeria) oil company, the fifth largest producer of crude in the country with a daily average currently placed at about 80,000 barrels, recently discovered two promising new deposits in Ododugwa. It is interesting to note that two other companies, Mobil of the United States (3rd largest producer) and Agip of Italy (4th largest producer), have also for their part made equally promising discoveries (MTM of 21 August, p 2167). [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1870, 11 Sep 81 p 2334] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

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RWANDA

ECONOMIC REPORT TO U.N. CONFERENCE ON LDC's: COMING OUT OF 'SPLENDID ISOLATION'

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No. 1867, 21 Aug 81 pp 2145-2147

[Rwandan Report to the U.N. Conference on Least Developed Countries: "Come out of Splendid Isolation."]

[Text] There are countries one would like to see placed, at least for a moment, outside the traditional realm of the data-based study, because their personality and physical appearance differentiate them so much from the rest. Rwanda is one of those countries. Wouldn't it be treating this enclave of 25,000 km², located in the heart of Africa, with a lack of deference to place it in an economic profile, reducing its thousands of lush green hills to a concept of agricultural yield, its unforgettable sites to infrastructures, its lively and hospitable people to a density per square kilometer....

From the peaceful banks of Kivu lake, to the touching look of the antiquated Riviera, to the dizzying heights of the Birunga mountains, this country seems to have retreated within its restful beauty. However, in 1894, Major von Gotzen made the Rwanda of that time district No. 13 of the imposing Deutsch Ostafrika, and this oasis, located where East and West Africa meet, began timidly to open itself to the torments of world politics. Thus today more than ever, Rwanda, embedded in the African continent, can no longer be satisfied with its "splendid isolation." Development has become an absolute essential for this little country with its rich soil, excellent climate and varied resources, which, however, hide an extremely low standard of living. What a striking disparity in this "African Switzerland," where everything seems happy.

Far-off Coastline, Mushrooming Population

Two factors come together to make the situation rather critical: the distance to the coast and a very rapid increase in population.

The fact that Rwanda has no coastline or is landlocked, as the English say, could be something highly desirable if this were purely a geographical phenomenon and did not have a substantial impact on the economy. Mombasa, the most used outlet to the outside world, can be reached only after a long journey of 2,000 km by road and railway. It is also possible to use Dar-es-Salaam, the Tanzanian port, but this journey, also very long, requires two transfers. In any case, the fact that it has to borrow infrastructure from foreign countries inevitably causes problems. This

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was quite apparent in 1976 and 1979, when, as a result of serious incidents, it was no longer possible to pass through Uganda. The airplane prevented strangulation at that time, but at additional costs almost intolerable for a country with an already fragile economy! When you consider that normal delivery time for goods shipped from Antwerp to Kigali, the capital, is between 2 and 3 months, you can easily imagine all the problems this would create and how harmful they would be to the proper functioning of its foreign trade.

The second handicap is the sharp rise in the population. We have seen that in other countries, considerable increases in population produce a beneficial effect. Here, it's the contrary. With an annual rate of 3.2 percent, Rwanda ranks just behind Algeria and Egypt in population growth. The latest survey (1978) indicated 4.8 million inhabitants. In 1990, the population will be 7 million inhabitants, or an increase of 2,222,000 in 12 years. But cultivable soil is not unlimited, and there is not enough food at present. So what will be the situation in 1990? In Rwanda, it is not manpower but land that is lacking. Everyone holds on to their patch, and the hillsides are not spared. The popular saying, "under every banana leaf you can find a Rwandan" is taking on a more serious tone every year. There is emigration, of course, but so many problems to be solved for it always to be approved. There is also birth control, but it seems that the latest family planning campaign produced only paltry results in this traditionalist and strongly Christianized country. It is now easier to understand with the burden of these two handicaps why it lags behind in development. Rwanda, isolated and too lively, two faces that explain many things. But what of the current situation?

Timid Progress, but Notable Changes

The Rwandan economy has shown an annual growth in GDP at constant prices of 4.7 percent in the 60's and 4.1 percent between 1970 and 1977. Although we don't have any figures, in 1979 the growth rate will certainly be lower, because of the closing of the Ugandan border for several months, which severely limited foreign trade and brought on a serious supply crisis. As for the actual amount of GDP, in constant francs, it went from 59,971 million Rwandan francs¹ in 1976 to 76,413 million in 1978. It is interesting to note that the components of GDP remained practically constant during this period: agriculture 51 percent; industry 2.5 percent. Rwanda, basically a farming country, can offer its people only a very low per capita income of \$180 (1979 estimate).

The financial situation is sound. International organizations have observed on many occasions that management of government affairs is serious. Government officials try to keep expenditures at a reasonable level, and to reduce the foreign debt to manageable proportions. Thus in 1979 the public foreign debt amounted to 10,715 million Rwandan francs, with maturities ranging from 6 to 52 years and at a rate of less than 3.5 percent. Debt servicing accounts for 1.54 percent of exports, 0.76 percent of foreign currency receipts and 2.55 percent of current revenue, which is perfectly acceptable for an orthodox financier.

As for the budget, one observes that it is wages that have increased the least. Here control over salaries and wages is a strictly applied principle. The share of

¹ 1 Rwandan franc = 0.054 French francs; 92.84
Rwandan francs = 1 U.S. dollar

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salaries and wages in the operating budget was 58 percent in 1974 and 46 percent in 1979. This shows how strict management is, but also the narrow margin available for increasing development.

Foreign trade is in disequilibrium, it goes without saying. But this sign of underdevelopment is more significant here than elsewhere. Coffee is practically the only export; in 1978, out of a total of 8,094.6 million Rwandan francs, coffee accounted for 4,533 million, more than half, with minerals in second place (Primarily tin) at 701.6 million, followed by tea (332.6 million). Imports for the same year rose to 16,592 million Rwandan francs, or barely a 50 percent coverage rate. We are truly in the critical zone, and that is repeated every year showing the same pattern, except in 1977 because of the very high price for coffee. Note that imports only increased 1.7 percent at constant prices between 1974 and 1979, and that the imported share of consumer goods went down to 43 percent in 1978 from 55 percent in 1974, to the benefit of capital goods. Yet another example of the serious state of management in this country.

As a result, the deficit in goods and services increased during all these years, except in 1977. Thanks to transfers (from migrant workers, especially), current payments were in a surplus position in 1976 and 1977, but fell to a deficit position in 1978, at -4,335.8 million Rwandan francs.

To conclude this analysis of the current situation, we would add that in the area of farm production, the big problem is still a shortage of food and cash crops which are not yet diversified. The industrial sector is virtually nonexistent, and transportation infrastructure leaves much to be desired. Of course, there are possibilities in a number of fields (especially energy), but the means to exploit them are still very restricted. Foreign aid which is already indispensable to maintain a barely mediocre situation will have to be expanded to implement many projects needed to truly upgrade the country.

1981-90 Ten-Year Program

A whole series of projects have been prepared and form the backbone of a 10-year plan with clearly defined focal points: an adequate food supply, improved access to the outside, a sizable increase in jobs, and an improvement in the education and health sectors.

Government authorities are estimating an annual increase in GDP of 6 percent, which will bring it to 180 billion Rwandan francs by 1990. Remember that it was 76.4 billion in 1978. During this period, investment will also grow substantially. It is currently 20 percent of GDP; it will be 25 percent in 1986 and will reach 30 percent by 1990. Let's take a look at the main projects designed, sector by sector:

Rural Sector

Agriculture. This is the foundation of the Rwandan economy and provides jobs for 95 percent of the population. The Rwandan countryside with its thousand hills has always won over the traveler, but has also keenly interested the geographer and sociologist because of the dispersed dwellings and the population density; 150 inhabitants on average per square kilometer, but 400 per square kilometer in areas

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where the land is rich, a record in Africa. Many farmers with modest holdings, 1.6 hectares on average, stake out some undulating land, and the walled family compounds and the ruggedness of the land give an impression of intense cloistering. Seen from a plane, it is a real patchwork quilt almost entirely lacking in villages. Here the administrative unit is the hill.

The urban population has grown by only 4.5 percent a year, which is the lowest urbanization rate in Africa. And the cities are only half-cities, even the capital, Kigali. It is better to imagine large villages when you hear about Ruhengeri, Cyangugu and other key places in the provinces.

It is in this picturesque and alluring environment that the Hutu farmer works. But the soil becomes depleted because of being worked so intensively. Thus the attention of government officials has been drawn to several objectives to improve agriculture: extension where possible of food crop areas and development of cash crops (coffee, tea and quinquina).

In spite of this, the food supply in 1990 will cover only 75 percent of the population's needs. In other words, the problems are acute in this area.

In the cash crops program, the following outputs have been set:

coffee: 1981, 21,600 tons; 1986, 29,000 tons; 1990, 34,000 tons;
tea: 1981, 7,500 tons; 1986, 9,500 tons; 1990, 11,000 tons;
quinquina: 1981, 600 tons; 1986, 1,000 tons; 1990, 1,200 tons.

Agriculture is the focus of 31 projects, including the following:

- Development of the Nyabarongo valley by draining the swamps of the region and improving the poor-quality land;
- Development of the Lake Nasho region. Irrigation of 2,000 hectares for sugar cane, rotated with food crops (beans, corn, sorghum);
- Integrated rural development in the Gitarama zone (cultivation of soybeans, primarily);
- Development of the Bugarama valley to its high potential (coffee, food crops).

Livestock. The core of the livestock is 600,000 head of cattle. An improvement of the pastureland and an increase in the herds (+200,000 head) are planned. There will be a number of measures to improve milk and meat production.

Forests. Every year 1,400 hectares of land in the Kigali and Byumba regions will be reforested.

Industrial Sector

The 26 projects prepared should create about 35,000 jobs. Since mining resources are not abundant (mainly tin and wolfram), the projects focus primarily on agro-industry. Upstream projects involve fertilizers, insecticides, and tools and animal feed, while downstream plans include processing of agricultural raw materials, soy milk, a sugar refinery (10,000 tons a year), a malt house, and a hemp sack factory (700,000 sacks a year).

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And then there is the project people have been talking about for at least 20 years, production of methane gas in Kivu lake. This is a regional project to be developed together with Zaire. Reserves are estimated at 60 billion cubic meters. Production of methane, an important component for the chemical industry, would entail setting up an entire industrial complex: manufacture of fertilizer on the basis of ammonia, methanol, an energy source, etc. But does Rwanda really want to make Kivu lake a sort of small "aquatic Ruhr"? It would seem to be better for this country to develop tourism on a large scale than to set up a chemical industry, even a quality one. Whatever may happen, don't anticipate it yet, as the decision is not yet ready to be made, but it will perhaps come up some day.

Also in the plans are construction of a battery factory (16 million units a year) and a brickyard.

To make the factories run, energy is needed, and hydrocarbons are priced prohibitively. As for hydroelectric power, Rwanda is not badly off, but needs are growing and it is planning to build the Ruzizi II dam (30 MW) with Zaire. Solar energy also figures in its plans: 100,000 housing units will be equipped with solar panels with voltaic cells in coming years. A prototype is already operating in Butare.

Transportation Infrastructure

Efforts are being made in two directions: improvement of communication with other countries and improved communication between regions. We have already referred to the problems arising from the great distance to the Indian Ocean. Consequently, it is necessary to diversify access routes to the ports. On this subject, the main project is unquestionably the Gisenyi-Ruhengeri-Kigali-Rusumo railway (to the Tanzanian border), 319 km. This also means construction in Tanzania of the Rusumo-Bukoba railway to Lake Victoria. Beyond that point there is a rail connection to Dar-es-Salaam. At present, a direct link to Tanzania by paved road is almost complete (grading of the Isaka-Rusumo route).

The other effort is focused within the country, where the sociological and geographic cloistering must be overcome. Besides regionally important road projects, a number of plans involve development of rural roadways.

Another area, aviation, is playing an increasing role. Freight handling equipment will be modernized at Kigali airport and the Air Rwanda airline will be reinforced by two medium-range Boeings.

Tourism

Tourism in Rwanda could be the subject of a complete study by itself. Let's make it clear right away that it is only in its infancy. Last year a thousand people traveled in groups, mainly Belgians and Germans. It is true that tourist facilities are currently still rudimentary and with small capacities. Several hotels are to be built in Kigali, Gisenyi (on Kivu lake) and Gabiro near Akagera park, to provide 460 more rooms. Without any question tourism is a business to be developed in Rwanda. But for this as in other areas, substantial capital investment is needed.

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Without any question tourism is a business to be developed in Rwanda. But for this as in other areas, substantial capital investment is needed.

Financing needs for these next 10 years have been estimated at 302 billion Rwandan francs, broken down as follows:

Agricultural sector: 91 billion
Mines and quarries: 5 billion
Industrial and energy sector: 60 billion
Development of infrastructure: 86 billion
Development of manpower: 52 billion
Technical assistance and miscellaneous: 8 billion

Planners believe that the Rwandan Treasury will be able to finance the recurrent costs of these projects, which have been evaluated at 44 billion. This then leaves 258 billion Rwandan francs, or \$2.8 billion that will have to be provided by other countries or international agencies. Foreign aid will help Rwanda overcome its difficulties, of course, but this country should also try to improve its relations with neighboring countries. Regional cooperation schemes, such as the Economic Community of the Great Lake Countries (CEPGL), grouping Zaire, Burundi and Rwanda, will undoubtedly assure Rwanda of a more rapid development.

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SENEGAL

BRIEFS

COMMUNITY DEVELOPMENT BUDGET--In 1981-1982, a total of CFA 983 million will be devoted to the realization of community development projects within the framework of the program financed by the World Bank (\$11 million) and Senegal (\$3 million) for a total of approximately CFA 4 billion. This annual budget was just passed by the interministerial supervisory committee presided over by Maimouna Kane, the minister of state for social promotion. It will be assigned to small rural projects located in several regions: equipping 20 groups of young fishermen, development of small irrigated areas, exploitation of truck gardening and banana growing areas, the creation and repair of wells, installation of modern beehives for four groups of apiculturists. Other projects are under study. They will contribute to wide application of the government's option in favor of small-scale local projects with low financing. This option generates jobs for the young, keeping the population on the soil of their localities, the resources of which are simultaneously being exploited. The financial package is divided into two parts: the first covers the projects already identified; the second will be reserved for projects to be identified (\$4 million). The sub-projects already identified principally concern the development of 30 irrigated areas, or 600 hectares, in the Ngallenka Valley in Podor Province, the exploitation of 18 irrigated areas for truck gardening in Mbour, Thies and Fatick Provinces and, for village hydraulics, the sinking of 50 open wells and the repair of 50 other wells in the Sine-Saloum region. Fishing, apiculture and fruit crops in Casamance are also planned. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 4 Sep 81 p 2273] [COPYRIGHT: Rene Moreux et Cie Paris 1981.] 9380

DIVERSIFICATION OF AGRICULTURAL PRODUCTION--In order to diversify agricultural production, the Senegalese authorities have selected the three following development sectors--truck gardening, cereal crops (rice and corn), and sugar, a recent Cole-ACP bulletin indicates. In the field of truck gardening, the New Lands Company (STN, P.O. Box 440 in Dakar), will recruit truck gardeners from Cape Verde to Gandiolais. The STN is a public institution created in 1971 to develop the virgin lands of East Senegal with the populations displaced from the peanut basin. The government's objective is to export 100,000 tons of truck gardening products. It should be remembered that BDU, which was dissolved in 1978, exported 10,000 tons per year; today the small areas make possible exportation of 4,000 tons of different fruits and vegetables. While it should become self sufficient, Senegal is now importing tomatoes (CFA 1 billion per year), onions and potatoes (CFA 1.5 billion per year). The means to be used to develop the truck gardening sector relate to equipping cooperatives and producers, providing cold storage for perishable foodstuffs and organizing marketing. It should be noted that "the importance of individual and

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community initiatives will not, for all that, prevent the government from encouraging and promoting the improvement of large areas for industrial cultivation of truck gardening products." [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

EEC AID--Under an agreement signed in Dakar on 20 August, the European Economic Community has given Senegal a loan of more than CFA 163 million on special terms. This financial aid, which has just been added to a prior grant of more than CFA 293 million, to be paid out of EDF (European Development Fund) resources, will make possible the complete resurfacing of the Tobor Dam. This transaction authorizes concrete-block construction, taking into consideration the nature of the soils of Casamance, the the last link in the Dakar-Ziguinchor highway connection. The total cost of such construction will amount to more than CFA 459 million, provided totally by EDF. The investment in question complements the EEC's assistance to Senegal for opening up the southern region of the country with, among other things, the development and asphaltting of the Seneba-Kouliban sections, the bridges over the Tobor backwater and over the Casamance in Ziguinchor and study of the bridge-dam on the Gambia River. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

UK AID--Under the terms of an agreement signed in Dakar on 18 August between Asane Seck, the Senegalese minister of state for equipment, temporarily assuming the duties of minister for finance and economy, and Nicholas McCarthy, the charge d'affaires from Great Britain's embassy in Dakar, the United Kingdom granted CFA 120 million of financing intended to equip a cashew nut processing plant. This amount covers, among other expenses, the purchase, delivery and installation of ultra-modern equipment for shelling cashew nuts, as well as the services of an engineer and two experts. The plant will be set up in Sokone (Foundiougne Province in Sine-Saloum). It will require an investment of CFA 250 million and will make possible the creation of 150 to 200 jobs, 70 percent intended for women. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

SENEGALESE REFUGEES IN ZAMBIA--The Zambian minister of home affairs, Frederick Chomba, indicated during a parliamentary debate that it is impossible to know how many Senegalese are presently in Zambia, owing to that fact that most of them entered that country illegally. Chomba indicated that more than 300 Senegalese are being held at Kamfinsa Prison in Kitwe for expulsion from the country, the daily newspaper TIMES OF ZAMBIA reported on 15 August. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

IRAQI RURAL DEVELOPMENT CREDIT--On 6 August in Bagdad, Abduh Amir al-Anbari and Saliou Mbacke, the president of the Iraqi Fund and the Senegalese ambassador to Iraq, respectively, signed a loan agreement through which Iraq is granting Senegal a \$10 million credit, or approximately CFA 3 billion. This loan, on particularly favorable terms, is intended to support the Senegalese government's effort to stabilize the balance of payments and for rural development projects. It is a continuation of another CFA 750 million credit, granted last April on the occasion of the Iraqi vice president's visit to Senegal. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

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ARGENTINE AID--Argentina has granted Senegal a \$15 million loan intended to finance hydraulic projects and forest fire control. This agreement confirms Argentina's determination to strengthen its ties of solidarity with the countries of the group of 77, Assane Seck, the Senegalese minister for equipment, declared after the signing of the agreement on 20 August in Dakar with Marcelo Delpech, the Argentinian ambassador. He recalled that last year the Argentinian government had provided food aid to Senegal, a victim of drought. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2216] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

FRENCH AID--On 20 August in Dakar, Assane Seck, the Senegalese minister of state for equipment, temporarily performing the duties of minister for finance and economy, signed a finance convention with the French ambassador to Senegal, Fernand Wibaux. This sum is intended for the construction of the National School for Officers in the Regular Army (ENOA), on the grounds of the former Thies Airforce Base, 70 kilometers from Dakar. This assistance from France comes within the scope of the cooperation agreements concluded in 1974 to permit Senegal to pursue training of its commissioned and noncommissioned military officers on a local basis. Previously, the Senegalese officers had been trained since 1960 by EFFERTOM [expansion unknown] in Frejus while Saint-Maixent received the reserve officers. The Saint-Cyr School was supposed to take over the training of numerous promoted officers. France had already granted a CFA 420 million subsidy to Senegal last June for the training of military pilots. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2215] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

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TANZANIA

BRIEFS

TANZANIA-RWANDA TEXTILE PLANT--Tanzania and Rwanda have decided on the joint construction of a textile plant in Rwanda. This decision was made during the sixth meeting of the Tanzanian-Rwandan Commission in Mwanza (in Western Tanzania), and Tanzanian experts will go to Rwanda next October to examine the project, the daily government newspaper DAILY NEWS indicated. The DAILY NEWS also stated that the Tanzanian experts will examine, among other things, the conditions for development of the project, as well as the importance of the interests at stake. Tanzania and Rwanda also decided to cooperate in the fields of agriculture, commerce, banking, transport and communications, roads and telecommunications. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981]. 9380

CANADIAN AID--During the official visit of Canadian Prime Minister Pierre Elliott Trudeau to Tanzania, President Nyerere announced that the total amount of Canadian aid to his country comes to \$8.75 million for the period 1980-1982. The Canadian aid is being applied principally to the fields of agriculture and railroad transport. Nyerere also stated that the Canadian government had converted into gifts all the loans which it had granted to Tanzania in the past. Nyerere finally insisted on paying tribute to the role played by Canada in the negotiations for the establishment of a new international economic order. The Canadian prime minister, who had arrived in Dar-Es-Salaam on 12 August, then went to the Arusha region where he visited the Basuto farms financed by the Canadian government. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

COOPERATION ACCORD WITH ANGOLA--On 26 August at the end of 2 days of talks, Tanzania and Angola signed agreements to create a Joint Commission dealing with bilateral cooperation in the fields of economy, commerce, technology, science and culture. During the talks in Dar-es-Salaam, the Angolan delegation was headed by Minister of Trade Lopo Do Nascimento and the Tanzanian delegation by his counterpart, Ali Mchumo. Angola announced that it would import bicycles, textiles, meat and beans from Tanzania. For its part, Tanzania will purchase salt, products for animals, oilseeds and leather from Angola. Lopo Do Nascimento encouraged the developing countries to work to establish trade relations with each other in order not to depend exclusively on the industrialized countries, according to the DAILY NEWS (a governmental newspaper). He also criticized the tendency of the developing countries to consider the products

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manufactured in their countries to be of mediocre quality and more expensive than those which come from the industrialized countries. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

EXPANSION OF CEMENT PRODUCTION--Tanzania Cement Corporation plans to construct new cement factories to meet the country's requirements. The plans involve moderate-sized cement factories to be built in regions with distribution problems. The Cement Corporation would plan to begin the manufacture of tiles and bricks in order to meet domestic demand. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

TANZANIA-INDIA JOINT PROJECTS--The Tanzania-India Joint Commission emphasized the importance of joint projects and the necessity of supervising their execution. The projects in question are, in particular, a bicycle manufacturing plant in Dar-es-Salaam, the Mbeya state farm, the Kagera sugar refinery, the construction of the new capital in Dodoma and various projects in Zanzibar. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

INDIAN AID REQUESTED--During his recent official visit to India, the minister for industries in the local government of Zanzibar, Rajab Baraka Juma, asked Indian Minister of Industry Narain Dut Tiwari for his country's assistance in creating training institutes on the Island. During his talks with Tiwari, Baraka Juma also mentioned the necessity of sending personnel from the island to India for training. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1869 4 Sep 81 p 2285] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9380

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ZAIRE

BRIEFS

CHINESE, ZAIRIAN CULTURAL AGREEMENT--Mr. Wang Zhong-[?fang], China's deputy minister in charge of the Committee for Foreign Cultural Relations, visiting in Kinshasa, and the Zairian State Secretary for International Cooperation, Mr. Lengema Dulia, signed the program for the 1981-82 fiscal year implementing the cultural agreement concluded by the two countries 4 years ago. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2227] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9805

NATIONAL AID TO BUSINESS--According to an announcement made in Lubumbashi on 18 August by Mr. Pay Pay Wa Syakasige, the government commissioner (minister) for the national economy and industry, the Zairian government will provide national firms with \$150 million in aid between now and the end of the year. Without referring to how it would be disbursed, Mr. Pay Pay indicated that this amount will be devoted primarily to purchases of raw materials to alleviate industries' supply difficulties. Last July the Zairian government granted a number of Zairian enterprises \$50 million to import essential goods and spare parts (see MTM of 14 August, p. 2115). About 2 weeks ago, the first government commissioner (prime minister) reported that economic operators would be granted a second sum in foreign currency, the amount of which had not yet been determined. Mr. Pay Pay did not make it clear whether the grant he announced in Lubumbashi was the same as the one the first government commissioner had spoken of. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868 28 Aug 81 p 2228] [COPYRIGHT: Rene Moreux et Cie Paris 1981.] 9805

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ZAMBIA

STATE FARM PROGRAM DELAYED DESPITE FOREIGN INTEREST

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1868, 28 Aug 81 p 2229

[Article: "Delays in State Farm Program"]

[Text] In a statement to Parliament, the interim minister of development took stock of the government farm program, launched more than one year ago by President Kaunda within the scope of the project aimed at increasing food production and representing an investment of some 400 million kwachas. According to the minister's statements, the program is experiencing considerable delay.

Agreements were signed with East Germany for the Kanakantapa farm (20,000 hectares), with Bulgaria for the Lusaka-ouest farm (21,277 hectares), with the Soviet Union and Czechoslovakia for the Masasabi farm (in Sud Province) and with Yugoslavia for the Mtirizi farm (21,065 hectares).

A feasibility study was performed by Japanese for the Solwezi farm (18,000 hectares). feasibility studies or pre-studies remain to be done for the Gwembe, Luazamba (Occidentale Province), Luwingu (Nord Province), Mpika and Luazamba farms.

A certain number of countries or foreign companies have displayed interest in certain farms, such as Romania for the Kalumwange farm (Occidentale Province). One of the principal tobacco producing companies of Malawi is interested in the Ntambo farm (20,175 hectares)(Orientale Province). The British Company Dunlop Irrigation Services has displayed interest in the Nchelenje farm (22,000 hectares).

The British company Tate and Lyle has begun a feasibility study for the Mswebe farm (25,000 hectares) and a French company has offered to perform a similar study for the Kambilombilo farm (30,000 hectares) in the Copperbelt if financing for it is obtained from the IDA [International Development Association].

Nonetheless, it has still not been possible to obtain an agreement from foreign countries or international organizations for the realization of these different projects or for the Katikulula (33,500 hectares), Samfya (20,000 hectares) and Shivuma (23,000 hectares) farms.

Some deputies were surprised that it is necessary to initiate feasibility studies even though the Mount Makulu Research Station had already done soil analyses. The

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minister answered that there was a big difference between such research and calculating the profitability of the farm projects. Moreover, he denied that the government planned to reduce the number of state farms, i.e., to create 18.

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