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Sub-Saharan Africa Report

FOUO No. 751

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SUB-SAHARAN AFRICA REPORT

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CHAD

BRIEFS

LIBYAN HELP IN ARMY TRAINING--Quoting an informed source in Yaounde, the AFP recently announced that Libya had agreed to help train and finance Chad's Integrated National Army (ANI) under an agreement reached with the authorities of Ndjamena on 17 August this year in Tripoli. According to the terms of this agreement, Libya is reported to have made a commitment to help train 2,000 men a year over a 5-year period (a total of 10,000 men). Tripoli will also help set up the "governing bodies" of the Integrated National Army and all the structures of the future Chadian Army "in all spheres." It should be noted that the same source says that although many Chadian troops are stationed in the towns of Abeche, Biltine, Guereda, Iriba and in neighboring garrisons, that area of the national territory is now under the "almost exclusive and military control of the Libyan Army. Some 10,000 Libyan troops with an "impressive" array of equipment are reported to be established there on a permanent basis. Finally, it is thought in Yaounde that the fighting, which has taken place in recent weeks between Chadian and Libyan troops on the one hand and Hissein Habre's Northern Armed Forces on the other, has now stopped. However, the Ndjamena authorities are said to have decided to send "substantial" Chadian reinforcements, mostly troops, to that region because they expect further clashes. [Text[[Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2635] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

POSSIBLE FOREIGN AID RESUMPTION--It is reported that several financial backers who are likely to resume sending aid to Chad are planning to hold a meeting in Paris at the end of October or beginning of November. In addition to France with its bilateral aid, these backers are the EEC, the UNDP [UN Development Program], the ADB [African Development Bank] and the World Bank. One of the main items in their agenda is said to be the reconstruction of Ndjamena. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2635] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

EDF COTTON FINANCING--A grant of 9.6 million ECUs [European currency unit] from the European Development Fund [EDF] is going to a program to support Chad's cotton farming production. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2635] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

CSO: 4719/44

CONGO

MAJOR TRENDS OF 1982-1986 DEVELOPMENT PLAN NOTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1873, 2 Oct 81 p 2510

[Text] The authorities of the People's Republic of the Congo are preparing the 5-year development plan for the 1982-1986 period. That plan and a new Investment Code are scheduled to be adopted at the end of the year by the National Assembly.

At this stage, only the major trends of the plan have been decided. These trends are based on the main objective of the recovery and redevelopment of the national territory, particularly in the following sectors: transportation, telecommunications and information, energy infrastructure and commerce.

Regarding transportation, priority must be given to all domestic transportation links to facilitate the development of trade inside the regions and between the regions with a view to expanding the domestic market.

Steps in the sphere of telecommunications and information will be directed to improve the postal service and to have a telephone, radio and television network covering the entire national territory by 1980 [sic] for a rapid circulation of information which will make it possible to implement programs of popularization in the fields of agriculture, health education and culture.

The energy infrastructure must be completed to bring electricity into all the district capitals of all the regions to promote local productive activities and to improve the quality of life of the rural population.

Since the main wheels of the economy are at present under the control of foreign capital--a situation where the shortcomings of the Congolese economy are compounded by inflationary pressure and excessive concentration of unproductive commercial activities--one of the objectives of the 1982-1986 plan is to go ahead with the Congolization of commerce.

To nationalize the key sectors, it is necessary for the already created state enterprises to become adequately structured, which is not the case right now. This is why the program adopted at the end of March 1981 deals with the following points:

--Development of 14 state enterprises presenting relatively sound conditions of organization, management, finances and environment and which offer possibilities of expansion.

--Straightening out 36 state enterprises which are facing problems of organization, management and environment.

--Reassessing the situation of 14 state enterprises which are facing problems in the sphere of markets and technology to bring them to redirect their activities or even to eliminate them.

Before drawing up a new commerce code and to revise commercial regulations and practices, control over businessmen will be reinforced by means of more specific and consistent regulations and with more significant means, all of this to achieve the Congolization of commerce since one of the priorities of the 1982-1986 plan is to place commerce into national hands.

For that purpose, the following guidelines have been agreed upon:

--Eventual nationalization of key sectors, particularly in the big import branch.

--The awarding of state markets to enterprises of the national private sector and the awarding of processing activities to these same enterprises.

The awarding of business monopolies in some sectors yet to be determined to enterprises of the national private sector.

--More strict conditions under which foreigners are allowed to engage in commercial activities with the requirement that they deposit a bond which will be paid into a Commerce Guarantee Fund, to which non-national merchants are already contributing.

In April 1981, the African Development Bank (BAD) gave a line of credit of 1 billion CFA francs to the National Development Bank of the Congo (BNDC) to encourage the creation of small and medium-size industrial enterprises and cottage industry enterprises to process local products. Total investment per unit must amount to between 40 and 150 million CFA francs with an initial investment of at least 20 percent of the total investment. The projects must be submitted for appraisal by the minister of plan. The BAD's contribution reinforces the means of action available to public authorities to reorganize local enterprises encouraging them to bring an added value to the products.

However, the Congolese authorities have reaffirmed their wish to cooperate with the foreign private sector in the sphere of commerce.

One of the measures adopted prior to preparing the 1982-1986 plan was to grant a credit of 300 million CFA francs to the pre-cooperative groups operating in the spheres of agricultural and livestock production and rural cottage industry.

The outlined 1982-1986 plan gives top priority to oil as a source of income. Oil will provide 70 percent of the 1981 budget receipts and in 1980 it accounted for more then 90 percent of the Congolese exports. Oil production is constantly increasing: 2.3 million tons in 1979 and 3 million tons in 1980. Production for 1981 is expected to amount to 4 million tons, rising to 5 million tons in 1982 and to 6 million tons in 1983. These expected increases presuppose the exploitation of new deposits.

But oil production is in danger of slowing down after 1983 and the Congolese authorities are already making plans for the post-petrol period by having new thoughts about the problems of more traditional resources, particularly timber. During the 1980-1990 decade it is essential to boost the exploitation and industrialization of the north of the Congo taking advantage of a current shortage of the main tree species which can only be found in sufficient quantities in the Congo and in Central Africa. Efforts must be urgently made to improve the channels to get the production out of the area.

The purpose is to make timber again as important as it should be for the national economy and to ensure the after-petrol period. To achieve this objective, the timber industry must be reorganized and there must be large investments in basic infrastructures and to help the operators. In this respect, it seems that the monopoly of the Congolese Timber Office (OCB) in the field of export is an obstacle to the development of production.

Difficult financial arbitrations will have to be made between now and the end of 1981 and the 5-year development plan for the 1982-1986 period will assume its final shape, be calculated and published before the end of December 1981.

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CSO: 4719/143

CONGO

BRIEFS

IDA RIVER TRANSPORT CREDIT--The International Develcpment Association (IDA), an affiliate of the World Bank, recently extended to the Congo a $17-million credit (14.6 millions worth of special drawing rights) to help finance a $28-million project for the improvement of the country's river transport facilities, mainly to help develop its timber industry in the north of the country. These river facilities also serve the south of Cameroon and the Central African Republic. Transport equipment scheduled to be supplied include 16 barges, 2 push tugs and 1 tugboat. Data processing equipment and consultant services will be supplied to the Trans-Congolese Communications Agency which operates a fleet of freighters and passenger boats over a distance of 1,120 kilometers on the navigable sections of the Congo and Oubangui rivers. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2637] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

CSC'S RESTORATION OF DISCIPLINE--The Confederal Executive Commission of the Congolese Trade Union Confederation (CSC) has decided to restore "authority and discipline" at all levels. In a communique published in Brazzaville, on 8 October, the CSC states that it has pointed out the need to revive sanctions in accordance with the existing regulations, the need to reintroduce a close relationship between wages and "actually performed and well performed" work, to strictly observe working schedules and to organize the channels through which the directives issued by the political leadership are circulated. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2637] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

STUDENTS RETURNING TO SCHOOL--The 1981-1982 school year has started throughout the Congo. A message from the Congolese minister of national education, Antoine Ndinga Oba, states that almost half of the Congolese population has attended school and that for the current year the number of schoolchildren and students is expected to be 580,000. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2637] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

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GAMBIA

ESTABLISHMENT OF AGRICULTURAL DEVELOPMENT BANK REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1875, 16 Oct 81 p 2623

[Text] The Gambian Parliament held a special session last 24 and 25 September. It adopted, among others, a law concerning the establishment of the Agricultural Development Bank.

It appears from the reports made on that occasion that the Gambian Government attaches great importance to agricultural development and to food production in particular. The year, 1980-1981 saw the planting of 21,000 hectares of rice, making possible the production of 21,000 tons of paddy, which are in addition to the 12,000 tons of irrigated rice for the same period.

With regard to peanuts, because of unfavorable climatic conditions, a drop was noted in production, which may have been the lowest in 30 years: 45,000 tons only were harvested. Cotton production for the year 1980-1981 registered at 608 kilograms per hectare over 1,000 hectares. The government intends to continue expanding and improving production.

Cattle marketing is estimated at some 2.3 million dalasis, of which 1.5 million are from export. Nigeria has signed an import agreement with Gambia for a 5-year period, during which 5,000 head of cattle will be exported to Nigeria.

As for fishing, the development project for the fishing industry is under way, with European Fund financing. Japan has just granted a subsidy for the acquisition of a deep-freezing industry, small boats, outboard motors and accessories, as part of the effort made in this sector.

The new bank is thus coming at an opportune time. With a capital of 3 million dalasis, it will operate in Banjul as well as in the provinces. It will be involved in the agricultural, fishing and cattle marketing fields.

9434
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IVORY COAST

FRENCH EXPATRIATES: THEIR IMPORTANCE, COST ANALYZED

Valuable but Expensive

Paris JEUNE AFRIQUE in French No 1083, 7 Oct 81 pp 34-38

[Article by Jean-Claude Hazera: "Can We Get Along Without the 'Toubabs'?"]

[Text] What have the French contributed to Ivory Coast? Usual answer: "It works!" The contrast with Angola or Mozambique of today, for example, shows that the former colonizers do an effective job of assuring the continuity of a whole series of systems: public services, administration, trade, banks, etc. Add to this the economic liberalism displayed by the government and this government's stability and you have the explanation why foreign capital is more ready to invest in Ivory Coast than elsewhere.

It can also be said that the former colonizing country developed cadre, though this point merits critical evaluation. One Frenchman said to us: "I wonder whether, by exercising the leadership too long, we are not preventing the Ivorian cadre from making the mistakes which provide the experience."

But if their presence has contributed to creating the conditions for a strong economic growth, the French have not been the primary factor, no more than they are responsible for the current economic slow-down. President Houphouet-Boigny's main economic principle, which makes his country fundamentally different, is the maintenance and development of agriculture. He addresses his speeches primarily to the peasants.

Ivory Coast's growth is primarily in the agricultural sector, which contributes the bulk of exports. The French still play an important role in this sector: economic advisers to establish the stabilization fund and scientific experts in the agricultural research institutes. The impact of this research can be very great. But it is not Frenchmen who manage the plantations, except in very special cases (lumber, rubber...). The sweating farmers in Ivory Coast are in reality other foreigners, Voltans or Malians, supervised by Ivorian planters.

Resentment

In the administration certain Frenchmen are, although discreetly, more than advisers. Several are directors of ministries or departments. However, the Ivory Coast has never objected to people from other African states serving as ministers. Anyway, it is Houphouet-Boigny who runs the country.

To answer the question: "Do the French run the Ivory Coast?", one must concentrate on the relations between the president and the former colonizer. Under de Gaulle these relations reflected great mutual esteem; under Giscard lack of understanding led to resentment. Under Mitterrand, relations seem again to be favored by the personal friendship between the two heads of state. If Ivory Coast wise to depend on such a high proportion of workers imported from France? To find out, we need to study how much of the wealth goes to the French. Their status is not exactly that of an African worker in France living in a maid's room or a home. When one sees the villas of Cocody, the cars, the servant boys, the chauffeurs, one cannot help wondering--whatever one thinks about the legitimacy of this way of life--how much of a burden it is on the country's economy. At any rate, some Frenchmen say very clearly: "Otherwise we would not come."

A curious thing: the Ivorian authorities do not seem very interested in this overall economic evaluation. The Central Bank reportedly did an estimate of outgoing funds attributable to the French, leading to the conclusion that their presence is expensive; but not all regard the analysis as convincing. In 1975, the expatriates, representing 5 percent of the work forces received 40 percent of gross industrial salary, while the Ivorians representing 47 percent, had to settle for 37 percent and the non-Ivorians, the other 47 percent, for 23 percent. This illustrates the following statement from the draft plan for 1976-1980: "One of the major handicaps in industrialization is indeed the extra cost to factories through using expatriate staff." Moreover, managers readily admit it. It is one of the causes of the high price of Ivorian products.

Without claiming to calculate to the nearest penny the portion of the national wealth received by the French, it is nevertheless possible to give a rough estimate: at minimum one-tenth, with 20,000 workers receiving an average monthly income of 708,000 Fr CFA (Fr fr 14,160), perquisites included (houses, etc.) Twelve months would amount to 10 percent of a GNP of about 1.7 billion Fr CFA, not counting the profits from invested French capital.

"Ivorization"

One can conclude that such a drain is not serious insofar as the wealthy stimulate trade, be they French or Ivorian. Moreover, the income of the Ivorian upper middle class is no lower than that of the French. It would nevertheless be interesting to know the cost in foreign exchange. That is, to know how much of their salary they send to France and how much they spend in Ivory Coast to pay for imported products (cars, household furnishing, wine, cheese, etc.)] The range of French products offered by a supermarket in downtown Abidjan inevitably makes one wonder: how much of the precious foreign exchange earned by the sale of coffee and cocoa leaves again in this way? Lacking an analysis, we can only recall that the chronic problem of Ivorian foreign trade remained a regular deficit in the balance of payments despite a positive balance of trade. Nevertheless, it should be noted that the trade surplus is not due to France, with which the imbalance has always been to the detriment of Ivory Coast. A deficit of 33.3 billion Fr CFA in 1977; and more than 85 billion in 1980.

Could Ivorians do without the French then? Could "ivorization" be speeded up? There are a multitude of arrangements, regulations, and proposals. How are they applied? From absolute zero in 1960, the Ivorian share of industrial capital reached 45 percent in 1980. In principle, no foreigner can work without a work contract in proper form and without the approval of the Ivory Coast Labor Office (ICLO). In practice, there is no control or enforcement to ensure that these provisions are taken seriously.

Unemployment

Although the major corporations prudently adhere to these regulations, most of the artisans and other small entrepreneurs who came to seek their fortune during the coffee boom paid little attention to them. Reportedly, Bretaon was even seen to disembark with his huge tractor-trailer intending to go to work immediately without asking anyone, though the transport sector is in theory closed to foreigners. He was apparently granted an exception.

Only the "ivorization plans" for the more important enterprises seem worthwhile. The formula is flexible: the Ministry of Labor simply requests the enterprise to itself plan the "ivorization" of a position and checks again on the effective date. The proportion of European expatriates in industry is thus declining slowly (today it must be about 4 percent). The pressure would not become stronger without a political decision at the highest level. And we are not yet at that point.

However, recently a new element has been adding some immediacy to the problem. It seems that for the first time some Ivorian cadre are unemployed. They have even formed an association. The reasons for this unusual phenomenon are easy to grasp. The economic stagnation is reducing hiring. Some Frenchmen have left the country because of cutbacks in personnel or redirection of activities to other countries: Cameroon, Gabon, Nigeria. This is true particularly in public works. A number of "small whites" who had been attracted by the housing boom (masons, carpenters, plumbers, etc.) have left. Others have got into difficulties and found themselves in prison for minor swindles. At the same time, an increasing number of Ivorians are leaving the university, diploma in hand. Also, the dissolution in June 1980, because of inefficiency, of 29 out of the 36 existing national corporations has put many Ivorian cadre out on the sidewalk, especially since these corporations often had swollen management staffs.

Both the employers, particularly the French directors of enterprises, and the authorities take a similar attitude to this whiff of unemployment. No one seems to dramatize or be afraid of a growth in the phenomenon. No one seems to think that the reaction, as concerns the French, would go beyond a mild xenophobia. The Lebanese risk greater problems, it is sometimes thought. The development of a degree of insecurity, blamed on the Voltans or Malians, also directs attention to other foreigners.

Frustrations

However, neither side seems to want to allow the cadre unemployment problem to deteriorate. In a politically very stable country like Ivory Coast, where there is no voice of an organized political opposition, the students are no doubt the primary source of potential trouble. Thus it is unthinkable to allow the development among them of too many specific frustrations, which would be all the more violent because the young graduates feel obligated to fulfill all the hopes that their families have placed in them.

In an effort to reduce this unemployment, the labor minister met with industrial leaders at the end of March 1981 to present the problem and ask them to try to hire the 600 cadre then unemployed. However, both sides pointed out that the majority among them had training which was saleable with difficulty in the Ivorian labor market: there were, for example, many degrees in literature and modern languages. Yet "ivorization" of teaching in these subjects has virtually been discontinued. It is in mathematics and sciences that personnel are lacking and it is these subjects that the majority (74 percent) of French instructors are teaching. Among the unemployed are also some holders of degrees in, frankly, "exotic" disciplines, for example criminology. One official said: "If only we could have made him a police commissioner!"

Inefficiency

The industrialists concluded that in the final analysis only 150 among them would be suitable for specific jobs in trade and industry, and depending on an inventory, at that. It was necessary to exclude those "graduates" with false diplomas (a common traffic which Ivory Coast authorities are trying to eliminate), and those who have declared themselves unemployed because they want to change jobs, while already employed.

How is the situation likely to develop in the longer term? It is hard to believe that Ivory Coast will soon suffer from an excess of graduates, as has been the case for several years in wealthy countries. UNESCO's latest statistics annual reports that in 1977 there were still only 133 students per 100,000 Ivory Coast inhabitants, compared to 282 in Gabon, 366 in Morocco, 368 in Algeria, 454 in Tunisia, and 1,368 in Egypt. But the education must also respond to the needs, and the jobs offered must be acceptable to the young graduates.

One can point to at least two problems in this regard. First, Ivorians seem to be little attracted to teaching, particularly scientific subjects, although it is a field in which there are Frenchmen to replace. Secondly, the generation which is coming of age to seek employment will be less favored than its predecessors by the shortage of cadre. Gone is the time when one could be a director general or ambassador at 30. An official close to the president told us: "Our ambassadors are 40. We are not going to retire them in order to appoint young people."

And in the private sector? Are the French really ready to yield their positions? For a clearer view, we asked French managers and staff what they thought of their Ivorian colleagues. The first conclusion: they all agree in saying that the French are expensive and must be replaced as far as possible with Ivorians. Second conclusion: they have reservations, implicit or explicit, about the efficiency of Ivorian cadre: production has dropped in a certain factory where an Ivorian foreman has replaced an expatriate; in the banking sector--the sector most affected by "ivorization"--it has been necessary to readmit a large proportion of expatriates; in another company a young Ivorian engineer has rapidly alienated all the personnel of the factory...By digging a little, one learns that the reservations of the French are quite precise and easy to describe.

First criticism, which echoes a warning often found in the speeches of Felix Houphouet-Boigny: the reactions of the employee. Some new cadre have the impression that once they have their diploma in hand everything is done. They have only to enjoy their sinecure.

Fear

Second criticism, which seems fundamental: difficulty of supervision. According to the French, the Ivorian cadre reportedly are always afraid that the subordinate may be a brother, cousin, or friend of someone powerful who could harm them and their family. We can thus better understand what is often the role of the French cadre: a buffer between Ivorians. Several Frenchmen have told us, in effect: they know I am neutral, that I act in relation to the interests of my management or my enterprise, and that I have no ulterior motive, ethnic or political.

However, young Ivorian cadre do seem to handle better the problem of supervision if they have been trained in the Ivory Coast, rather than spending several years in France. We have been told that there is nothing worse than the work relations of a young cadre assuming responsibility after having been completely cut off from Ivorian society.

A final criticism--perhaps the most serious consequence of a presence as large and prolonged as the French--the Ivorian cadre are expensive. "They want to be paid like the expatriates they are replacing and even to benefit from all that the French have in addition to their salary: expatriation bonuses, housing, travel to France, car..." The new employees, particularly, are considered expensive. "They want immediately the lifestyle that their family expects of a cadre," the French explain.

In an economy which has great difficulty in being competitive in other than agricultural products, such a high requirement by the cadre is a serious handicap. Generally, it is to be feared that in the end the most negative effect of the French presence may be to leave in the spirit of the Ivorian elite an excessive tendency to imitate everything French. It is quite understandable that Ivorians of means find air-conditioners very attractive. It is not only whites who feel the heat. But the day when Ivorian cadre will consider, like their French colleagues, that there is no happiness on earth without a camembert or a good bottle of Bordeaux, there will be little left of the exchange earnings from coffee and cocoa.

Opinions of Ivorian Cadre

Paris JEUNE AFRIQUE in French No 1083, 7 Oct 81 p 37

[Text] With some 3,900 technical advisers (precise figure 3,976 in 1980, or one-third of all French advisers throughout the world), Ivory Coast is the "largest consumer" of French technicians in Africa. Far behind it come Senegal (1,300) then Cameroon, Gabon and Madagascar with 700 each. Among the technical advisers stationed in Ivory Coast, teachers are in large majority (80 percent), and technical training specialists predominate.

What do Ivorian cadre think about this? A poll by Marcomer-Gallup International for JEUNE AFRIQUE ECONOMIE, published in the first issue (October) of that monthly reveals that Ivorians believe the (strong) presence of "cooperants" to be still necessary in the technical and scientific field: 55 percent of those polled (of a sample of 112 cadre in Abidjan and Bouake) gave this opinion. But the technical field goes far beyond teaching: it includes the entire scientific and technological sector. That is, in addition to teachers, the foreign operational technicians--both researchers and engineers in industry or the latest technology--are still "wanted" in Ivory Coast.

On the other hand, the presence of "cooperants" is henceforth regarded as "undesirable" in the administration: 32 percent of Ivorian cadre favor their departure, and only 10 percent want them to remain. This attitude shows at least a serene frame of mind toward the shortages of Ivory Coast: foreign technicians are still wanted, but henceforth Ivorians can administer themselves.

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CSO: 4719/125

MADAGASCAR

MITTERRAND, RATSIRAKA INAUGURATE NEW RELATIONSHIP

Paris AFRIQUE-ASIE in French No 250, 12 Oct 81 pp 13-14

[Article by Simon Malley: "Ratsiraka in Paris: What Really Happened"]

[Text] It was a Didier Ratsiraka with face beaming and eyes shining with that hope, that optimism in the future of his country that never leaves him who said "au revoir" to President Francois Mitterrand on 30 September at the conclusion of their official talks at the Elysee. What passed between the two heads of state during their long conversation? Did they succeed in establishing what they both desired, a dialogue of a permanent nature, friendly, frank, sincere and productive, in full awareness that the whole relationship between France and the African states on the Indian Ocean depends on such a dialogue, particularly in view of Madagascar's strategic position in the area?

Before receiving President Ratsiraka, Francois Mitterrand had studied the Malagasy file at length. He had already met his guest, who had visited him during one of his recent trips to Paris (in the Giscard era).

The Scattered Islands

He was aware of his guest's considerable public prestige among the nonaligned countries, especially the progressive and revolutionary regimes of Africa, the Arab world, Asia and Latin America, since he had taken care to question and listen to all those who knew him well in order to gain a clear impression of the man, his deeper motivations, and the problems which preoccupy the political, economic, and social scene of the island. Francois Mitterrand was fully up to date on the numerous attempts at destabilization, sabotage, and plots concocted by various power groups, including elements of the French Rightwing in collusion with Malagasy reactionary political elements. In President Miterrand's view, the campaign orchestrated by part of the French press against the Malagasy regime was both remotely controlled by a strong anti-Malagasy lobby rooted in Reunion and in some sectors of French management and inspired, if not financed, by all who felt that the Ratsiraka regime threatened their neocolonial interests. In summary, if the objective of the several press articles--in which distortion of facts competed with calumny, and which were published on the same day as the Mitterrand-Ratsiraka meeting--was to harm French-Malagasy relations, then one can affirm without fear of contradiction that the purpose was not achieved. Quite the contrary. This mini-campaign amused the two heads of state, who know the source and the originators.

In fact, it had an opposite effect to that desired: "If the Right was trying to torpedo our meeting, this means that we are on the right road...," they said. The discussions indeed began with favorable prospects. One of President Mitterrand's close advisers confided to us: "It was almost as if a kind of osmosis occurred the moment the two leaders shook hands."

Three main problems confronted the two presidents, who at the outset by mutual agreement had decided to turn a page in the relations which had prevailed between Madagascar and France since Didier Ratsiraka's assumption of power in 1975: "Relations constantly clouded by misjudged intentions, unfounded accusations, and unjustified criticisms directed by some rightwing and extreme rightwing French elements against the government of the Democratic Republic of Madagascar, committed to its socialist course."

It was a question, first of all, within the framework of the well-elaborated geopolitical vision of both parties, to agree on an overall strategy for the medium and long term. How, for example could the policy of socialist France fit into the context of the rivalries and covetousness of which the Indian Ocean is today both the stake and the target? In Didier Ratsiraka's view, no one can remain equivocal on this issue. Madagascar can be regarded as one of the countries most faithful to nonalignment, both in the area and the African continent as a whole. Not only has it never agreed to grant bases to any foreign power, and refused to allow naval ships of the superpowers to dock in its ports, but it persists in stressing forcefully that its priority program--to transform the Indian Ocean into a "zone of peace," demilitarized, denuclearized--is a full expression of its inflexible will to preserve, develop, and strengthen the independence and sovereignty of its own country as well as contributing to that of the other coastal states. Has it not resumed its pilgrim task to convince these states of the necessity of an international conference to ensure Indian Ocean security? Has not this will impelled it to raise, once again, the issue of the scattered islands (Europa, Bassa de India, Juan de Nova, Glorieuses and Tromelin), which are still under French jurisdiction despite the numerous UN and OAU resolutions calling for their return to Madagascar, of which they are an integral part?

Said Ratsiraka: "Since we are still poor, what do we have but our dignity and our sovereignty to protect and defend?" Impressed by these views expressed by his guest with such conviction, Francois Mitterrand did not hesitate, answering in effect: "The return of these islands to Madagascar is part of the program of the Socialist Party and government. All our commitments will be honored... We are ready to promptly open negotiations on this subject..."

"All-Around" Cooperation

The issue of French-Malagasy cooperation, which had already been discussed at length by President Ratsiraka, Minister of External Relations Claude Cheysson, and the minister delegate for cooperation and development, Jean-Pierre Cot, did not present any insurmountable obstacle. Given Francois Mitterrand's conviction that for socialist France cooperation must benefit both partners, that it is not a matter of viewing cooperation as "aid" or a "gift" but something that inevitably involves a return, the French Government plans to develop by all possible means its policy of cooperation with Madagascar to help it overcome its economic and financial problems. The goal is to end the pressures and blackmail by some international bodies which view "cooperation" only in terms of profitability for the industrialized, developed powers. For example, if Madagascar experiences this year an unexpected fall in coffee prices* which warms the hearts of international speculators--, how could France's cooperation policy inaugurated by Jean-Pierre Cot contribute to easing the effects? Here also, an agreement in principle was soon reached by the two heads of state: Paris and Antananarivo will begin negotiations as soon as possible to reach a new "all-around" cooperation agreement which would revise radically all the agreements signed with the Giscard government.

One significant and revealing aspect of the atmosphere at the 30 September meeting: At no time did President Mitterrand try to raise the issue of Madagascar's alleged dependence on one or another camp. He said: "Whatever your difficulties, I know that you have succeeded in keeping your country as far as possible from the rivalries which continue to surface in this vital area of the world..."

And Libya?

There was, finally, the key problem of the political situation on the African continent, of which the Malagasy president gave an overall review. Not wishing to serve as the apologist for this or that country, or this or that political regime, he was concerned that the president not be misled by anyone regarding his own analysis of the events affecting the continent. And, even if Libya remains a "cause for concern" to Paris, Ratsiraka affirmed his belief--shared, basically, by President Mitterrand himself, as he clearly indicated in his Riyadh press conference--that the disinformation campaign directed at Madagascar also affects other countries, some of which have been trying to distort the policy or exaggerate the alleged aims or ambitions. Having previously talked at length to President Qadhdhafi, Ratsiraka said he was convinced that the Libyan leader is willing to withdraw his troops from Chadian territory whenever President Goukouni, recognized by the OAU as sole interim president of Chad, requests their withdrawal. Also, did not the victory of the French Left on 10 May, hailed by Qadhdhafi, give Francois Mitterrand the opportunity to try to establish a direct dialogue with Tripoli? And might not President Ratsiraka be the intermediary for this? Since he is respected by both sides, the Elysee is seriously studying the role he might play in this respect. The Elysee is aware that he is perhaps the only one among the progressive African leaders who could assume this important responsibility.

But that is not all. A multitude of other regional and international problems were reviewed and sometimes debated with the passionate conviction of "men of the Left" by Miterrand and Ratsiraka, who plan other meetings. The Malagasy head of state has issued an official invitation to his counterpart to visit Madagascar. Confidences were exchanged, and secret decisions made. Not all have been made known. At any rate, we can say that for the Malagasy people there will be new and pleasant surprises.

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*The price per pound of coffee, which rose to $1.15 in 1980, has today fallen to about 65 cents.

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MADAGASCAR

AUSTRIAN LOANS TO FUND DISTILLERY FOR ALCOHOL FUEL FROM SUGAR

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1872, 25 Sep 81 p 2457

[Text] At the beginning of September an agreement was signed in Antananarivo between officials of SIRAMA (Malagasy National Sugar Corporation) and a delegation of the Austrian corporation VEW (Vereinigte Edelstahlwerke AG) on expansion of SIRAMA operations to production of alcohol fuel.

The agreement concerns specifically a project for a distillery at Ambilobe. The Ambilobe sugarmill, which has a production capacity of 60,000 tons of sugar per year, exported thus far about 24,000 tons in the form of molasses at rather variable prices. SIRAMA decided to profit from the by-product, and the yeast unit has been using 2,000 tons of molasses per year. The remaining 22,000 tons will in future be processed by a distillery to produce alcohol fuel. The planned capacity is 600 hectoliters of alcohol at 100 degrees per day, producing 150 days a year, that is, an annual production of 90,000 hectoliters. The quantity of molasses now available will permit production of about 70,000 hectoliters per year. An expansion of the sugarmill's production capacity (already planned) will make it possible to reach 90,000 hectoliters. The distillery can also operate more than the mentioned 150 days by treating other agricultural products, manioc for example.

The investment necessary to establish the distillery is estimated at 2.2 billion Malagasy francs, of which 1.7 billion in equipment will be covered by a commercial contract between SIRAMA and VEW, and the remaining 500 million will be civil engineering work by SIRAMA. The financing of the equipment is provided by the agreement signed at the beginning of September for two Austrian loans: 400 million Malagasy francs repayable in 25 years, with deferral of 13 years, at 2 percent, and 1.1 million repayable in 11 years, with deferral of 3½ years, at 6.5 percent. These low interest rates and long repayment periods were obtained thanks to the assistance of the Austrian Government. The project will go into operation at the end of 1983.

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MADAGASCAR

NEW FERTILIZER PLANTS TO SATISFY DOMESTIC NEEDS

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1875,16 Oct 81 p 2643

[Text] Malagasy agriculture lacks fertilizer. This is pointed out by a study published by the daily MADAGASCAR-MATIN, which states that the forecasts for fertilizer use in the 1981-1982 agricultural campaign are some 10,000 tons, whereas 70,000 tons would have to be used in order to make it possible to produce the 200,000 additional tons of white rice which the country is obliged to import.

If the peasants are prepared to use fertilizer, it would be preferable, the newspaper writes, to import 70,000 tons of fertilizer, rather than 200,000 tons of rice. But the problem is not so simple. The fertilizers used at present are often provided in the form of gifts and then delivered to the peasants at reasonable prices, which are nonetheless high for them, all the more since the habit of using fertilizers has not yet become normal practice. It is only since 1963 that mineral fertilizers have begun to be used in the traditional peasant environment, with the operation "rice production." Subsequently, a rather marked increase was experienced, and in 1971-1972, fertilizer use in Madagascar reached 14,000 tons of NPK (that is, 1.7 kilograms per inhabitant as against an average of 100 kilograms in Europe, or 5 kilograms per hectare as against a world average of 47.4 kilograms). Consumption then diminished, to pick up again since 1976: from 5,000 tons in 1980, it is expected to go to 10,000 tons in 1981-1982.

Thus, a national plan for fertilizer production was set in operation, involving in the first stage, two plants: chemical fertilizers at Toamasina and organic-biological fertilizers at Amboasary.

Construction of the Ze-Ren fertilizer plant at Toamasina is making good progress, and on 22 September, 80 percent of the civil engineering work was finished, and 75 percent of the plant equipment installed. Let us recall that the ammonia unit is being provided by Austria, the urea unit by Canada, and the rest of the equipment by the Federal Republic of Germany, among others. The plant is being built by the American group N-Ren International, Ltd., associated with the Malagasy State (75 percent for the latter). The first stone of the Toamasina plant was laid at the end of December 1978. With investments of some 4 billion Malagasy francs, the Ze-Ren plant in Toamasina (which is also called Famokarana Zezika Toamasina in Madagascar) will have a production capacity of 90,000 tons of urea per year. It will use, in particular, petroleum products (naphtha and fuel oil) provided by Solima.

The other fertilizer plant, that of Zezika Malagasy (Zema), is on the way to completion at Amboasary. Like Ze-Ren, it will begin production at the beginning of next year. Constructed with Franco-Malagasy financing (the Central Treasury in particular) of some 2 billion Malagasy francs by the Engineering and Management Works Company (STEG, a French company), the plant will process local raw materials based on sisal, algae and dolomite wastes; it will be able to deliver some 22,000 tons of organic-biological fertilizers per year with one 8-hour shift per day and double that with two shifts.

Let us add that Madagascar is also considering using, later on, phosphates from the small islands off Maintirano, based on sea bird wastes, or manufacturing fertilizer from cattle bones, which are abundant but which would be difficult to collect.

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MADAGASCAR

BRIEFS

SOYA ENTERPRISE--Soya is soon to be grown on an industrial scale in Antananarivo faritany with the establishment of the Mamisoa socialist enterprise for soya development in Moyen-Ouest, Betafo region. Begun last year in Amparihy-Fenomanana fokontany, Mandoto firaisampokontany, the soya-growing experiments have been completed and expansion work will begin this year. Mamisoa will not limit itself to soya culture, but also grow other crops such as maize and manioc which are necessary to animal diet. This year, 1,070 hectares of soya are to be developed, though Betafo fivondronana by itself is not interested in such a large operation. Indeed, in the next few years Mamisoa will also work in the fivondronana of Tsiroanomandidy and Soavinandirana. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1872, 25 Sep 81 p 2457] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 9920

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MAURITIUS

CLOSER BUSINESS COOPERATION WITH REUNION DISCUSSED

Paris AFRIQUE-ASIE in French No 250, 12 Oct 81 pp XX-XXII

/Article by special correspondent Dorothee Durban: "Uncertain Economic Future Seen"/

[Text] The general development of the situation in the Indian Ocean points to the need for rapprochement among the islands, but there are numerous inhibiting factors, both political and economic.

In April 1981 meetings were held in Mauritius of professionals from Mauritius and Reunion. The meetings were organized by the chambers of commerce and industry and the principal management groups of the two islands. Also present were the French embassy commercial attache, the representative of the European communities' delegation to Mauritius, as well as government representatives only from Mauritius. Attending were 35 prominent persons from socio-economic sectors in Reunion, received by a larger number of Mauritians.

The last meeting of this kind was held in 1969, just after Mauritian independence. This "establishment of contact," this "exploration," as Charles Isautier, president of the Reunion chamber of commerce and industry, put it, was intended to benefit the sister islands, a cooperation long sought by all the island's political organizations and recently encouraged by Claude Cheysson during his tour of the area, while still commissioner for development of the EEC. It was also with his encouragement that the meeting, for which the initiative came from the economic representatives of the two islands, took shape. During his latest trip in the Indian Ocean area, Claude Cheysson said: "Don't turn your back on the region! Unite against those who come to invade your fishing zones! Organize, economically and politically, to manage and control these zones! Develop your scientific, technical and political relations! History has woven ties between you, and you form a compact geographic and strategic area. Europe is ready to help you! It has considerable means which can be made available to you..."

There has been trade between the islands for a long time, though without it reaching a level of importance, since it is only 3 percent of Reunion's trade balance, and Mauritius is only the 16th trading partner.

End Mutual Ignorance

In 1979 Reunion imported from Mauritius 4,800 tons of merchandise worth 17.864 billion francs and exported to it 1,521 tons worth 6.349 billion. The bulk of the imbalance is due to import of clothing, fertilizer, and paper.

The organizers of the meetings had set as goals: to exchange ideas, identify areas in which cooperation could be started or developed between Mauritian and Reunion professionals, study measures to be taken to promote this cooperation, and, finally, to make concrete proposals for action. On conclusion of the discussions, both sides felt that the result had been positive, though they did not foresee immediate results. The final communique said that despite the indisputable historical and cultural ties the similarity of the economies, both basically sugar, considerably reduced the possibilities for cooperation and trade. The communique added that the very strongly marked vertical relations--with France for Reunion, and Great Britain for Mauritius--and mutual ignorance regarding the capabilities and needs of each island constituted a significant hindrance to possibilities for cooperation between the two small island entities, although their future can only be seen as one of cooperation.

The participants were also prudent in their conclusions and suggestions worked out in the four committees: tourist cooperation, inter-island communications, supply of services and investment. In each committee there was emphasis on the need to get to know the neighbor better, to put an end to "mutual ignorance of the particular capabilities and needs of each island."

In regard to tourism, it is certainly Reunion which stood to gain from the suggestions made, since it has only one-sixth the number of visitors to Mauritius. A matter of prices and attractions. The committee proposed that they launch promotion of a joint package offer for the two destinations, while adjusting prices, that is, to break the Air France monopoly.

The committee on inter-island communications called for a unified tariff system for port services, coordination of airline schedules, and improvement of telephone services.

The committee on exchanges concerning supply of services envisaged formation of a joint economic data bank and increased education exchanges: retraining sessions, lectures, joint education activities, etc.

But it was in the last committee on investments that the most important decisions for the future and for cooperation between the two islands were made. This committee was also the best attended and obviously the subject of more interest. What goals did this committee formulate? That Reunion entrepreneurs gain maximum benefit from the opportunities offered them to join in the Mauritian free zone. That labor-intensive production be carried out in Mauritius, where conditions are clearly advantageous--a way of saying that they are more exploited--compared to Reunion. Finally, that industries be created, "on the basis of mixed financial participation," or be developed to supply the market of each island. After reading these resolution, one can foresee what will happen. Reunion capital, but particularly French capital via Reunion, will go to invest in the Mauritius free zone, assured of finding inexpensive labor, and lower operating and service costs. Moreover, Mauritius offers a deep-water port with 400 meters of piers, which Reunion will not be able to offer until 1984, and an international airport linked by direct flight to all major world centers (London, Sydney, Johannesburg, Paris, Rome, Frankfurt, Bombay, and Taiwan).

If this turns out to be the logical outcome of the proposals made during the meetings, and there is very reason to think it will, then the Reunion people will once again be both purchasers and consumers, when it is the production capacities of the island which must be developed to ease the unemployment. This reasoning can even apply to those areas where cooperation appears eminently profitable for the two sides: computer science, for example. Sharing of tasks could follow exactly the preference stated by the chairman of the Mauritian chamber of commerce and industry: "Reunion, which is impressive for its fine infrastructure, modern equipment, and quality of human resources, could contribute its advanced technology, while Mauritius would provide its industrial experience and its abundant, intelligent and significantly cheaper labor." In this field, Mauritius is still in its infancy, with only one-quarter the computer inventory of Reunion. But what does the committee propose? Aid and training of Mauritian computer experts, but especially establishment of companies for common services in the Mauritian free zone. Again, the immediate interest of the Reunion capitalists gets precedence.

What will result from the suggestions put forward at this meeting? The secretary general of the chamber of employers said on his return to Reunion: "The most interesting results can be expected at the level of export of services, in training, studies, computers, telecommunications and meteorology. We must be very modest, and not spend time wondering how we can sell, to countries with limited purchasing power, things we are not even yet producing."

Beyond this initial conclusion, delegation members expressed the hope that similar talks can be opened between the Seychelles and Madagascar, in order to genuinely launch the process of creating an Indian Ocean "Common Market." But there are many problems. There are certainly problems of a political nature, since the idea of cooperation with the leaders of the Seychelles or Madagascar has thus far not aroused any enthusiasm on the part of the Mauritian or Reunion authorities. But the general evolution of the situation in the Indian Ocean argues in favor of such rapprochements, and it is known that Reunion economic circles and a significant element of the local bourgeoisie are ready for them.

Heavy Guardianship

Another important problem is France's tutelage over its Indian Ocean department; thus far a totally static guardianship in respect to relations with Mauritius. Charles Isautier, chairman of the Reunion Chamber of Commerce and Industry, says frankly: France's assistance is in this area more of a handicap than anything else, like, paradoxically--and the contradiction is interesting--, the maze of economic and financial regulations which constitute Reunion's status as a French department. However, the problems are little different for Mauritius, which still depends on its former powerful guardian.

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Is France prepared, today, to support implementation of the proposals which came out of the Reunion-Mauritius professional meetings? One would doubt it under the former regime, since the seventh French-Mauritian mixed commission, which met 14-16 April in Port Louis, failed to include Reunion delegates. This was not well received on the island. France has granted a gift of 80 million rupees to Mauritius for infrastructure projects, rural development, and improvement of information and health. Specifically, it will participate in financing the Phoenix-Mahebourg highway, equip the Mauritian meteorological service with a satellite image receiver, and finance three projects for Rodrigues: set up a property register, construct fishermen's housing, and improve health services. The other projects involve diversification of agriculture and food production generally. In the latter field, the Mauritian efforts have been very significant. The government has decided to make a general practice of establishing feeding enclosures for cattle and deer, with intensive use of maize produced locally between the rows of sugarcane, and by-products of the sugar industry, pith of bagasse and molasses; to likewise increase the production potential of vegetables, fruit, and flowers; and to develop mechanized fishing and production of camaron, free tortoise and tilapia.

These efforts will be accompanied by a series of other measures: increase in energy production by sugarmills, enabling a saving of 95,000 tons of petroleum per year; production of ethanol from molasses to be used for fuel, of which the initial tests have been promising; establishment of a small business bureau to help create jobs in the rural area; general introduction of a third shift to establish round-the-clock operation in the free zone, and increase Mauritian manufacturing production by 30 percent, thus creating more jobs; establishment of a zone for export of services: "offshore banking," a bureau of consultants to create jobs in the tertiary sector.

All these measures should be underway in 1982 and are likely to promote a renewed growth in the Mauritian economy.

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NIGER

BRIEFS

BEI POWER PLANT LOAN--In the framework of the Second Lome Convention, the European Investment Bank [BEI], a banking institution of the European Community for long-term financing, has granted a loan equivalent to 10 million ECUs [European currency unit] (3 billion CFA francs) to build the second stage of the Anou-Araren coal-burning thermal power plant. This project involves an additional 16-megawatt unit primarily intended to provide power to the nearby uranium mines. The power plant, where a first unit (also a 16-megawatt unit) recently went into operation, will burn local coal thus cutting back on the use of imported oil and offering a greater guarantee to the supply of electrical power for the uranium industry and the local population. The loan was granted to the Anou-Araren Coal Company of Niger (SONICHAR) for a period of 16 years and at an interest rate of 8 percent, taking into account the interest discount on the resources of the European Development Fund. SONICHAR is a stock company created in 1977 in which the Nigerian State hold 66 percent of the stock in partnership with the Islamic Development Bank and the companies operating the uranium mines. The total estimated cost of the second unit is 25 million CFA francs and this unit is expected to start operating during 1982. The project will be carried out with technical assistance provided by the French Electric Power Company (EDF). The African Development Bank, the Central Fund for Economic Development, the Abu Dhabi Fund and the Government of Nigeria will help finance this expansion project. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2626] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

EDUCATIONAL STATISTICS--In Niger, where 90 percent of the adult population is illiterate, 260,000 children are attending primary school and 33,000 secondary school as the new school year has started, according to figures issued by the Ministry of National Education. The school attendance rate in Niger is about 20 percent and the figures issued for the new school year show that 11,934 children started 6th grade this year, an increase of 36.8 percent over the figures for the 1980-1981 school year. This year, 1,486 students will take their examination at the end of secondary school. Niger, where important budget allocations are assigned to education and to the literacy campaign, is facing a serious shortage of teachers and only 57 percent of its teachers are Nigerian nationals. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2626] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

EDF ROAD FINANCING--The European Development Fund [EDF] will provide 16.22 million ECUs to help finance work on the Roumdji-Tchadaoua road and on the Zinder-Mirriah road. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2626] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

CSO: 4719/144

SENEGAL

BRIEFS

SAED'S RICE, TOMATO PRODUCTION--Serigne Lamine Diop, Senegal's minister of rural development, who visited the peanut growing region in September, traveled to the Fleuve region at the beginning of October and visited, in particular, the irrigated areas of the SAED (Company for the Development and Exploitation of the Delta). This visit coincides with a change in the status of the SAED which is no longer a public concern but a national company. Explaining the reasons for the change, the minister of rural development said that, in the future, the president-director general will have elbow room to manage his company. It will be easier to finance agricultural programs because they will no longer be subjected to a priori control. The government, which has just signed a planning contract with the company, has promised to provide it with sufficient funds. The company, for its part, has committed itself to produce 50,000 tons of rice in 3 years' time. This represents the amount of rice consumed in the country in 2 months. Three years from now, the tomato production is expected to be 60,000 tons, which represents the country's overall consumption. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874 16 Oct 81] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

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TANZANIA

BRIEFS

NEW INTERNAL TRADE REGULATIONS--Tanzanian Minister of Commerce Ali Mohumo announced in Masasi, on 9 October, that as of this coming November the Regional Trading Companies (RTC) of Tanzania must order their goods directly from Tanzanian industrialists by a system of credit. The RTCs, located in areas far from industrial centers, must pay for their orders through the National Bank of Commerce (NBC) 45 days after delivery. For the regions where the industries are located, payment will be made 15 days after delivery. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2641] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

EDF WATER SUPPLY GRANT--The European Development Fund [EDF] will provide a grant of 5 million ECUs [European currency unit] for the water supply of Ntwara, a coastal town in southern Tanzania. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 16 Oct 81 p 2641] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

CSO: 4719/146

ZAMBIA

BRIEFS

INCREASE OF CRIMINAL ACTIVITY--The increase of crimes recently reported in Zambia has made the Lusaka authorities react. Thus, the secretary of state for defense and security, Zulu, has asked the police to increase their patrols on the borders. In addition to this step, the inspector general of the Zambian Police, Fabiano Chela, told the press on 2 October, in Lusaka, that some "influential people" and Zambian "leaders" were using "various methods" to encourage crime, including bribery of police officials. Referring to these "leaders", he said: "Not only they do not cooperate in the fight against crime, but they also actually engage in activities which demoralize those who are actively fighting crime." As part of the fight against crime, particularly in the Copperbelt region, it has been decided that from now on bars will close at 1800 hours in Ndola. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874,16 Oct 81 p 2641] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

AUTOMOBILE PLANT CLOSURE--A spokesman for the Zambian state holding company INDESCO (Industrial Development Corporation) announced in Lusaka, on 1 October, that the board of directors had decided to close the engine assembly plant in Livingstone until further notice. The reason behind this move is that the company does not have the foreign exchange needed to import spare parts and components to keep the plant working. The plant closed on 19 August this year and 150 workers were laid off at half-pay while waiting for spare parts to be imported. The original plan was to have some work done in the plant while it was closed to diversify its production. That plan was abandoned for lack of foreign exchange. INDESCO has also announced that it had found financial partners to build an ethanol plant near the Nakambala sugar plantation. Construction work was scheduled to start in 1982. Under a contract worth 12 million kwachas signed with Austria last May, that country was supposed to build the plant. But when the Zambian side failed to fulfill its commitments, Austria was forced to denounce the contract. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874,16 Oct 81 p 2642] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

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