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CENTRAL AFRICAN REPUBLIC

IMPROVING ECONOMIC SITUATION, LONG TERM AUSTERITY REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2831

[Text] Economic Policy Reported to Be Improving

The AFP [French Press Agency] recently reviewed the political and economic situation in the Central African Republic [CAR]. Two months after the military coup, this news agency does not think that a return to the multiparty system is very likely to take place in the near future. It seems that the parties opposed to Dacko support the moves made by his successor such as reorganizing the civil service and taking legal action against a former minister of national education, Nicolas Gotouas, who is charged with embezzlement. With the exception of Patasse (Central African People's Liberation Movement, MLPC), the other politicians are willing to cooperate with General Kolingba. They have rejected the MLPC's proposal to hold presidential elections in the CAR next month. Yet, pamphlets are reported to be circulating in Bangui denouncing both the military and the politicians.

In the economic sphere, the accession to power of the military brought about, according to the AFP, a "relaxation of tension" in public life which has led to a resumption of industrial and economic activity. While they do not speak of a "genuine recovery," experts from the International Monetary Fund (IMF) and from the French Ministry of Cooperation and Development, currently on assignment in Bangui, indicate that there has been a "slight improvement" in the Central African economy since 1 September this year.

There is a clear resumption of activity in most local businesses, they note. Two Central African agents, representing French manufacturers of commercial vehicles and light motorcycles, saw their sales for the month of September going up by 50 percent and 10 percent respectively compared to the same period in 1980. The only shoe manufacturer in the CAR increased his retail sales by 30 percent and had to engage more employees. During the first 8 months of this year, that same manufacturer had a 17 percent drop in his sales.

However, financial experts consider that they will have to wait "at least" 6 months before they can make an "indicative" initial evaluation of the economic situation in the CAR. In their view, the current economic trends are the result of a climate of confidence which the military regime was able to create in a country where corruption and popular dissatisfaction had become a "fact of daily life."

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The same experts also point out that the prompt introduction of an economic program based on relaunching agriculture and cutting back on public expenditure (salaries account for two-thirds of the national budget) will be as important for the future of the country as maintaining the present political climate. In particular, they mention the fact that in 1980 the national public debt amounted to 62 billion CFA francs (1.24 billion French francs) which included 10 millions worth of debts to private enterprises established in the country. Only 40 percent of these liabilities can be met at best.

Pensioning off 1,000 civil servants, out of the 24,000 which exist in the CAR, between now and January next year is one of the conditions set by the IMF to put the economy on a sound footing. The announced decision to reduce levies and taxes as an incentive to local business is also intended to boost productivity, according to the experts.

The campaign against fraud and corruption which the government has started, has also encouraged consumption. These experts also point out that for more than a year, the insecurity prevailing in the neighborhoods of Bangui and in the provinces and the fear of being the victims of looting had curtailed consumption just as much as the higher cost of living.

To successfully get the economic activity going again, the Military Committee has adopted a far-reaching program. Its main objective is to improve the road infrastructure and to develop the rural and social sectors. A project involving 1,800 kms of roads which will be built, mostly in the direction of Cameroon and Chad, or repaired will be implemented between now and the end of 1983 at an estimated cost of 18 billion CFA francs. So far, financing has been found for only one-fourth of this project.

The military regime is in favor of increasing before 1985 the acreage of four zones of production to boost cotton farming, since cotton is the country's main export crop. The estimated capital required for that project is 16 billion CFA francs. The cotton crop for the 1981-1982 agricultural year, financed by the development Bank of Central African States (BDEAC), is expected to yield 15,000 tons of cotton. The 1970 crop was 27,000 tons.

A Policy of Austerity

Gen Andre Kolingba, the CAR's head of state, announced in a radio and television address, on 1 November, that austerity will be the cornerstone of the budget in coming years and that public expenditures will be severely curtailed. The president explained that there will be no salary increases for state employees in 1982 and that the major task of the private sector is to create new jobs.

Two months after his accession to power, General Kolingba painted a dismal picture of his country's economic situation and explained it with the help of some figures.

The gross domestic product (GDP) has declined by 5 percent since 1977. There is good reason to fear, the head of state pointed out, that it will drop even further in 1982. One out of five workers has lost his job since 1979, he added. More than one-third of the budget is paid by foreign aid. "This state of affairs," General Kolingba said, "seriously undermines our dignity and jeopardizes our national independence and any possibility of recovery for our economy."

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The Central African Government is also committed to restoring a climate of confidence in the country. "No threat of nationalization will be allowed in Central Africa," General Kolingba said.

Finally, the Central African head of state urged his compatriots to accept long-term sacrifices: "It is only at the cost of great efforts that we can hope to enjoy moderate prosperity in a few year's time," were his closing words.

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CHAD

FRENCH ACTIONS SAID TO HAVE HELPED GOUKOUNI

Paris JEUNE AFRIQUE in French No 1087, 4 Nov 81 pp 56-58

[Article by Jean-Louis Buchet: "What is France's purpose?"]

[Text] Some of the actors are different but the same drama is still being played in Chad. Mitterrand's France is now following on the footsteps of Giscard's France: under the tenuous cover of a powerless OAU, France's purpose is to neutralize Qadhdhafi.

First came the surprising news in Cancun, on 22 October, that the French president had sent a message to the OAU chairman, Arap Moi of Kenya, asking him to set up immediately an inter-African force as provided for in the Nairobi Resolution and to send it to Chad without delay." Francois Mitterrand added that his country was prepared to participate in this undertaking "in the material, financial and logistic spheres. To the exclusion," he explained, "of any military participation." Was this a public relations move? A reminder of France's "responsibilities" in its area of influence? A signal to the Americans who consider Qadhdhafi as a permanent threat in that area? None of these theories is consistent with France's new diplomacy. There is more to it.

The embarrassed and conflicting explanations put forward by Claude Cheysson and Jean-Pierre Cot have not cleared the mystery. The minister of foreign affairs answered with platitudes: "We are only repeating what has already been said. We want the OAU resolution on Chad to be implemented and we are underlining our willingness to help. This matter is dragging on. The Nigerians are prepared to send troops and so are the Senegalese. There are long-term financial difficulties. The French contribution could expedite the arrival of the first troops of the inter-African force in Ndjamena."

In fact the French attitude is nothing new. Also, it is shared by the Americans who are determined to contribute toward the setting up of an African force. When Chadian Minister of Economy and Finance Michal Nganket Kosnaye met, at the end of September, in Washington, with James Bishop, assistant undersecretary of state for African affairs, he is reported to have been given reassurances on that point.

But what is the reason for France's "urgent" call to action now and from Cancun? Cheysson resorted to the argument of "rumors" usually carried by the press in connection with Chad and of the "double-dealing" also commonly attributed to France with regard to that country.

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For his part, the minister of cooperation and development dramatizes: "The situation in Chad has deteriorated even further," Jean-Pierre Cot tells us. "France wants to count on public opinion in Africa and in the world to prevent Libya from carrying out an actual annexation." This makes things clearer but he is still avoiding the basic facts.

The truth is that the threat hanging over Chad has taken shape in recent days. Actually, Qadhdhafi has not abandoned his plans for a "merger." Twice, before and after Goukouni's visit to Paris, he tried to win over to his idea the president of the GUNT [Transitional National Union Government] alternating pressure and persuasion. All to no avail. Then he delivered his master stroke. In mid-October, he persuaded the Chadian president to travel again to Libya and come to Sehba. Goukouni did not meet with the top Libyan leader. Instead he was given an ultimatum: the merger must take place "without delay." He is reported to have refused or, according to other sources, to have asked for a few days to think it over. In any case, his attitude was interpreted in Tripoli as amounting to a refusal.

The news reached Paris simultaneously with other alarming reports coming from diplomatic sources and from intelligence agencies. They reported renewed clashes between the various factions. The usual thing? Not exactly, since the reports add that "Goukouni's troops are being systematically eliminated." Finally, on Tuesday 20 or Wednesday 21 October, the French Government was told that the Libyans were preparing to replace Goukouni. Foreign Affairs Minister Acyl Ahmat, who continues to stay out of the country, was mentioned as his possible successor. He is reported to be the most "pro-Libyan" member in the GUNT team and his differences with Goukouni are well known. It is thought that the operation will be carried out very soon or, at least, before the French-African summit meeting in Paris (3 and 4 November).

The French, who since Goukouni's visit to the Elysee are convinced that he is a nationalist, view him as the last line of defense against the Libyans. Therefore, they made their move to help the president of GUNT. As early as the 21st [October] the decision is made to provide "logistical support." For the time being, this support will consist of light weapons and ammunition. This will enable Goukouni to strengthen his troops' position but, naturally, it will not allow him to stand up to the Libyans effectively. Therefore, it became necessary to launch a diplomatic offensive. Paris got confirmation from Dakar that Senegalese troops will participate in the inter-African force. In Cancun, the French delegation wrung out of Shagari his agreement to send Nigerian troops and got Algeria's support' it made contact with the Americans. Mitterrand could now send his message to Arap Moi.

It then became obvious that if Qadhdhafi meant to act promptly, he could not be prevented from doing so by the OAU force which will require some time to get organized. Meanwhile Libya has further consolidated its military hold over the country. Entrusted with training the future Chadian Integrated National Army, Libya has four bases in the country: Douguia, Largeau, Biltine and Abeche. The Libyans are far from behaving like spectators during the clashes between the various opposing factions in the GUNT and they support Acyl Ahmat's troops.

This is what they did in August when President Goukouni's troops clashed with those of the minister of foreign affairs in Abeche and in Adre. And again in October when Acyl Ahmat's supporters fought against the supporters of Minister of Interior Abba Said.

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But, more particularly, the Libyans are fighting against Hissein Habre's troops who are trying to consolidate their positions in the Sudanese frontier. After capturing three small towns situated northwest of Abeche in September, Habre was forced to fall back behind the border of that neighboring country when he faced Libyan artillery. Qadhdhafi's troops did not hesitate to cross the border and bomb camps where Hissein Habre's army (of 2,000 men) was stationed.

But Mitterrand is hoping that the top Libyan leader will interpret his message to Arap Moi as a warning and that he will abandon his plan of a merger. At issue is the reconciliation with France which the leader of the Jamahiriya could find useful now that he has become, more than ever, Washington's bete noire, and, ultimately, the holding of the OAU summit scheduled for 1983 in Tripoli. It seems that Qadhdhafi was quick to realize this and on the 26th [October] he sent a letter to Mitterrand through the French Embassy in Tripoli. In that message, he denied that he had tried to force the merger. Therefore, things are back to where they started with the slight difference that the creation of the OAU force finally seems to be underway.

In any case, this is a "hot" issue which will impart a feeling of deja vu on the French-African conference while Mitterrand wanted it to be a "new type" of conference. (Research by Jos-Blaise Alima)

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CHAD

DETAILS OF GUNT'S AID REQUEST TO FRANCE REPORTED

Paris JEUNE AFRIQUE in French No 1087, 4 Nov 81 pp 58, 59

[Article by Jean-Louis Buchet: "From Needles to Peugeot 505 cars"]

[Text] Political problems and military tension notwithstanding, life is reasserting its demands. It is a question of mudding along. There is a positive development: in the late afternoon of Monday, 5 October, the population of Ndjamena saw a commercial aircraft land in an airport where only military planes had arrived since March 1980 when air traffic was suspended a few weeks after the "battle for Ndjamena" started. As for the telecommunications system, a team of French technicians is working round the clock to get it back into operation.

Moreover, in June the Bank of the Central African States (BEAC) reopened its offices in the capital. The Bank would have preferred to start by reopening its branch in Moundou where business activities were continued during the war which destroyed Ndjamena. But for political reasons, President Goukouni decided in favor of reopening the branch located in the capital hoping to inspire confidence among foreign investors. Meanwhile, the Paris National Bank and the Lyon Credit Bank do not seem to be prepared to resume their activities until a settlement is reached in the matter of their dispute with the Chadian state.

A moratorium was signed to enable these French banks to be compensated for war damages, but for the time being, the government cannot relieve the state of insolvency of the companies, not even of state-owned companies.

The GUNT (Transitional National Union Government) "does not have the required military or financial resources and this is the major obstacle to an effective and overall recovery of the administration." This diagnosis is given by the patient himself and it is the main theme of a bulky Memorandum on Urgent Aid for Chad prepared by the GUNT and presented to the French by President Goukouni when he visited the Elysee (18 Septmber). The memorandum also states: "Expenses are huge and the prospects of revenues for Chad, in the immediate future, have been signed away due to the total lack of organization in the tax and customs services.

The total figure for this "urgent aid" is established at 62 billion CFA francs. Although this amount represents "as much as three times the national budget in normal times," it is not enough to cover the real needs. Even before the civil war started, the annual operating budget of Chad--which has put all its investment programs on the back burner--only amounted to some 20 billion CFA francs. But the current problem is one of reconstruction.

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Nothing has been left out of that fully detailed list which includes military equipment, power-generating sets, bicycles, tank trucks, typewriters and even needles, notebooks, household utensils and so on.

The lion's share, almost 23 billion CFA francs, goes to the army. The army has top priority, according to the Chadians who explain: "We must integrate and regroup all those who are in possession of military weapons to prevent them from regrouping either for political purposes or to continue their plundering."

It has been estimated that the Ministry of Economy and Finance needs around 21 billion CFA francs. Spread over a period of 6 months, starting in June 1981, these expenditures cover the salaries of civil servants (8.4 billion), the operating expenses of the various government departments (4.5 billion), repairs and equipment of government buildings (7.778 billion). No sector has been left out and the Ministry of Public Health, with 5.8 billion CFA francs, takes third place in the list of priorities. It is followed by Tourism (3.8 billion), Rural Development (2.656 billion), National Education (2.556 billion).

The Ministry of Foreign Affairs comes last and looks like a poor relative with an allocation of 150 million CFA francs. Which does not mean that the GUNT does not believe in the effectiveness of diplomacy. But its first concern is to establish a fleet of cars. "When we receive guests of our country," the memorandum explains, "the ministry has to appeal to the civic spirit of our compatriots, asking them to let them have a few cars." Peugeot cars seem to have a particular attraction for Chadian diplomats. In fact they want France to provide 20 Peugeot 504, 10 Peugots 604 and 10 Peugeot 505.

All this based on the premise that the civil war is over. And over for good.

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CHAD

MEETING HELD TO COORDINATE INTERNATIONAL RECONSTRUCTION AID

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1880, 20 Nov 81 p 2954

[Text] As we announced in our issue of the 13 November, p 2892, a coordination meeting on international aid for reconstruction in Chad was held in Paris on 12 and 13 November. The meeting, which was scheduled a long time ago, in the beginning was to be attended by representatives of the UNDP, the FED (European Development Fund), and France, who in fact have been granting economic assistance to Chad since the end of the fighting in Ndjamena. Other possible aid donors expressed their intention to participate in this meeting; the meeting was therefore enlarged and its new importance was marked by the fact that it was chaired by Mr Tahir Souleymane, Chadian planning and reconstruction minister.

In addition to the French, Chadian, and UNDP and FED delegations, the meeting was attended by representatives from the FRG (Economic Cooperation Ministry), Canada, the United States, Italy, the ADB, the BADEA (Arab Bank for African Economic Development), the IMF, the World Bank, the BEAC [Bank of Central African States], the BDEAC [Development Bank of the Central African States], and the WFP. The French delegation included representatives of the cooperation and development minister, of the Ministry of Economy and Finances (Treasury Directorate), the Foreign Relations Ministry and the CCCE [Central Fund for Economic Cooperation].

Positive Record

The Paris meeting led to specific commitments which were called "encouraging" by Mr Tahir Souleymane who told AFP [French Press Agency] that the participants, particularly France and the international organizations, had announced a certain number of specific commitments in the areas of food aid and the restoration of his country's infrastructure.

The discussions revolved around an aid program for needs estimated by UN and the Chadians at between \$200 and \$300 million over a period of three years. "The Americans," Mr Souleymane added, "were content to listen although their participation in this meeting was already a positive step." "Their representative indicated that the United States can contemplate aid to Chad only if there are no longer any Libyans in the country," the Chadian minister explained.

Mr. Souleymane emphasized that financing for the Inter-African Force was not taken up in Paris but "it seems that the United States and France are ready to contribute to its financing." It was noted in the Ministry of Foreign Relations that the logistic aid which France was ready to give to the Inter-African Force would amount to several tens of millions of francs.

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The meeting was primarily concerned with the revival of Chadian administration, the infrastructure facilities (roads, transportation, water, electric power, communications), rural development, and animal husbandry. Chad wants this to be followed by a similar meeting at Ndjamenana within 5 to 6 months.

France pledged to step up its aid to Chad in the areas of health and agriculture. It is also to furnish 5,000 tons of cereals, to restore the Chadian Ministry of Finances and the public works school, as well as the Ndjamenana--Abeche road and the electric power plants in that latter city. It will participate in the restoration of telecommunications and the electric power grid.

Among the international organizations represented at the meeting, the UNDP promised aid in the amount of \$4.5 million for infrastructure facilities in the city of Ndjamenana, the FED promised food aid amounting to 4,000 tons of cereals plus a sum of 5.5 million European ECU (highway network, water pipelines, infrastructure).

The WFP is to furnish aid in the amount of \$5 million, the ADB is to give \$17 million (electric power and water) with the possibility of becoming active in the areas of telecommunications and the road net. The IMF has basically approved compensatory financial assistance and will take care of Chadian demands.

The ADB will support the Ministry of Public Works and the water supply system for Ndjamenana.

International aid for the reconstruction of Chad would thus come to a total of Fr 800 million--not including France.

French aid in progress comes to Fr 42 million with Fr 30 million earmarked for aid to restore the Chadian administration. For the 1982 program, the restoration of the Abeche electric power plant alone was estimated at Fr 2 million.

In detail, the French aid program for 1982 calls for the continuation of operations in the southern part of Chad and new activities in the polders of Lake Chad and rice cultivation at Doba under the heading of agriculture, rural development, and animal husbandry. Technical assistance to the laboratory at Farcha will be resumed, as will health protection for Sahelian cattle.

The resumption of technical aid will involve the sectors of finances and education, as well as health (major endemic disease service and continuation of aid in the form of medical teams at Ndjamenana and Moundou). It will also be manifested in telecommunications and electricity.

Chadian Needs

In his speech on 20 November at the opening of the meeting, the Chadian planning minister drew a detailed picture of Chad's needs.

The Chadian program is set up around the main topic, that is to say, the revival of the central administration which requires major financial and logistic resources which the GUNT (Transitional National Union Government) does not have at this moment.

The administrative buildings, where 15 percent of the total volume are currently beyond recovery, would require a financing effort on the order of 10 billion CFA.

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The vehicle needs would be 1.3 billion CFA, with 117 million for reproduction equipment, 7 billion for specific technical equipment, to which we would have to add 1.7 billion for office furnishings and supplies.

In addition to the administration's need for technical assistance, Mr Tahir Souleymane also pointed out the considerable shortage in cereal output expected for this year and asked the international community for emergency aid amounting to 100,000 tons of cereals. He estimated the cost of rebuilding homes in Ndjamenat at 2 billion CFA. For rural development, the total amount of desirable efforts (correction of food production shortage, restoration of cereal stockpiles and cattle, effort to stop the advance of the desert) would come to 2 billion CFA. The information and telecommunications sector would need 880 million while education would require 2.9 billion.

The health situation, which is mediocre even in peacetime, has deteriorated and the needs of this sector would come to 3.2 billion (destruction of infrastructure facilities, shortage of medications and personnel). To guarantee the maintenance of the basic road net for the airports and the cleanup of Ndjamenat, the planning minister has come up with an estimated figure of 9 billion which Chad needs.

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CHAD

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REQUEST FOR TUNISIAN ASSISTANCE--Tunisia/Chad: Technical Assistance. Chad is said to have asked Tunisia to send technical assistants. It is however not certain that Tunisia, which has a strong need for qualified personnel for its own development, can respond to the wishes of the Chadian officials. Logistical problems are present besides: means to put at the disposal of the technical assistants, vehicles, etc. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

GOUKOUNI'S DAUGHTER MARRIES QADHDHAFI'S COUSIN--The daughter of Chadian President Goukouni Oueddei got married at the end of August to Col Abdelaziz Messaoud, a cousin of Qadhdhafi. This colonel is none other than the commander in chief of the Libyan troops in Chad. Was it with this happy event in mind that Goukouni was given the rank of honorary Libyan colonel? [Text] [Paris JEUNE AFRIQUE in French No 1087, 4 Nov 81 p 42] [COPYRIGHT: Jeune Afrique GRUPIA 1981] 8796

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CONGO

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EEC AID--The European Development Fund (EDF) is providing 2.5 million ECUs [European currency unit] to continue financing the improvement project in the M'Foa, in Brazzaville, as well as 400,000 ECUs worth of technical assistance to the BNDC [National Development Bank of the Congo]. For additional details, see under the heading "Courrier de Bruxelles." [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 5 Nov 81 p 2833] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

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MALAWI

FOREIGN TRADE IN 1980, TRADE WITH FRANCE REVIEWED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 9 Oct 81 p 2582

[Text 7] Showing a chronic deficit, Malawi's balance of foreign trade has seriously deteriorated since 1977, with the changing situation in foreign trade as follows, in millions of kwachas (1 kwacha equalling roughly 6.30 French francs):

| | 1977 | 1978 | 1979 | 1980 |
|----------------------|--------|-------|--------|--------|
| Imports | 209.8 | 287.7 | 326 | 355.6 |
| Exports | 180.3 | 155.7 | 189.8 | 238.9 |
| Deficit | - 29.5 | -129 | -136.2 | -116.7 |
| Rate of Coverage (%) | 85.9 | 54.7 | 58.2 | 67.2 |

In 1980 imports, raw materials for industry, including petroleum products, make up 31 percent of the total; transport materiel amounts to 17 percent; then semi-finished products (16 percent); industrial materiel and equipment (14 percent), and consumer goods (12 percent). South Africa is Malawi's main supplier, with 38 percent of all imports; it is followed by Great Britain (19 percent) and West Germany (6 percent), the Netherlands (4 percent), the United States (3.5 percent), and Zimbabwe (3 percent).

Agricultural products make up the essential part of exports from Malawi, with tobacco and tea providing 74 percent of exports in 1980, or tobacco, 104.8 million kwachas; sugar, 36.3 million; tea, 30.3 million; peanuts, 15.9 million; cotton, 4.6 million; rice, 3 million; miscellaneous products include dried vegetables, tung oil, coffee, cashew and macadamia nuts (which have been showing a marked increase the past few years) The United Kingdom is Malawi's main customer, with 26 percent of the 1980 total; after it are included the United States (16 percent), West Germany (8 percent), the Netherlands (8 percent), and Zimbabwe (4.5 percent).

So far as France is concerned, in 1980 it was Malawi's 11th ranking supplier (0.9 percent of imports) and its 7th ranking customer (2.7 percent of the country's exports). French supplies are comprised mainly of equipment goods

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(36 percent), semi-finished products (44 percent), and consumer goods (20 percent). 1979 deliveries were increased by helicopter sales. As for French purchases, 97 percent of them were made up of agro-alimentary products: principally tobacco and sugar.

The evolution of French-Malawian trade since 1977 is summarized as follows, in millions of French francs:

| | 1977 | 1978 | 1979 | 1980 |
|------------------|------|------|------|------|
| French sales | 12.8 | 23.9 | 46.9 | 18 |
| French purchases | 34.9 | 35 | 30.6 | 35.8 |

In December 1980, a contract for 39 million francs, concerning the supply of meteorological equipment, was signed with Malawi: the delivery of materiel was to be spread over 2 years, so these supplies will be reflected in French-Malawian trade in 1982 and 1983.

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MOZAMBIQUE

BRIEFS

FERTILIZER PLANT PROJECT--Maputo has entrusted the study of a project to manufacture fertilizer from local natural gas to the U.S. Fluor Corporation. There is one hitch: Mozambique is thus resorting to a firm which has been put in charge of the expansion of the South African plant transforming coal into oil. [Text] [Paris JEUNE AFRIQUE in French No 1091, 2 Dec 81 p 63] [COPYRIGHT: Jeune Afrique GRUPJIA 1981]

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NIGER

BRIEFS

CONSTRUCTION OF ISLAMIC UNIVERSITY--An agreement concerning the construction of the first section of the Islamic University of Niger was signed on 14 November in Jiddah by the secretary-general of the OCI (Organization of the Islamic Conference), Mr Habib Shatti, ambassador of Niger to Saudi Arabia, and by the representative of the United Arab Emirates and current president of the Islamic Solidarity Fund, Mr 'Izz-al-Din Ibrahim. This first section, whose cost comes to \$18.5 million, calls for the construction of an Arabic language teaching school, an administrative complex and housing for the students. The work, which is to be started during the next several days, is to be finished in 24 months. The total estimates for the project of the Islamic University of Niger come to \$60 million. The Second Islamic Summit in Lahore had decided on this in 1974. This university is to serve Central Africa. The construction of a second Arabic-Islamic University is also planned in Uganda for East Africa. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1880, 20 Nov 81 p 2947] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 5058

COOPERATION WITH FRANCE--Col Seyni Kountche on 7 November, concerning French-Nigerian cooperation, welcomed the fact that the mixed commission, which met after the conference of heads of state of France and Africa in Paris, gave "satisfaction in the areas which Niger considers to be priority areas, that is to say, rural development, communications, health, and education." Concerning uranium, Niger's principal export raw material, the president of Niger estimated that initial negotiations on the sales price charged France in 1982 seemed to indicated a "turning point" compared to 1981. The major drop in earnings deriving from uranium in 1981 had "slowed down Niger's development effort." The Nigerian chief of state finally welcome "the very good disposition of the new French authorities" in settling "the injustices of which numerous veterans were victims" after Niger achieved independence. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1880, 20 Nov 81 p 2947] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 5058

FED ROAD AID--The FED (European Development Fund) has granted Niger nonrepayable aid amounting to 5 billion CFA [African Financial Community] to finance two road construction projects on National Highway 1, linking Niamey to Lake Chad. This involves asphaltting a section of 21 kilometers on this road between Zinder and Mirria and the widening of 97 kilometers of highway in the Maradi region. [Text] Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1880, 20 Nov 81 pp 2947, 2948] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 5058

ROAD LOAN--A loan agreement with the West African Development Bank in the amount of 900 million francs CFA [African Financial Community] was signed at Niamey on 11 November. The loan will be used to finance a modern poultry operation project in Niger and brings the WADE commitment volume to that country to a figure of 4,749 million CFA. [Text] Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1880, 20 Nov 81 p 2948] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 5058

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NIGERIA

INCREASE OF AIR TRAFFIC WITH EUROPE REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2829

[Text] Nigeria Airways freight traffic between Nigeria and Europe last year amounted to 1,600 tons, of which 72.9 percent was in connections with Great Britain alone. In the same year, traffic with Italy showed 154 tons and with the Netherlands, 267 tons.

In 1980 also, the company's passenger traffic with Europe amounted to a total of 138,517 passengers, of which the majority, 108,459 were outbound from, or passengers to, Great Britain. The Netherlands took the second place, as for freight, with 30,058 passengers, closely followed by Italy, with 28,899 passengers.

The passenger traffic for the first six months of this year, with no separation of connections with Europe, has already reached 94,876 passengers. The traffic permits prediction as of now of a large increase for the 12 months of 1981 over the 12 months of 1980.

The freight traffic for the six-month period of this year between Nigeria and Great Britain also permits the prediction of a large increase in general traffic between Europe and the federation for this year over last year's. Indeed, the London-Lagos traffic for the first six months of 1981 totalled 859 tons, whereas during the first six months of 1980, it was only 298 tons. July, September, November, and December being the heavy traffic months, a record 3,000 tons is expected for the year. It should be noted that on this link, the second six-month period of 1980 showed a figure over twice as high as the one for the first six-month period, with 725 tons, which amounted to a total for the 12 months of about a thousand tons.

The London-Lagos link is the busiest. The one from Kano to London, which comes second, achieves only one-tenth of the figure for the first. In third place, but much farther behind, is the Port Harcourt to London link.

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NIGERIA

IMPROVEMENT IN PORT SITUATION REPORTED

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2828

[Text] Nigeria's ports, which a few years ago experienced very heavy congestion, are reportedly under-utilized at present. The Nigerian Ports Authority (NPA) prefers to think of this situation as closer to normal, and attributes it to the refitting of the handling equipment and the development of container transport and roll-on roll-off vessel traffic which make loading and unloading operations easier and quicker.

The ports of Lagos, Tin Can Island, and Port Harcourt thus seem less crowded, although they are the busiest. On the other hand, the ports of Warri and Calabar are experiencing clearly insufficient traffic compared to their capacity. The port of Calabar, especially, is the least attractive to ships, and it is even estimated that since it was put into service, it has never functioned at full capacity really.

Containerization has completely changed the look of the ports. The unpacking of goods, often badly stored, is no longer seen in them. It is true that a few old containers are found hung up in transit, but generally speaking the empty containers are reloaded onto the ships.

Container Consultants (Nigeria), Limited (CTC) is believed to receive some 350 containers a day, sending back 330 of them empty. The monthly container traffic is said to be between 10,000 and 11,000 units of about 20 tons of merchandise each, which would amount to an annual tonnage of containerized goods of 2.5 million tons.

The shipping lines serving Nigeria at present, it is recalled, are the Far East-West African Conference (FEWAC), the American West African Freight Conference (AWAFC), the Continental West African Conference (COWAC), the Association of Indigenous Conference Lines (ANICL), the United Kingdom West African Line (UKWAL), and the Mediterranean West African Conference (MEWAC).

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NIGERIA

OVER 5,400 NEW COMPANIES ESTABLISHED IN 1980

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2829

[Text] The number of companies established in Nigeria in 1980 was supposed to be, we reported, 5,455 (MARCHES TROPICAUX ET MEDITERRANEENS 30 October, page 2766). This figure was given by the First Bank of Nigeria, Limited (formerly Standard Bank Nigeria, Limited) in its latest quarterly report. The bank also gives some interesting details about the subject.

Indeed, according to the bank, these 5,400 companies are divided into activity sectors as follows: commercial companies: 2,080; engineering and construction companies: 1,095; service companies: 1,088; manufacturing companies: 566; agro-alimentary companies: 364; financial and investment companies: 262.

What can be seen from these figures is that the most important sectors for the development of the local economy, the manufacturing, agro-industrial, and financial sectors, are the ones which have attracted investors the least.

This is a result of their lack of financial assets, as the amount of these new companies' capital indicates.

Indeed, still according to the First Bank, 50 percent of the new companies in question were set up with capital below 50,000 naira, 22 percent with capital between 50,000 and 100,000 naira, and less than 3 percent claimed capital in excess of 500,000 naira.

It is understandable, in these conditions, that the federal government should have considered liberalizing investments by granting increased opportunities to present joint venture companies associating Nigerian capital and foreign capital (MARCHES TROPICAUX ET MEDITERRANEENS 30 October previously quoted, page 3765). In addition, it is probable that government promises to grant supplementary assets to the Nigerian Industrial Development Bank (NIDB) and to the Nigerian Bank for Commerce and Industry (NBCI) will in future years be beneficial to productive investments of enterprises, just as they will benefit from the future industrial development centers planned for establishment in each state for the promotion in particular of small and medium

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industries.

The First Bank also points out that the state of Lagos is first in rank for establishment of new companies. In 1980, 3,052 are said to have been established, or 58 percent of the total number. In second place, but with a much lower figure: only 292 companies (5.3 percent of the total) comes the state of Kano.

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NIGERIA

BRIEFS

SHAGARI TO RUN AGAIN--Addressing journalists on 1 November, Chief Adisa Akinlaye, chairman of the ruling party, the National Party of Nigeria (NPN), stated that the head of state, Alhaji Shehu Shagari, would seek another term of office at the 1983 elections. Chief Akinlaye specified that the constitution provided for such a possibility, and added: "When a man has been satisfactory, he should be given a chance to shine again." According to this political leader, it is unlikely that a coalition of the four other official parties can be formed because of the antagonism between at least two of them: the Nigeria People's Party (NPP) and the Unity Party of Nigeria (UPN). He therefore did not feel that the prospect worried his party. "If one of the parties wants to cooperate with us, the door is open," he added for the benefit of the NPP, which has broken off its accord with the NPN. When asked about the former leader of the Biafran secession, Odumegwu Ojukwu, living in exile in Ivory Coast, Chief Akinlaye stated that in his party's opinion, a man who has committed an error need not necessarily pay for it with lifelong exile, adding, however, that the free pardon issue depended solely on the president, according to the constitution. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2828] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

MORE PIRACY FEARED--There is already concern in Nigeria over a possible recurrence of acts of piracy during the year-end holidays, especially since after a lull due to the security measures implemented, there have been fresh repeated attacks over the past few weeks. The well-equipped, armed pirates still seem to be receiving, all too often, the benefit of connivance, especially in finding out about ships' manifests. It is true that unlike last year and the beginning of this year, there is no longer an average of 12 attacks a day, but recent examples do arouse legitimate concern. The radio alarm systems are felt to be inadequate, even defective, and the 244 private wharves insufficiently protected. In addition, several organizations have suggested that ships waiting to be unloaded anchor at least 20 to 25 miles off shore, rather than 5 or 6 miles, where they are much more exposed. Among vessels recently attacked are mentioned the "Taifun," "Pean Piraeus," "Pia Danielsen," "Atlantic Maru," "Rafaela," "African Maru," "Tendai Maru," and "Chai Varu." The "Taifun" was even attacked three times, on 3 consecutive days, 15, 16, and 17 September. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2828] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

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INSECURITY OUTSIDE CAPITAL--Even though the insecurity prevailing in Lagos is often denounced (see MARCHES TROPICAUX ET MEDITERRANEENS, 23 October, page 2697), it appears that the capital has no monopoly in this domain. Indeed, attacks are often noted in other localities and other states. They are reported as news items in the press or by travelers passing through. A few recent examples bear witness to the general insecurity. Thus, in Kaduna, the wife of a British officer was violently attacked on 15 October. In Ilorin, all assemblies have been forbidden since 14 October because of the insecurity resulting from political rivalries. In the state of Oyo, according to the police commissioner of that state, Alhaji Umaru Omolowo, about 30 13-year-old girls were kidnapped during the month of September alone, which amounts to one per day. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2828] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

SUGAR, TOBACCO DIFFICULTIES--Two large Nigerian companies, the Nigerian Sugar Company, Limited, of Bacita, in the state of Kawara, and the Nigerian Tobacco Company, Limited, of Ibadan, in the state of Oyo, are currently grappling with serious financial difficulties, to the extent that they are considering laying off some 3,700 persons between them. The first company has appealed to the federal government for help, as it did, incidentally, in 1978 when it found itself in an identical situation. That appeal, supported at the time by the National Union of Food, Beverage, and Tobacco Employees was heard. The union has just given its support to the sugar company again, while, however, requesting the authorities in Lagos to hold an investigation into the company's management this time. The union, whose secretary general is S.K. Oyebanjo, feels indeed that the company has been mismanaged, having, in particular, made some purchases that were not necessary at all. As regards the second company, also receiving the union's support in its dealings with the government, and whose lay-offs reportedly affect only 700 people, the difficulties are believed to stem from the high level of contraband activities in the cigarette market. The contraband goods are said indeed to deprive it of outlets. The union does not believe, though, that laying off 700 persons would be the best solution to the company's problem. [Text] Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2829] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

IDENTITY CARDS--The Nigerian federal minister of the interior, Professor Iya Abubakar, announced during October that the national identity card will be required at the next elections, planned for 1983. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 1981 p 2829] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

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RWANDA

BRIEFS

COOPERATION WITH YUGOSLAVIA--In Belgrade, Rwanda and Yugoslavia have signed a cooperation agreement in the areas of science, technology, education and culture, the Yugoslav agency TANJUG announced on 30 October. The agreement provides for exchanges of experts and study groups between the two countries, the training of students and various Yugoslav and Rwandan cultural events in both countries. [Text // MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2837 // COPYRIGHT: Rene Moreux et Cie Paris 1981 7 12149

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SENEGAL

TWO EXPORT-PROMOTING BODIES SET UP

Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2818

[Text] In its issue of 12 September, the JOURNAL OFFICIEL of Senegal published two decrees. One (No 81-635), dated 6 July 1981, deals with the creation and organization of the National Commission of Export Credit and Credit Discount Fund.

The introductory statement emphasizes that Senegal's foreign trade suffers from chronic deficit due to the sharp and constant climb of imports and the slow and fluctuating increase of its exports. This situation made the government decide to launch a coordinated program aimed at promoting Senegalese exports to eventually correct the trade balance without having to cut back on imports beyond a level compatible with the country's development targets.

However, to effectively encourage exports one must have easily available financing, credit that is not too costly and protection against the risks inherent in export operations. As a matter of fact, the economic situation has now reached the point where it is becoming difficult to get export orders unless prospective clients can be offered conditions of deferred payment similar to those offered by competitors in the international marketplace. That is the general idea behind the creation of the bodies described below.

--The National Commission of Export Credit and Credit Insurance is the first link in the system of export credit and export credit insurance. Its function is to evaluate whether export operations are eligible for preferential credit and for credit insurance. In a broader context, the commission participates in the process of deciding and directing Senegal's policy on export credit.

Its membership indicates that pains were taken to associate all the parties involved in the process of deciding and implementing the national policy on credit and insurance. Its secretariat is entrusted to the Senegalese Agency for Foreign Trade Insurance (ASACE) attached to the Senegalese Center for Foreign Trade.

--The Export Credit Discount Fund will be in charge of the compensation granted when preferential rates are assigned to exports guaranteed by the Senegalese Agency for Foreign Trade Insurance (ASACE) and will also act as the underwriter of ASACE.

The financial resources required by this fund have been estimated at 240 million CFA francs after assessing the financial needs of the Senegalese export enterprises.

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These resources will be provided by stand-by credits earmarked in the 1980-1981 budget to subsidize exports.

The amount of funds required for the balanced trade subsidies and for the interest discount will be determined every 6 months on the basis of estimated figures submitted to the Ministry of Economy and Finance by SONAGA [expansion unknown].

The discount Fund will be managed by a special office of the SONAGA to facilitate the financing of export operations through endorsements, acceptances, discounts or any other loan and credit instruments.

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SENEGAL

BRIEFS

BEI LOAN FOR SOCOCIM--In the framework of the Second Lome Convention, the European investment Bank (BEI) has granted the Republic of Senegal a loan of 10 million ECUs [European currency Unit] (3 billion CFA francs) to help modernize and expand its cement plant. The SOCOCIM-Industries [West African Cement Company] gets a 12-year loan at 8 percent interest rate taking into account an interest discount on the resources of the European Development Fund (EDF). This company, with a capital stock held by Senegalese private interests, operates the country's only cement plant which is located 30 kms from Dakar near limestone deposits. With an annual capacity of 380,000 tons, the plant can no longer satisfy the local market. The investment project, in which the BEI will be participating, will increase the plant's capacity to 825,000 tons by installing equipment that requires advanced technology (precalcination method) but will result in significant fuel savings (savings of about 30 percent). The total estimated cost of the project is around 18 billion CFA francs. After the cement plant is modernized and expanded its production will be enough to satisfy the local demand and possibly to export to neighboring countries (Mauritania, Gambia, Guinea-Bissau, Mali and even the Cape Verde Islands) which do not have sufficient production capacity. Part of the investments required for the project will be supplied by the Central Fund for Economic Cooperation. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2817] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

DECLINE IN CUSTOMS RECEIPTS--Customs receipts brought in 55 billion CFA francs to Senegal's national budget of 125 billion CFA francs, said Serigne Fall, director general of the Senegalese Customs Service in a recent interview with the Dakar daily LE SOLEIL. These receipts, which had been growing by 10 and 12 percent a year, have now dropped 1.2 billion CFA francs below their expected level, Fall added. This decline is mainly the result of a drop in exports (particularly exports of peanuts) and of more liberal tariff measures adopted to boost the exports of local industries. Fall announced that the Senegalese Customs Service, a paramilitary force of 1,800 agents, will receive some 100 new vehicles and is also going to computerize its operations and improve its radio equipment. In addition to this, coastal surveillance will be strengthened with two new fast patrol boats ordered by the Senegalese Navy, while air surveillance will be carried out in cooperation with the Air Force. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2818] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 8796

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SOUTH AFRICA

HOMELANDS, TOWNSHIPS HARBOR SEEDS OF DISCONTENT

Paris JEUNE AFRIQUE in French No. 1088, 11 Nov 81 pp 52, 55-56

[Article by Francois Soudan: "Journey Through Apartheid."]

[Text] It was a July day in a Paris restaurant. A French businessman, the official Paris representative of the interests of an "independent" South African Bantustan, Bophuthatswana, had invited a JEUNE AFRIQUE journalist, Francois Soudan, to lunch. Curious, on who knows what kind of trial, our associate accepted. Vaguely suspicious, he would soon become flatly skeptical when the "commercial counselor" (that is his title) said to him, in the most serious tone in the world: "We invite you to come visit Bophuthatswana, we will pay for everything, airfare and hotel."

The deuce! The embassy of South Africa in Paris has always refused any visa to JEUNE AFRIQUE, and one of our journalists could, just like that, visit one of these homelands, these "Bantu reserves" with fictitious independence, down there where no one--or almost no one--goes, short of being an inveterate propagandist for apartheid. However, Soudan went. And, furthermore, not alone, since Pascal Maitre photographer, accompanied him.

Why? Basic. When a country--even a phantom one--invites a journalist to visit and pays his hotel bill, it is always under the impression (sometimes with reason) that an article let us say a favorable one overall, will result. This is what is called "returning the elevator." In the specific case of Pretoria and the rather pitiable chiefs placed at the head of the Bantustan, the anticipated benefit was incalculable: a "positive" article in JEUNE AFRIQUE was a possible introduction to the OAU and the UN, in short, a step towards international recognition of the homelands and the legitimization of the policy of separate development. For Soudan and Maitre it was the unique chance to delve into South Africa, even in its most disgraceful aspects, its most hidden faces.

Of course, they were followed, guided, "listened to," questioned and searched. But all of South Africa would have had to be

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covered with a black veil to prevent them from seeing. When reality is this violent, it no longer hides itself. As for those who believed that a journalist could be "influenced," they will understand that this is not done. No doubt they were unaware of Hubert Beuve-Mery's, the founder of LE MONDE, quip, when he advised his associates to accept invitations, but not to forget to "spit in the soup" afterwards.

For 5 million whites south of the Limpopo, between Beitbridge and Cape Town, the press is free. That is, almost. The only restrictions: pornography and military secrets. For the rest, everything is told, displayed, photographed. And this is not the least of the paradoxes--or of the ingenuity--of the South African system that it does not permit those who have forged it and who live by it to be unaware of any of the conditions imposed on 20 million blacks.

Example: one week at the end of this year 1981, a random selection from the newspapers. In Johannesburg, Wellington Mpalweni, age 22, an unemployed youth from Soweto, appeared before the regional court for "possession of subversive literature," in this case, a copy of DAWN and one of AFRICAN COMMUNIST, the magazines published by the African National Congress [ANC]. In Cape Town, Washiela Brown, age 29 years, black and female, is fined 20 rands (or the choice of 20 days in prison) for having dared to cross a beach reserved for whites. In Pretoria, a 27-year-old black guitarist, Abey Mahlobo, and a 23-year-old white student, Vivian Epstein, were just arrested in the middle of the night. Reason: they were making love, an infringement of the Immorality Act which may cost them dearly. In Florida, in Transvaal, a drum majorette competition was interrupted by about ten young whites with crewcuts brandishing placards such as "kaffirs not welcome" because two competitors--Rita and Rena Nene, age 15 years--had the scandalous nerve to be African.

These various happenings, routine in "deepest" South Africa, reported in minutest detail by a liberal press which limits itself to recording the most blatant effects of apartheid, but does not explain them, show, if there is still a need to, that nothing basic has changed within the pale fortress. Nothing, or very little: 3 years later, the resounding speeches on the need to "liberalize" apartheid with which Pieter Botha inaugurated his term as prime minister in 1978 have only been followed by the "desegregation" of certain restaurants and some nightclubs in Johannesburg and Cape Town.

Elsewhere, rural South Africa has not even known the slightest breath of change. In Baberton, for example, a small village in Orange Free State, "bantu bashing," a favorite sport of Afrikaaner farmers which consists of beating blacks suspected of the very with tree stumps before taking them to the police station, is still practiced.

In Brandfort, where Winnie Mandela, wife of the leader of the ANC who is imprisoned for life at the Robben Island penitentiary, has been placed under house arrest, the stores always have two doors and two counters: one for blacks (with black cashiers) and one for whites (with white cashiers). And the "homelands" policy, the ultimate goal of the "great apartheid" theorized a quarter of a century ago by Hendrik Verwoerd, has ended in such a disaster that an official commission of inquiry, the Riekert commission, was able to recognize its "total failure" in the conclusions of its recent report.

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However, those who imagine South Africa as an ocean of misery punctuated with islands of white prosperity are wrong: a black middle class, rich enough to be able to furnish itself with glittering BMW's and 7,000 rand (more than 2 million CFA francs) weddings exists, and its growth is one of the rare "successes" with which the Botha team can flatter itself.

This comfortable middle class, this generation of supposed "Uncle Toms" intended to serve as a buffer between the white power and the black mass, is recruited from among the several hundred thousand Africans authorized to live outside the homelands permanently. In Soweto, for example, small black businessmen have financed--and live in--the 300 spacious villas of the Selection Park quarter, while the large majority of the inhabitants of this immense suburb of Johannesburg are still crowded into their brick boxes without running water or electricity. Each township of the major cities of South Africa thus has its "chic" quarter with gardens and swimming pools where black doctors, professors and businessmen live.

However, the constitution of a privileged urban black class, ardently hoped for by white business interests--who see in it the possibility of increasing their markets-- has a strong chance of turning against its instigators: "You know, the best way to oppress men is to keep them in misery and ignorance," smiles one of the members of a civic group in Soweto, seated in a leather armchair below a portrait of Martin Luther King in a villa in Selection Park; "If you let them live a little better, then they realize that they could live a lot better; and it is these people who create the revolutions. If the whites believe that we are Uncle Toms, it won't be long before they change their tune."

The non-violent civic resistance groups which have arisen over the past 4 or 5 years within the non-white community are, indeed, most often led by the most active members of this African middle class. Comparable to a certain extent to the Black American Community Action Groups in the 1960's, they refuse any cooperation, any contact with power; they preach passive resistance, selective boycotts or rent strikes. "We practice the tactics of harassment," explains Nthato Motlana, 55 year-old salt and pepper goateed founder of the "Committee of the Ten" in Soweto, first of these civic groups, "and we trap apartheid in its own contradictions."

One case among others; last 21 September, Motlana and two of his friends appeared before the Johannesburg court for having illegally organized a meeting against evictions in an Anglican church in Soweto. With great dignity and in a slightly ironical tone, Motlana told the judges in powdered wigs that he didn't understand the reasons for his indictment very well: "The law prohibits political meetings for blacks, this is true. But you know as I do, Your Honor, that under the constitution the blacks have no political existence in this country. Therefore, you can call this meeting what you will, but it would be unconstitutional to term it a political meeting since it was a meeting of blacks." The judges, red with embarrassment, had to interrupt the hearing for time to find a reply.

The ideological support for these resistance organizations very naturally arises from the black consciousness movement, whose founders--such as Steve Bantu Biko, dead due to torture 4 years ago--also belong to what is called the African elite.

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The Black Consciousness Movement [BCM] has inundated an entire generation of young blacks in the townships, giving them back this cultural pride which, quite often, their parents had lost. Its influence is enormous, many-faceted, felt as much in clothing styles, in music--two of the singers most popular with blacks, Steve Kekana and Patience Africa, are directly inspired by the "Movement"--as in the posters hung along the township streets ("Go black to nature!", "Straight black and beautiful!").

For the South African police, who watch it and penetrate it with a certain degree of effectiveness (through the intervention of the "Z squadron," security services) to the point that Nthato Motlana willingly affirms that "when three black militants meet, one of this is an informer," the BCM is an informal group without defined structures, manipulated by the ANC and the Pan Africanist Congress [PAC].

In fact, although it is certain that the ANC, which operates more and more precise sabotage actions from Swaziland and Mozambique, benefits from active and plentiful support (almost each township conceals a cache of arms), nothing proves that if manipulation does exist, it is going in this direction.

After the events in Soweto in 1976, almost 20,000 young blacks, supporters of black consciousness, in effect clandestinely left South Africa to rejoin the ranks of the ANC (and to a much lesser extent, the PAC) before claiming its structures and mode of operation as too archaic and modeled on the Western communist parties. Regenerated, the ANC today, after 2 decades of paralysis, has become an active movement in spite of its lack of "sanctuaries" (neither Zimbabwe nor Botswana authorizes the use of its territory as staging areas). For 6 to 8 months, searches and roadblocks have been routine on the major access routes to Soweto, without the South African police having succeeded for the moment in dismantling the infiltration of the "boys."

Symbolically, many of the ANC raids take police stations and the administrative offices of the three homelands which Pretoria recognizes as independent (Transkei, Vengaland Bophuthatswana) as priority targets. For them, the leaders of these Bantustans are collaborators, types of "harkis," whom any struggle for liberation must eliminate as a priority. And it is true that if you cross Bophuthatswana, for example, it is impossible to believe for a single instant in the reality of this state cut like a puzzle into seven disjointed parts separated by the rich lands of white farmers. The border here is a simple sign on the edge of the road and independence is reduced to two or three external signs: flag, national anthem and official language, Tswana, on the same level as English and Afrikaans.

There is, of course, a capital in this phantom state, Mabatho, with its prefabricated Government House, its ministers (about 15), its mini army (in orange and green uniforms, strictly led by white officers), its head of foreign affairs who displays on his desk a photo where he is seen chatting with Leopold Sedar Senghor in Kakar. Of course, legal apartheid was abolished in Bophuthatswana, and when Lucas Mangope, 58 years old, with the face of an ascetic, the head of this fairy tale state, says that he "hates" racial discrimination, he is no doubt sincere.

Plainly, he and his friends, who sometimes greedily share the cars, villas and other flashy symbols of political power, through weariness or ease, have made the wrong choice of the "third force" which we know in advance is inevitably doomed to

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oblivion. Worse, to infamy. For the moment, they content themselves with dreaming and not believing too much in a consolidation--with Pretoria will never accept--of their piecemeal state and of an impossible recognition of their "independence" by the OAU and the UN.

This bureaucratic bourgeoisie in fact, whether it wants to or not, serves as a link between Pretoria and the black population of the Bantustans (13 percent of the territory, 70 percent of the African population), and the apparent steadfastness which it demonstrated in its negotiations with Pretoria only serves to legitimize its existence in the face of those it is supposed to represent. Until now, only Israel (through security services), Austria and Senegal (through cultural aid) and, of course, South Africa have been cooperating with the homelands.

This system of homelands presents Pretoria with a triple advantage: it permits her to legally discharge herself of her economic and social responsibilities with regard to the Africans, most of whom in South Africa are now no more than migrant workers. It then enables the transformation of the black-white conflict into fictitious inter-state relations. Finally, since apartheid no longer exists in these homelands, it permits the use of these territories without puritan restriction as "escape valves" where everything which is prohibited in South Africa, for whites as well as for blacks, is permitted: prostitution, pornographic movies, gambling.

Sun City, in the heart of Bophuthatswana, is probably the most intolerable example of the use of these Bantustans by the white power. This immense complex built with hundreds of millions of rands, where casinos alternate with hotels, jackpot halls, erotic films shown 24 hours a day, golf courses and swimming pools in a superb site in the middle of the bushveld, is the first so far of these "pleasure complexes" which the Southern Sun and Holiday Inn hotel chains want to build in each homeland.

The projects are unbounded: an international airport is planned for 1990, not far from Sun City; it will enable the reception of the Japanese and American tourist charters that they hope to attract to this "fun capital of Southern Africa." Three thousand blacks work here, as bell boys, waitresses, caddies. Their average salary: 110 rands (less than 890 French francs) per month, while the lowest level white employee, a swimming instructor, for example, earns 700 rands with room and board. Every Friday evening, endless lines of cars converge on Sun City from Pretoria.

In the township of 10,000 inhabitants, modestly hidden in the shelter of a hill, where the black workers from Sun City and their families live, a very simple ceremony took place on a September evening in the diffuse light of an oil lamp. A priest and about 50 faithful people of all ages commemorated the fourth anniversary of the death of Steve Biko by singing gospel songs from the South African ghettos:

"When the white man come, our brothers became children. When the white man came, our mothers became slaves. Freedom will come, Mum, when all the "baas"¹ have gone."

1. Boss in Afrikaans.

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SOUTH AFRICA

GOLD SWAP WITH FOREIGN BANKS

PM101223 London FINANCIAL TIMES in English 10 Dec 81 p 4

[Dispatch by J.D.F. Jones: "South African Gold Swap Worth \$200M"]

[Text] Johannesburg--South Africa has completed a further series of gold swaps with foreign banks--the second in 2 months--to help pay for its soaring current account deficit on the balance of payments.

Although details are never released, it appears from the latest monthly statement of the Reserve Bank that approximately 500,000 oz of gold were involved, in return for something under \$200M of foreign exchange. Last month the swaps were thought to exceed 2.6M oz, worth approximately \$1Bn.

News of the move, which amounts to new borrowing by the Reserve Bank, comes after a warning by the prime minister's Economic Advisory Committee that foreign exchange reserves will remain under pressure following an expected R4Bn (2.2Bn pounds) current account deficit in 1981.

South Africa's external accounts have undergone a remarkable turnaround of some R7Bn, following a current account surplus of R3Bn in 1980--in spite of significant depreciation of the rand against the dollar. This week the rand reached a record low of \$1.02, compared with a rate of \$1.34 one year ago.

The Economic Advisory Council blamed the turnaround on weak export performance because of the international recession--although imports have also shown a large increase. The decline of the gold price to nearly \$400 an ounce has been a major factor.

The South African gold swap technique is to sell gold for cash to foreign banks, but to undertake its forward repurchase by the Reserve Bank at a price which includes the equivalent of an interest payment to the foreign banks. The Reserve Bank's total gold and foreign assets stood at R3.76Bn at the end of November, a decline of R404M on the previous month.

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UGANDA

BRIEFS

SWISS AID FOR COFFEE--Uganda's Coffee Marketing Board has signed a contract with Buhler Brothers Company Limited, of Uzwil (Switzerland), for the manufacture, delivery, installation, and start-up of equipment intended for the modernization of the coffee processing plant at Bugolobi. The project is in two phases, and delivery will be made in the spring of 1982. The contract, concluded after thorough research to avoid so far as possible any equipment stoppage and to assure maximum hygiene, mainly consists of 32 MTRA sorters, 16 DSTZ drum calibrators, 28 MVSB sorters, 16 MVRS jet air filters for dust removal throughout the facility, 17 truck scales, and a large number of mechanical and pneumatic transport devices. This facility for green coffee processing will be the largest and most modern in Africa. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1874, 9 Oct 81 p 2580] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

EUROPEAN FINANCING FOR COFFEE--The European Development Fund will finance up to 25 million ecus, some operations connected with the first phase of the Ugandan coffee industry recovery program. See details above, in the "Brussels Correspondence" section. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2836] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

AGRICULTURAL EQUIPMENT--The Central Tender Board of Uganda has issued a new call for bids, this one valid until 11 December, for the supplying of various types of equipment and materials (especially 4,000 tons of steel) for the refurbishing of Uganda Hoes, Limited, in Janja. The project is also financed by the EDF, so the bid file can be obtained from the same European Community information offices. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2836] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

POULTRY PROJECT--The Central Tender Board of Uganda (Post Office Box 3925, Kampala) has issued a call for bids valid until 14 January, concerning various supplies, notably poultry and concentrated feedstuffs, for the development of local poultry-raising. This project is being financed by the European Development Fund. The file may therefore be obtained from the European Community information offices, 61, rue des Belles-Feuilles, Paris 16. [Text] [Paris MARCHES TROPICAUX ET MEDITERRANEENS in French No 1878, 6 Nov 81 p 2836] [COPYRIGHT: Rene Moreux et Cie Paris 1981] 12149

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