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COFFEE

**THE EUROPEAN
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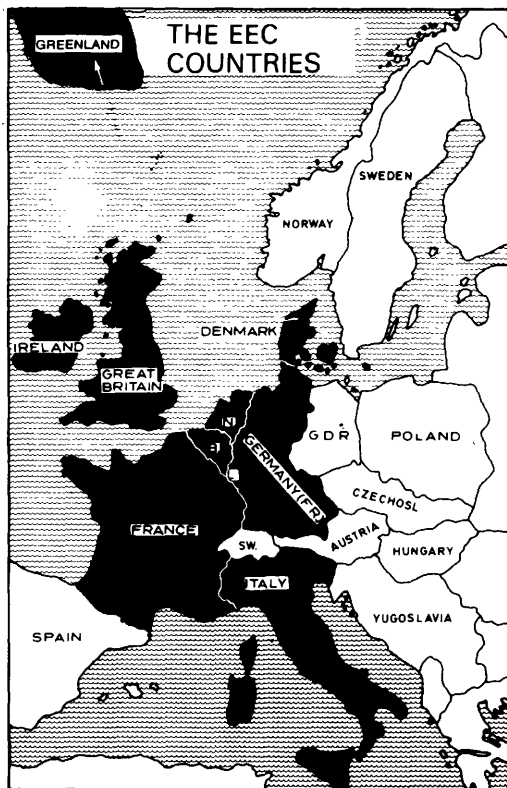
Season's greetings

THE ACP STATES

**BAHAMAS
BARBADOS
BENIN
BOTSWANA
BURUNDI
CAMEROON
CAPE VERDE
CENTRAL AFRICAN
REPUBLIC
CHAD
COMOROS
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GUINEA
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MALAWI
MALI
MAURITANIA
MAURITIUS
NIGER
NIGERIA
PAPUA NEW GUINEA
RWANDA
ST. LUCIA**

**SÃO TOME PRINCIPE
SENEGAL
SEYCHELLES
SIERRA LEONE
SOLOMON ISLANDS
SOMALIA
SUDAN
SURINAME
SWAZILAND
TANZANIA
TOGO
TONGA
TRINIDAD and TOGABO
TUVALU
UGANDA
UPPER VOLTA
WESTERN SAMOA
ZAIRE
ZAMBIA**



FRANCE

(Overseas departments)

Guadeloupe
Guiana
Martinique
Reunion
St Pierre and Miquelon

(Overseas territories)

Anglo-French Condominium of the New Hebrides
Mayotte
New Caledonia and dependencies
French Polynesia
French Southern and Antarctic Territories
Wallis and Futuna Islands

NETHERLANDS

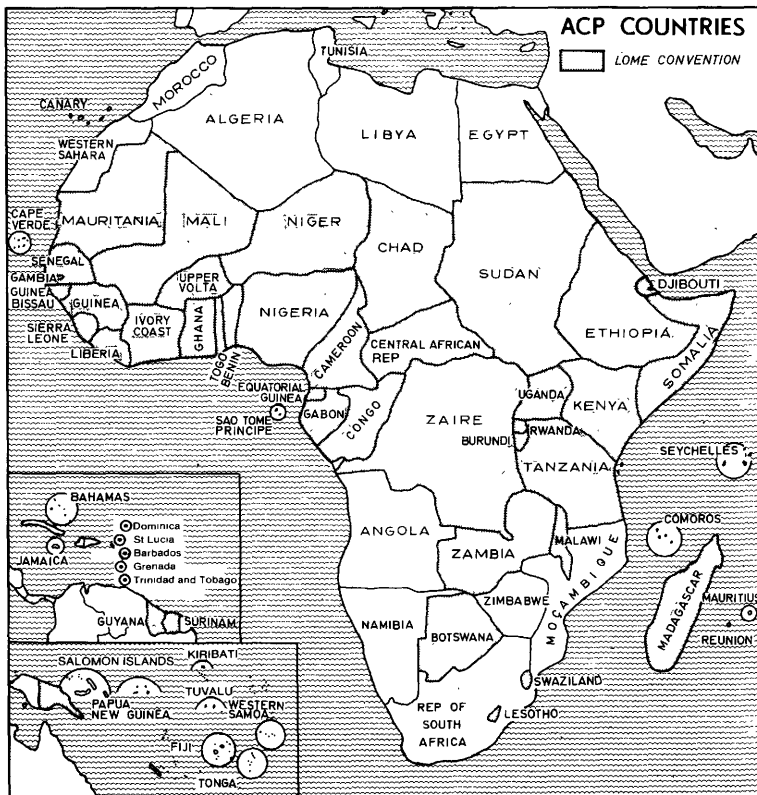
(Overseas countries)

Netherlands Antilles
(Aruba, Bonaire, Curaçao; St Martin, Saba, St Eustatius)

UNITED KINGDOM

(Overseas countries and territories)

Anglo-French Condominium of the New Hebrides
Antigua
Belize
British Antarctic Territory
British Indian Ocean Territory
British Virgin Islands
Brunei
Cayman Islands
Falkland Islands
Montserrat
Pitcairn Island
St Helena and dependencies
St Kitts, Nevis and Anguilla
Turks and Caicos Islands



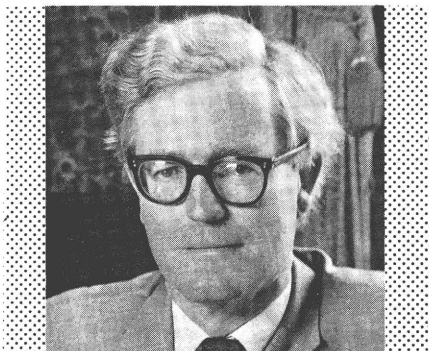
This list does not prejudice the status of these countries and territories now or in the future.

Netherlands — In 1978 the Netherlands devoted 0.82% of its GDP to official development aid. The Netherlands thus occupies a leading position in the Community; the average figure of the OECD is 0.35%, only half of the 0.7% target set up by the second UN development decade. In an interview with the *Courier*, Jan De Koning, the Dutch Minister of Cooperation, explains his country's cooperation policy and considers restructuring and adapting the European economy to bring about a new international economic order. **Page 3**



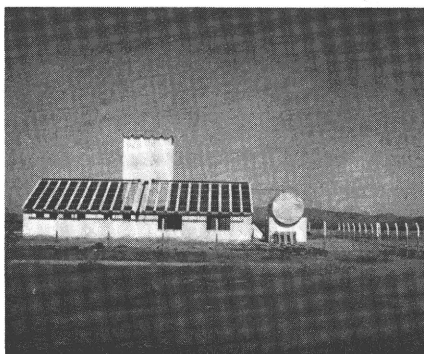
Europe — People tend to have a certain image of Britain: a country of moody citizens spending their time watching historical TV plays about their past glories. Minister of State Douglas Hurd rejects this view and explains the position of Mrs Thatcher's conservative government towards the EEC, the Commonwealth and the ACP states. **Page 26**

Ethiopia — In September last year Ethiopia celebrated the 5th anniversary of the revolution which overthrew the old imperial regime of emperor Haile Selasse. The revolution, which was led by the army, meant radical changes in the country's social and economic policies. The Ethiopian head of state Chairman Mengistu Haile Mariam took the occasion of the 5th anniversary celebrations to explain to the *Courier* what the revolution has meant to Ethiopia. **Page 9**



Dossier — The dossier of this edition of the *Courier* is on a product that needs no introduction: coffee is known and liked everywhere in the world. But people do not always know that it is, after oil, the second product of international trade in value and that it plays a major role in the economy of many ACP states and of countries such as Brazil. An International Coffee Organization based in London was created to monitor its trade. The history of coffee, its production, its importance in world trade are all looked at in this dossier. **Page 46**

Appropriate technology — Only about 10% of all the land available is under cultivation. One of the main reasons is that one third of the world's surface is desert. But abandoned cities, dried wells and history prove that most of the desert areas were once fertile and inhabited. These lands shouldn't be lost for ever. Solar energy could provide one answer. **Page 72**



THE COURIER

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— EUROPEAN COMMUNITY

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NEWS ROUND-UP (yellow pages)

One world

Do certain fundamental facts about the modern world need endless repetition before most people see how obvious they are? Cartierism, the self-centred attitude named after French journalist Raymond Cartier that was so prevalent in some parts of western Europe 15 years back, is tending to rear its head again in this period of international economic difficulty.

"Charity begins at home" could well have summed up the self-centered and short-sighted attitude to the world advocated by the cartierists. But one less bridge over the Zambezi or any other river in the Third World does not necessarily mean one more road, hospital or factory in Corrèze or in Southern Italy.

Some people still wonder whether, in face of unemployment and the economic crisis, the industrialized world ought not to reduce its official development aid and protect itself more against increasing competition from the developing countries.

What should be done? We must carry on hammering home the same message as 15 years ago, but using the far more convincing realities of today that can be summed up very succinctly: we form but one world, a small one that is increasing interdependent.

Solidarity with the Third World is not just a moral obligation. It is an imperative necessity for the most developed countries. If the

Third World, under its rapidly-growing burden of foreign debt, were constrained to reduce its imports and its growth as may be feared, the negative effects on the economic activity of the industrialized countries would be felt swiftly and surely. How can one possibly imagine that the continuation of huge inequalities between rich and poor countries, in spite of sporadic progress, will not one day result in many more of the tensions and conflicts that so dramatically scar the world today?

Cooperation is a fundamental factor of peace and international stability.

The European Community has a direct, major interest in cooperating with the developing countries, more so than the other great industrial powers do because it is more dependent now and will be more dependent in the future.

Energy is its first problem today, as everyone knows. The Europeans import about 55% of the energy they use and oil represents nearly 60% of the value of the EEC's purchases from the Third World. Certainly the Nine's efforts to cut consumption and develop other types of energy will make them less dependent, but dependent they will always be.

Raw materials for its factories are the next thing that Europe needs. The Community currently imports 75% of its raw materials whereas the Americans only import 20-25% and the Soviets 7% of

theirs. The Community could not do without the Third World, even assuming it wanted to.

Lastly, the present economic difficulties are forcing us to seek out and develop new export markets. Do people fully realize that Community exports to the Third World have soared and now make up 39% of Europe's total exports?

Compare this with 13% for the USA and 8% for Eastern Europe. So the Third World has become the Community's biggest customer and a particularly interesting one as it imports capital goods. As a result, the more the countries of the Third World develop, the better consumers they will be, with their orders helping to maintain and raise standards of living and employment.

We are all in the same boat. Interdependence, increasingly, is an essential, practical feature of the modern world. Consequently, international economic cooperation is a crucial factor of international security. It is a human need and an economic and social necessity. Lomé II is a positive, practical and reassuring achievement here. The public must be made more aware of these facts and the mass media must publicize them to a greater extent. At the beginning of this new year, let us all think of what realism demands and the heart dictates: one world for tomorrow. □

ALAIN LACROIX

THE NETHERLANDS

Improving the quality of aid

Interview with development cooperation minister Jan De Koning

Of all the member states, it is the Netherlands which gives the largest percentage of its GNP as official development aid—0.82%, or \$1 072 million, in 1978, as compared to the 0.45% average for all the Community countries together.

On the OECD Development Assistance Committee (DAC), where the average donation is only 0.35% of GNP (i.e. half the 0.7% target fixed for the development decade), only Sweden and Norway are ahead of the Netherlands.

The total amount channelled into development in 1978 was \$2 620 million, or more than 2% of GNP, and this is increasing constantly, in spite of the effects of the world recession that the Dutch economy cannot hope to escape.

In the interests of efficiency, Dutch aid concentrates on a small number of developing countries—Surinam, which has been independent since 1975 and has a special co-operation agreement, and 13 other target countries(1), most of them in East Africa and south and south-east Asia.

Expectations for the '80s

► *Since we are now on the threshold of a new development decade, could you give us the main outlines of the Netherlands' future development policy?*

— The Netherlands' development policy in the eighties will, according to my expectations, focus first of all on the campaign against poverty in countries with which we have development relations and, secondly, but with equal priority, on strengthening the developing countries' economic position. The main means used to combat poverty will naturally be bilateral aid. The bulk of Dutch aid is concentrated on 14 countries. In the context of multilateral aid too we shall be giving particular support to organizations which focus on combating poverty and work at grassroots level.

The second objective of Dutch aid—namely, strengthening economies—will also naturally be reflected in the aid granted to the 14 countries in question, but at the same time we shall be supporting a development policy at regional level in the EEC and at world level, with the aim of boosting the poorest countries' position in the world

Jan De Koning took over from Jan Pronk as head of the co-operation department when the new coalition (christian-democrat and liberal) government was formed in 1977.

He is 53, a graduate in social geography, an MP, ex-chairman of the Anti-Revolutionary Party (one of the three main factions of the christian-democrats) and he sat in the European Parliament in 1971-77 where he worked on the agriculture and the external relations committees.

In this interview with the *Courier*, De Koning outlines Dutch cooperation policy in relation to previous policy and to the third UN development decade. He also comments on his country's views on the internationalist and regionalist approach to aid and on European co-operation outside the Community (trade and aid) and within the EEC (the restructuring and unavoidable adaptation of the European economy). He ends with his department's fundamental concern with providing aid to the most underprivileged people in the poor countries of the world.

economy. I also expect that one of the main features of international policy in the eighties, in the Third Development Decade, will be the devotion of greater attention to the structural processes of the world economy, which are still far too detrimental to developing countries and must be adjusted so that they benefit those countries more than in



Development minister Jan De Koning

the past. We can see the very first beginnings of such a trend in the MTNs(2), which have not worked out to the satisfaction of the developing countries but nevertheless reflect some progress; in the setting-up of a Common Fund, which will enable a start to be made on regulating the world commodity market to the benefit of developing countries; in the negotiations on the operation of the International Monetary Fund concerning inter alia the conditions and terms of loans to developing countries with balance-of-payments problems; and in the expanding activities of the World Bank, which will, I hope, lead to success in raising funds for IDA VI. But I think that what we need in the eighties is a more deliberate and systematic policy, aimed at giving developing countries a stronger position in the world economy.

Concentration of Dutch aid

► *How are the countries with which the Netherlands has special rela-*

(1) Egypt, Kenya, Sudan, Tanzania, Zambia, Upper Volta, Bangladesh, India, Indonesia, Pakistan, Sri Lanka, Yemen, Colombia.

(2) Multilateral Trade Negotiations.

tions—the countries on which it “concentrates” its aid—selected?

— That is a difficult question to answer. Naturally, the rich countries’ aid relations with the poor countries have in most cases tended to develop by chance. Old colonial ties play a part, as do political and economic relations. I regret that there has not been a more systematic examination to determine which poor countries could best be helped by which rich countries. The matter is being given some consideration by the OECD Development Assistance Committee and this has led to the establishment of a slightly more regular pattern, but there is no systematic planning.

Each country chooses its own aid relations and these relations have evolved in response to a multitude of factors: in some cases through more or less chance contacts during visits, in others because a particular country has met with severe setbacks and has therefore been included among the countries on which aid is concentrated. In yet other cases the purpose has been to restore political balance, classic examples being India and Pakistan. If we help India and want to maintain equally good relations with Pakistan, then we have to put Pakistan on a more or less equal footing. There is no real pattern, except that when I took up my duties as Minister I said that we must concentrate on the poorest countries and also try to keep the number of countries on which we concentrate aid as low as possible to ensure the effectiveness of that aid, and as a result of these two guiding principles the 14 countries with which we have intensive aid relations are indeed among the poorest developing countries.

A global or a regional approach to aid?

► *Viewed from a European angle there is still a conflict in the Netherlands between the so-called global and regional approaches at European level. Nevertheless, although its aid is naturally on a different scale, the Netherlands’ contribution is largely concentrated on two specific regions—South-East Asia and East Africa. What are your views on this matter?*

— Yes, this is because that is where the poorest countries are situated—it so happens that the poverty problem is most acute in South and South-East Asia and in Africa. Naturally there is also dire poverty in South America, but in terms of scale it is much more limited than in Africa and South and South-East Asia. The South American countries are also more developed than those in Africa and Asia. For these

reasons we have concentrated on the latter, and within Africa we have indeed focused mainly on East Africa. One of the reasons for this is that the French-speaking countries of Europe showed great interest in West Africa and more or less fortuitous circumstances have also prompted the Netherlands to concentrate above all on Kenya, Tanzania and Zambia.

The Dutch public’s positive attitude towards development cooperation

► *Of the nine Community countries, the Netherlands gives the highest percentage of its GNP as official aid. And yet the Dutch economy is visibly no more prosperous than that of the other eight EEC member states. What, then, is the explanation for the Netherlands’ contribution?*

— It is indeed noticeable that since the beginning of development cooperation in the fifties, there has been a very positive attitude in the Netherlands towards the issue which is also reflected in the fact that a relatively large sum is contributed and there is great interest on the part of the public. Hundreds of private schemes, all geared to specific aspects of development cooperation, have been launched in the Netherlands, and we endeavour to give them as much support as possible. I cannot fully explain this. It may be said that the Netherlands has retained great interest in developing countries as a result of its colonial ties, but other countries in Europe and outside Europe also had such ties while Sweden, a country which did not, is the world’s top donor, doing even slightly better than the Netherlands. It may be said that the religious ground-swell plays a part, but we find the same background in a country such as Switzerland, which has, I think, the worst record in Europe as an aid donor. No conclusive explanation can be given, but I am very happy that the public does take a positive interest.

Monitoring and helping the development process

► *You have now held office for almost two years: have you introduced any fundamental changes of direction in relation to your predecessor, Jan Pronk?*

— No, I do not think there have been any fundamental changes of direction, except the reduction of the number of countries on which aid is concentrated. Pronk had greatly increased the number—from 10 to 18. With great difficulty, I brought it down from 18 to 14. It is

not possible at present to concentrate Dutch aid any further, although this would be desirable from the point of view of the efficiency and manageability of the development process. That is the only real change, however. In other areas we have simply developed further the guidelines that were already embodied in Dutch aid policy. They have been developed in two ways. Firstly, we have improved the quality of the aid by gearing it more closely to the poorest groups and also by being less prepared to work on “packaged” projects, preferring to monitor and help development processes in developing countries. Secondly, we have looked at policy from the angle of structural problems. We added a memo to the 1980 budget on development cooperation in the context of the world economy, exploring all those areas of the world economy which are of major importance to developing countries but which confront them with structural obstacles, and we naturally also tried to suggest ways round these obstacles. Some small progress in achieving this can be made at national level, but the real effort can only be made at international level.

Target group: the poorest

► *In improving quality you are therefore aiming at specific groups, the very poorest in the developing countries. From the developing countries’ point of view, might this not be interpreted as a way of dictating how the aid is to be used and allocated?*

— If this is handled badly by really dictating terms to the countries concerned it could indeed be interpreted that way. In discussions with the developing countries we endeavour to convey the objectives of Dutch aid as plainly as possible. We compare our objectives with those of the developing country itself and our experience has been that these objectives coincide to a sufficient extent. I know very well that in many developing countries there is great interest in large-scale infrastructure projects and the politically sensitive urban population naturally attracts more attention than the politically more stable rural areas: however, we have never been in a situation where we have had to say that a particular developing country’s policy is so different from the Netherlands’ views on development policy that cooperation would be impossible. On the contrary, in a way our developing countries are selected on the basis of their own development policy—the criterion is the existence of a social and economic policy which pays sufficient attention to backward sections of the popul-



Support for small and medium-sized industries: the SIDO wood project at Dodoma (Tanzania)

ation. It is only with such countries that it makes sense to cooperate in the long term.

Restructuring the Dutch economy

► *Do you think the Dutch economy is flexible enough to adapt to the new North-South economic relationship?*

— Not yet—I believe we are in the middle of the adjustment process, and this affects not only the Dutch economy but the economy of Europe as a whole—of the entire Western world, in fact. However, the core of the matter will be the adjustment of the EEC economy, because in the EEC we are beginning to establish the political framework and, more slowly, the legal framework, within which such a change of direction is possible.

There is no one of the member states—especially one of the smaller ones—adjusting its economy on its own if a complete adjustment is not made throughout the whole EEC. We have seen that there has been an improvement in the textiles, footwear and leather industries, as a result of which market forces have prevailed. Now for the first time we are seeing a deliberate EEC policy being worked out for the steel industry so as to be able to control market forces and achieve greater coordination in the adjustment process. This is admittedly only a small start, but I hope that it is nevertheless a sign of a general change of direction within the EEC,

which could have an impact in other fields also.

Integration of internal and external EEC policy

► *So, in the Community context, development policy must be integrated into the EEC's general external policy, as well as into internal policy?*

— Yes, my basic proposition is that development policy is much broader and much more far-reaching than a more development aid policy. Development aid is exceptionally important and it would be an event of major significance if the EEC were to intensify its aid policy and also make it more global, but an aid policy can never solve the development problem on its own. There must also be a trade policy, and financial, monetary and economic policies, which contribute to the development process, and there must inevitably be an internal policy geared to improving the developing countries' lot in the world—an aim we all share. We see very specific examples of this. Sugar policy is at present under discussion.

Next year EEC sugar policy must be framed anew, and it is impossible to overlook the major significance of sugar production for developing countries or the congested state of the world market, as a result of which developing countries make far less of a profit than they should from their sugar production. Countless other examples could be given—such as the whole

question of vegetable fats, and the specific case of tapioca.

I fully understand that European feedgrain must fetch a price and thus find a consumer, but European cereal producers' problems cannot be passed on to tapioca producers in Thailand—and there are numerous areas of interaction between internal and external policy, and areas in which internal policy is instrumental in determining what external policy is applied vis-à-vis developing countries.

► *Have you the resources at national level within the Netherlands to put this idea over to trade unions and employers?*

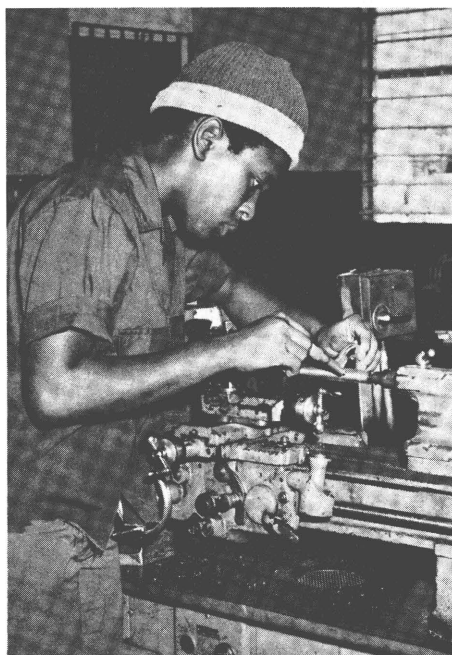
— There are at least enough arguments to put the idea over to employers' and workers' organizations. Finance is the problem of course, as in all European countries: restructuring requires an unbelievably large amount of money, and it comes just at a time when there are limits on public finances. We all have difficulty in financing our ordinary public expenditure—our social security expenditure—and so there is too little scope in the public sector for undertaking the restructuring process with sufficient vigour.

Protectionism, a grave threat to developing countries

► *Could you give a brief summary of the main policy outlines contained in the recent memo on development cooperation in the context of the world economy?*

— It relates to a whole range of areas. There should be better market access, particularly in Europe. The EEC is the largest purchaser on the world market, its sources, including the developing countries, and the developing countries' trade position is largely dependent on the trade policy followed by the EEC in making those purchases and regulating its imports. We see a dangerous tendency towards protectionism in all Western countries, and the EEC is not spared. This protectionism is a grave threat to the weakest partners in international trade, which happen to be the developing countries. A second area is the capital market. The developing countries, particularly the poorest, find it difficult to gain access to the capital market, because they are not regarded as sufficiently creditworthy, but these are naturally the very countries which need foreign capital to be able to finance their development.

The third area is what could be described as food policy, the world food problem—an issue considerably influenced by the EEC with its agricultural policy—and also food production in the developing countries. The fourth area which should be mentioned is the problem of commodities. The Common Fund represents the beginnings of an integrated commodity policy at world level, to which the EEC can make an important contribution should it wish to be a party to any individual commodity agreements concluded in that context. To return to the international division of labour and the directly related problem of restructuring which we just mentioned, can the EEC adjust its own economic structure sufficiently to



The Dutch government is involved in co-financing the Technical School in Kingston (Jamaica)



Extension of Katete hospital in the east of Zambia, one of the countries where Dutch aid is concentrated

an emerging new international division of labour whereby the developing countries would obtain a larger share of the world's output of finished products? The question of energy policy too is of great importance to the developed countries, but it is for the developing countries almost a matter of life or death.

At present the developing countries are seen to be struggling more and more with disastrous balance-of-payments deficits, because if they do not produce any energy themselves they cannot absorb sharply rising energy costs in their own economic system. One last point concerns science and technology. An enormous amount of technical know-how has been amassed in Western Europe. The developing countries are a long way behind in this respect. The question is how the technology available here can be transferred to developing countries, and how such technology can help the developing countries to catch up. Those are some of the areas covered in the memo, which gives a description of what has been achieved so far in each of them at national and international level—generally very little—and states what remains to be achieved, and how.

The transmission of market know-how

► *An interesting initiative has been taken at national level in the Netherlands, namely the setting up of a centre for promoting imports from the developing countries; a recent report by the Dutch Economic Institute states, however, that developing countries' pro-*

ducts are not yet gaining sufficient access to the Dutch market.

— There is at present a very marked trend in the whole context of the international division of labour towards greater penetration of the Dutch and other European markets by products from third countries, including developing countries. Our export industries are also penetrating other countries' markets, including those of developing countries to a greater extent, but a balance has not yet been struck. Firstly, the Netherlands is one of the countries with a negative balance here. Our markets are being penetrated quicker than we can penetrate the markets of other countries outside the EEC. Secondly, and I am looking now at the overall context, developing countries still have an insufficient share in this process. Our exports to developing countries are increasing faster than our imports from those countries, and they are much more substantial. It will be important for both sides to create a better balance. If purchasing power increases in the developing countries because they make a greater contribution to international trade, their import capacity also increases and our export opportunities thus become greater. If the knife is sharp, it will cut both ways.

The Import Promotion Centre is a section of this department, but it is established in Rotterdam—a focal point of world trade—and enjoys a considerable degree of independence and thus a great deal of scope for action. Its aim is to promote imports from the developing countries. Its staff do this in two ways: by supporting trade fairs where developing countries can exhibit their products and by pro-

viding developing countries with information on the Dutch and European markets. They also, for example, train export managers from the developing countries here, informing them of the desiderata and peculiarities of the European market, because it is often a lack of knowledge of the European market which constitutes one of the obstacles to an increase in imports from the developing countries.

North-South dialogue: laying down the rules of the game

► *Do you see any likelihood in the near or foreseeable future of a breakthrough in the North-South dialogue, which is still deadlocked at present?*

— Yes, it is still deadlocked, but new and very interesting developments are nevertheless taking place. At the UNCTAD conference in Manila the structural aspect of development cooperation was on the agenda for the first time, as were tough financial, monetary and trade matters, along with questions to do with the restructuring of the rich countries' economies. The rich countries were not very receptive, however. Perhaps the poor countries did rather overstate their case and they presented it rather roughly, but the game has been started and should continue. Now it is a matter of determining the rules. A further considerable advantage is that energy is now a part of it. The oil-producing countries were not amenable to this in Manila, but now, a few months later, we see that energy can in principle be discussed. A great deal will now depend on whether the Committee of the Whole succeeds, over the coming months, in drawing up an agenda for the North-South dialogue which establishes a reasonable balance between the developing and developed countries' interests. I believe that if the preparations for the next round of talks can be successfully completed, the dialogue has a good chance of success, although I am fully aware that very serious problems will have to be solved.

Not a divide-and-rule policy, but one of differentiation

► *Do you not think that there should be more differentiation, particularly as regards "the South", instead of treating the Third World as a single unit when it is in fact made up of very different countries?*

— A look at the facts as they are at the moment and the way the situation

is likely to develop over the next few years shows that further differentiation is inevitable. If one looks at the importance which the developing countries attach to their political unity and the advantage which they genuinely derive from that unity, then one must adopt a particularly cautious attitude towards differentiation. I am in favour of supporting the unity of the Group of 77 and leaving the Group of 77 itself to take the initiative of introducing what I regard as the necessary differentiation. We must see that our action does not assume the aspect of a divide-and-rule policy.

The Community should not forget non-Lomé countries

► *How do you view European development cooperation policy after two years?*

— I must say that European cooperation in this sphere has not yielded what I expected. There has been only one Council meeting of development ministers this year. That is far from sufficient for achieving real cooperation. I hope that under the new presidency there will be more meetings. I also hope that the structural features of development cooperation will be discussed at such meetings. I believe that Europe's position is of such importance to the developing countries that the Council of development ministers cannot sidestep these structural aspects, or these areas of internal policy which affect developing countries. When we look at the second Lomé Convention, the first point that needs to be made is that it is pleasing that it contains slight improvements on Lomé I. Some progress has been made—less, I realize, than most of the developing countries had wanted—but we can nevertheless derive some satisfaction



Special ties with the former Dutch colony of Surinam. Above, a technical school in the capital, Paramaribo



Dutch cattle, part of a stock-raising project in Sri Lanka

from the fact that the economic recession in all the European countries has not resulted in our taking a step backwards, although we could probably have made greater headway if the recession had not occurred. The first Lomé Convention is a unique example of development cooperation, in which financial and technical aid, combined with trade policy aspects and efforts towards stabilization, in the form of the Stabex system, are set out in a treaty. The whole range of development instruments is reincorporated in a somewhat improved form in the second Lomé Convention and, although I realize that criticism of the restricted nature of these development relations is justified, it must be conceded that it is an example of a reasonably integrated approach to development. Here I come to the weak point of Lomé II, namely that Europe has confined its development relations to 58 countries, which admittedly include a large number of the poorest countries in the world—but the EEC pays too little attention to the equally poor or even poorer countries not covered by Lomé. Particularly with regard to South and South-East Asia, the EEC does not, in my view, assume the responsibilities it should, given its position in the world. The Netherlands has therefore always urged that the policy towards the non-associated countries should be given more teeth.

So far we have achieved very little on that front. An amount of 110 million units of account has been earmarked for 1979. That will increase next year,

but not to the extent we consider necessary, and although the increase appears reasonably satisfactory in percentage terms, it is naturally a percentage of an amount which is much too small compared with the sum we grant the Lomé countries and in relation to the needs of the non-associated countries.

► *What sort of approach to South and South-East Asia would you like the EEC to adopt?*

— We advocate parallel action for the non-associated countries, with the focus on South and South-East Asia, but it does not have to have the same form as the activities conducted by the EEC under the Lomé Convention. I should be in favour of much greater financial aid for South and South-East Asia, combined with a trade policy *vis-à-vis* that region, particularly in relations with the ASEAN and India, as a result of which trade between South and South-East Asia and the EEC would be intensified and products from those countries would have easier access to the European market. I think that we would then have an optimum combination of development instruments for that region.

“Lomé I has worked satisfactorily”

► *In concrete terms how would you now assess the operation of the first Lomé Convention?*

— I consider that on the whole it has worked well. The European Development Fund, like any other large fund, needed a long time to get going. It is operating very satisfactorily at present. The transition from the Arusha and Yaoundé agreements to the Lomé Convention initially gave these development relations a strong French bias. Here too a balance is gradually being established. When we look at the direction in which aid from the European Development Fund is being channelled, we see that it is going more and more to the poorest areas. I am therefore satisfied with this pattern on the whole. The Stabex system has worked well so far within the context of the arrangements established. I know that these arrangements do not give the Lomé countries exactly what they want. Nevertheless I think the system can be seen to have exerted a positive influence over the past few years. I therefore consider that, within its confines, the Lomé Convention has worked very satisfactorily and I expect the same of Lomé II.

The European Parliament, a progressive force in development cooperation

► *As a former member of the European Parliament, do you think that the new, directly elected Parliament could take certain initiatives to bring about closer cooperation with the developing countries?*

— I am certainly expecting this. The former Parliament always was the European institution which took the most progressive line on cooperation with developing countries—not only because of its positive action in preparing and monitoring Lomé I, including the unique formula of parliamentary meetings between representatives of the Lomé countries and representatives of the European Parliament, but also because the former Parliament strongly advocated an increase in aid to non-associated countries, and thus more of a global role for the EEC in development cooperation. I expect the new Parliament to do at least as much in the same direction. My expectations have already proved well-founded in that the new Parliament has made use of its limited budgetary powers in order to change the Commission's budget considerably, making a substantial increase in the amount earmarked for non-associated countries—and I very much hope that in the confrontation between Parliament and the Council, Parliament will hold its own on that score. □

Interview by
ROGER DE BACKER

ETHIOPIA

“The major objective of our revolution remains development with equity”

Chairman Mengistu Haile Mariam

Ethiopia has just celebrated five years of revolution which have brought many changes to the old feudal order which prevailed under the empire. The Ethiopian head of state, Lt.-Col. Mengistu Haile Mariam, chairman of the Provisional Military Administrative Council of Socialist Ethiopia, took this opportunity to explain to the *Courier* what the revolution has meant to his country.

► *What broad changes were brought about in the field of development policy by the Ethiopian revolution?*

— Unlike former development planning which was centred on private interest, today's development strategy gives priority to the aspirations of the broad masses and aims at building a free and strong economy; it is not diffuse but coordinated through centralized planning and although it concentrates on agriculture and small scale industry, with a view to solving urgent and more immediate problems, our policy provides for laying the basis for heavy industry as well. Since the basic policy of our development policy is to initiate development from the rural to the urban areas, the major objective of our revolution remains development with equity. Our revolution has brought about fundamental changes aimed at destroying a system which permitted the exploitation of man by man and replacing it by a system conducive to development and growth and characterized by a completely new life pattern, by justice, and which expedites the process of bringing to the broad masses educational, health, social, transport, communications and other services which until now were denied the people because they were provided piecemeal through a haphazard and facile system. The measures taken include the revolutionary and drastic proclamation which transferred all rural land to public ownership; the nation-

alization of the means of production, distribution and exchange; the proclamation nationalizing all urban land and extra houses; and the labour proclamation.

In addition there was the directive providing for the establishment of rural peasant producers' cooperatives, a directive providing for the establishment of handicraft producers' cooperatives, and steps have been taken to establish peasants' associations and strengthen and arm them. These measures have intensified the revolutionary process and the class struggle in the rural areas and at the same time removed feudalism from the face of Ethiopia.

New makers of history

The broad masses, who in Ethiopian society were in the past mere spectators of and never active participants in activities and events of significance, have today become the makers of history and the vanguard and activists of the revolution, as well as its major beneficiary. The Ethiopian revolution has thus not only created conditions conducive to development and growth strategy but also removed the fundamental obstacles to development and growth. The broad masses of the Ethiopian people, committed to building a new order anchored on justice, have therefore embarked on the economic development campaign with revolutionary spirit and dedication by following a new path and new direction which are favourable to sustained development and growth policy.

► *What has the socialist revolution meant for the vast majority of Ethiopians who live in the rural areas, and how have they reacted to the change?*

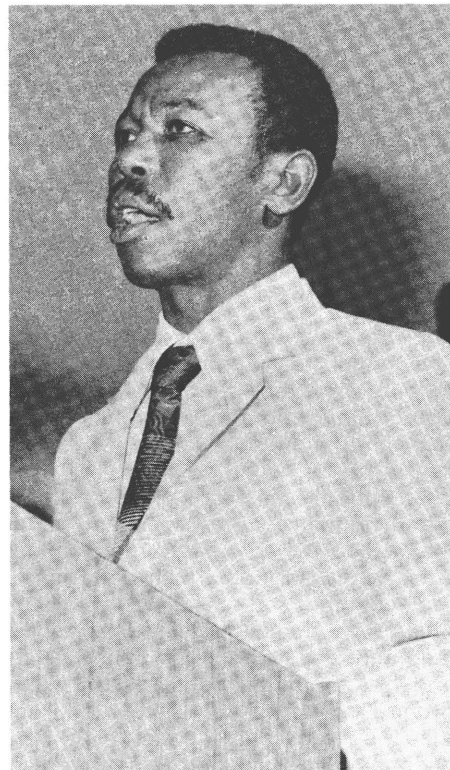
— As you may well be aware in regard to our revolutionary process, what is taking place in our country at the moment is a national democratic

revolution which we have yet to complete before embarking on the path of socialist revolution. What we mean by this is that we are currently in the process of laying down a firm and secure basis for the eventual task of socialist construction.

The present programme of the national democratic revolution, which will lead us to the socialist revolution, is of tremendous significance to the broad Ethiopian masses in the rural areas. The following few but major examples may be mentioned:

Having assumed genuine democratic rights through its revolutionary struggle, the rural sector of the population is tackling and solving, through newly created mass organizations and in accordance with objective realities, political, economic and social questions and has begun building at the grassroots its historic future on the strength of true democracy which is springing from and blossoming among the masses.

The rural masses are being given precedence, albeit on a priority basis, in essential services such as those related to education, health, the supply of clean water, transport and communications and other infrastructural facilities, all of which they were denied in the past.



Chairman Mengistu Haile Mariam speaking to the crowds on the 5th anniversary of the Ethiopian revolution



Chairman Mengistu during a visit to the southern regions

The rural masses, through getting organized into peasants' or handicraft producers' cooperatives and mobilizing their resources, energy and enterprise, are promoting social causes, freeing themselves from exploiters and intermediaries in the production and distribution services, and ever advancing forward. They are thus no longer working for the benefit of landlords, the bourgeoisie and government officials but for themselves and their families, the revolution and the country.

This being so, the rural sector will never again be exposed to famine and starvation because of official neglect and indifference.

► *Ethiopia was always described as a feudal society during the time of the empire. What structural changes have you brought about in Ethiopian society in order to modernize it?*

— Ethiopia was formerly a predominantly feudal society. Since land is the major source of wealth in a feudal society, it was land which determined the economic and social status of people. A few people lay claim to extensive land and they helped maintain the king and his family as the pinnacle of the order. Once this order was rocked from the top to its very foundation, the change in the superstructure created conditions favourable for the revolutionary structure which came into being. This transferred authority from

the hands of the minority to those of the majority. This in turn laid down a popular and democratic foundation. The organization of the masses into rural peasants' and handicraft producers' cooperatives, urban dwellers' associations, women's and youth associations at the district, provincial and national levels and, profession-wise, into the All-Ethiopia Peasants' Association and the country-wide Ethiopian Teachers' Association brought about new and favourable structural and institutional changes. With the freeing of the productive forces from the feudal order to which they were previously fettered, development activities in both the rural and urban areas are being intensified. The broad rural masses are today engaged in building irrigation dams, afforestation, soil conservation and other activities in a major drive to tackle common problems.

Encouragement of cultural diversity

► *Within the unity of Ethiopia there are many distinctly different cultural groups. What role can this diversity play in the country's development in the future?*

— The existence of ethnic groups with different cultures within a unified Ethiopia is similar to conditions in other countries. Our revolution there-

fore regards as a blessing the existence of diverse cultures in our country. It is well-known that the former feudo-bourgeois order used the diversity of culture in the country as an instrument for dividing the people along ethnic, religious, sex and other lines, created rivalries based on hate and wove intrigues in order to perpetrate itself and serve selfish ends.

It is clearly indicated in the programme of the national democratic revolution that, by contrast, the revolution of the broad masses stands for the respect, preservation and enrichment of the cultures of the various groups, and for complete religious equality and freedom throughout Ethiopia. This has greatly encouraged Ethiopian nationalities with different cultures to know more of each other and cooperate and support each other.

The revolution has provided the various ethnic groups with unlimited opportunities to channel their creative potentials, rich experiences and special talents towards the progress of the people and the development of the country. While the Ethiopian revolution has been brought about by the full participation of all groups of society, one of the reasons why Ethiopia has always been admired by the world lies in the fact that although numerous nationalities with diverse cultures and traditions inhabit it, the country has throughout the ages inspired burning patriotism in these component groups

to rise up in unison and bleed and die shoulder-to shoulder in defence of its freedom and territorial integrity. Neither the active participation nor the positive role of different cultural groups within the territorial confines of revolutionary Ethiopia in the progress and development of the country is open to doubt.

► *Change often brings difficulties in adaptation. How are you educating the Ethiopian people to the changes brought about by the revolution?*

— Since it is the broad masses themselves who through their struggle started the revolution and spread it to every corner of the country, the assumption that change often brings difficulties in adaptation does not have much relevance in our country. We say that the revolution was spontaneous because it was born of the suffering and misery of the people. The people own the revolution and it is they who are making history. The remnants of the former oppressors and exploiters of the broad masses who engaged in a futile effort to subvert the revolution from within the country were foiled by the broad masses through revolutionary defence squads.

When attempts were made to derail the revolution through external invasion and internal terror, the broad masses mobilized within a short period half a million sons and daughters towards the front as part of the revolutionary army and was able to defend Ethiopia's unity and territorial integrity and the revolution against the conspiracy of their enemies. Since the people, in the revolutionary perspective, are practically demonstrating that they are greatly committed to improve their lot and livelihood, it does not take them long to absorb new ideas and apply new methods.

We face no problem worth mentioning in this regard. On the contrary, the people have been found to be so far ahead in their ideas that the problem is not one of difficulties in adaptation but rather of enough trained manpower and financial resources to cope with the demand for new techniques and educational guidance.

The deployment among the broad masses of emissaries of change (activist members of the National Development Campaign through "Cooperation and Work" ("Zemetcha"), and cadres), the establishment of discussion forums, the role of the mass media in explaining revolutionary programmes in different dialects, the dispatch of production and political cadres to the rural and urban areas, the intensification of the class struggle and the removal of



The principal guest for the 5th anniversary of the revolution celebrations was Premier Alexei Kosygin of the USSR

obstacles to change have all contributed to the enhancement of the revolutionary process. There have thus been no difficulties of adaptation on the part of the people.

► *What scope do you see in the future for regional cooperation in this part of Africa?*

— In our part of Africa, there are tremendous opportunities for cooperation between and among countries of the region. The question is whether or not there is enough desire to exploit this opportunity. As far as Ethiopia is concerned, we made our position regarding the matter quite clear immediately following the upsurge of the revolution. We appealed for common endeavour and lasting peace as a prerequisite for regional economic and social cooperation in order for countries in the area to be able to exploit their natural resources for the progress and prosperity of our peoples.

By this we mean that we adhere to the principles of good neighbourliness, the respect of the territorial integrity of one country by the other, and non-interference in the internal affairs of others in accordance with the charters of the United Nations and the Organization of African Unity as well as the principles of the non-aligned movement. We are in favour of joining forces to eradicate enemies of mankind like disease, ignorance, and hunger. As the entire world knows, the response of the neighbouring republic of Somalia to this noble call for cooperation and mutual endeavour was armed violation of our territorial unity. The spirit of

good neighbourliness, brotherhood and cooperation nonetheless prevails with most of our other neighbours.

The duty of the industrialized world

There is great scope for joint effort in the development of transport and communications, the harnessing of rivers and lakes and the conservation of forests. The programme calls for not only trained manpower but also investment. In this task, the industrialized parts of the world have the duty and obligation to encourage regional cooperation in this part of the continent and of extending assistance. Since the revolution in our country has removed reactionary and decadent practices which hamper cooperative endeavours with our neighbours and since the present situation is favourable for expanding the area of mutual effort, we have a positive outlook.

► *How do you see a socialist revolution developing in a country like Ethiopia where so few of the population are urbanized?*

— Ethiopians residing in urban centers cannot be more than 3 percent of the total. Around 97 percent of the population lives in the rural sector. This does not however mean that a socialist revolution cannot take place in a society of this nature. We learn from history that the Great October Revolution erupted and blossomed in a situation where Soviet peoples residing in urban areas were not numerically dominant.

This certainly does not mean that we will bypass the present stage to introduce socialist production relationships. While what is now taking place in Ethiopia is the programme of the national democratic revolution which is both part of the socialist revolution and a transitional phase towards it, we have no doubt whatsoever that we will through our struggle build a socialist society.

► *What sort of economy and society would you like to see in Ethiopia by the end of this century?*

— The kind of economic and societal order which will emerge in Ethiopia by the end of the present century will not be determined by my wish and desire but by the evolution of history. The present situation nonetheless indicates that a socialist society and socialist production relationships will be created by then. □

Interview by
IAN PIPER

Overcoming the feudal past

Just over five years ago the ancient monarchy of Ethiopia was overthrown by a revolution led by the armed forces. The old regime had presided over a socially and economically backward feudal system, especially in the rural areas, which was in drastic need of reform.

The revolution swept away the old privileges of the aristocracy and church, abolished the monarchy, and set Ethiopia on a new path. The course of the revolution is still determined by the army under Lt.-Col. Mengistu Haile Mariam, chairman of the Provisional Military Advisory Council (PMAC).

The 1974 revolution (1967 in the Ethiopian calendar) was followed by difficult times. As a result, a concerted economic development programme was not possible, and although major reforms, such as the nationalization of the land, were carried through, only in 1978 was the administrative framework set up to carry out a national economic development plan: the National Revolutionary Development Campaign and Central Planning Supreme Council (*).

Speaking on the 5th anniversary of the revolution in September last year, Chairman Mengistu explained the delay with the following words: "When our revolution erupted and the road to equality, freedom and justice was paved, the desire of the working people of Ethiopia was to uplift and rebuild our country collectively and for collective prosperity.

"However, until only a year ago, we were not in a position to direct our efforts towards full economic construction and development as external forces were launching a concerted attack against our revolution, our unity and our national existence.

"That is why the broad masses had to rise in unison under the slogans, "The Revolution Above Everything Else!", "Revolutionary Motherland or Death!", and "Everything to the War Front!"

The initial military crisis is now past, although the war in Eritrea still continues in what the government describes as isolated pockets, and as a result the PMAC has been able to start longer-

(*). This article is based on interviews by the *Courier* with Ato Hailu Yimenu, senior minister in the Council of Ministers, with the ministers of state farms, foreign trade, industry, education, health, transport and communications and with senior officials of the ministries of agriculture and settlement, and mines, energy, and water.

Objectives of the national campaign

In interviews with the *Courier* the main emphasis of the ministers was on economic and social development. But it was clear that the national development campaign has political, as well as economic and social objectives which the government believes cannot be separated.

A quote from the report on the first year of the campaign will give the flavour of the thinking behind the PMAC's plans:

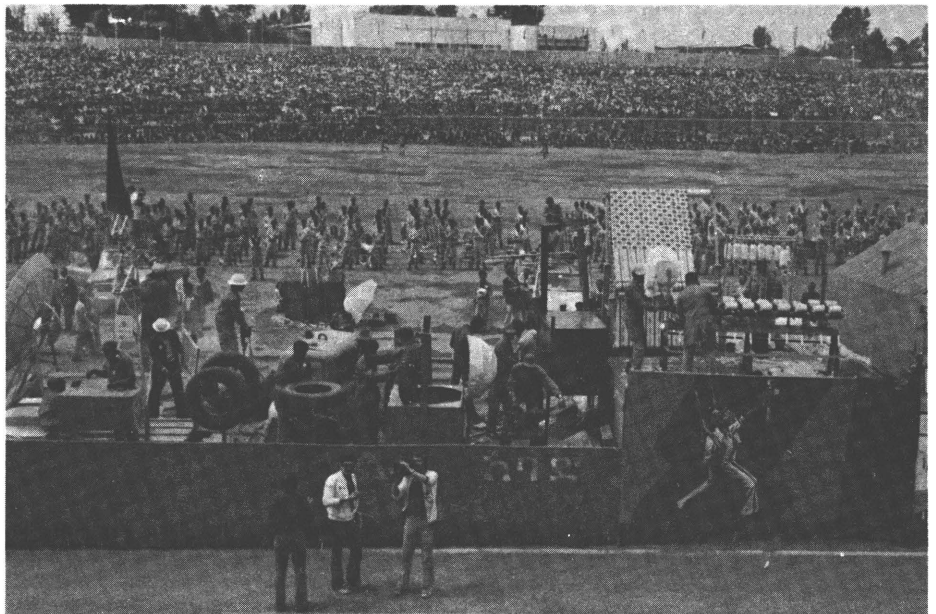
"In the political field, the major objective of the revolutionary programme is to raise the consciousness of the workers and peasants in Marxist-Leninist ideology, organize and arm them, and, by dismantling the feudo-bourgeois social order once and for all, to make it possible for them to establish a workers' party and government and thereafter to effect a transition to a socialist, and beyond that, to a communist social order where genuine peace, equality, justice and democracy will prevail.

"In the economic field, the major objective of the revolutionary programme is, in general, to free the productive forces from the fetters of feu-

term economic planning. The first year of the national development campaign is already over, and even if in several areas a full-scale plan has not yet emerged, it is already clear that the government intends to use the centrally planned model. It has nationalized the major sectors of economic activity, and reduced the role of private organizations and capital.

The revolution has been followed by increasing economic and political contacts with the Comecon countries, but Ethiopia's trade and aid relations with other countries and international organizations have remained intact.

Under the Lomé Convention, for example, Ethiopia has been developing its trade with Europe, has benefitted from the Stabex scheme, and has the largest single indicative aid programme among the ACP states.



Industrialization is one of the main aims of the revolution. This float during the 5th anniversary of the revolution celebrations shows some of the industries which are already established

do-bourgeois production relations and develop them; and to build a free and strong national economy in order to raise the standard of living of the broad masses.

"In the social field, the basic objective of the revolutionary programme is to remove, step by step, the social problems, viz. unemployment and prostitution, inherited from the old social order; to free the broad masses from the various types of diseases which have caused such suffering since time immemorial; to free the people from the bond of illiteracy and to imbue in them a revolutionary spirit of enterprise and love for work; and to emancipate the broad masses from the grip of reactionary cultural habits and inculcate in them instead revolutionary culture."

Some of these general objectives have already been acted upon. Mass organizations of peasants, urban dwellers, students, women, etc. have already been set up in preparation for the creation of a political party. A system of state farms and cooperatives, and in the social field health and literacy programmes, have already been started, to name but a few.

But, as in nearly all developing countries, it is what happens in the rural areas which matters most and the "immediate and urgent" task of the current development campaign is to do three things—raise food production, produce consumer goods and stimulate trade—all of which depend on agriculture.

Peasant power

When asked what the most important change had been since the revolution, most Ethiopians would probably agree that it was the reform of the land tenure system.



Senior Minister Ato Hailu Yimenu during his interview with the Courier



Land reform has brought rapid changes to the majority of Ethiopians who live in the rural areas

Under the monarchy many peasants were little more than serfs paying rent in kind to absentee landlords. In the most extreme cases it was as much as 75% of what they produced. Not only was it socially oppressive, it was economically inefficient. The taking over of the land led to a dramatic change.

As state farms minister Ato Haile Shawl put it, "the income of the peasant suddenly sky-rocketed from literally nothing to a level which you would not believe could be achieved simply by a change in the land tenure system—this is the biggest success of our revolution, the betterment of the position in the rural areas."

Ironically this major change also created a problem for the government. The peasants' purchasing power had risen dramatically and they demanded goods such as sugar, textiles, and shoes. They were not interested in money, but what money could buy, Ato Haile Shawl explained.

"Industrialization and processing have to develop in tandem with the demand of the population, but since land reform, that demand has already exceeded our production capacity."

Since the government is also cutting back on imports to save foreign exchange and reduce the trade deficit, the increased demand of the peasants cannot be met by importing. In the new state farms considerable emphasis is being put on raw materials for industry to help the rapid expansion of industrial projects.

Cotton is a good example of the close link between industry and agriculture and the satisfying of consumer demand. The present textile mills cannot process all the cotton produced, and production is expected to rise, so new mills are planned which will have a ready market for their cloth in the rural areas.

Agricultural reform

Apart from land nationalization, the other changes in agriculture since the revolution have been the organization of peasants' associations, the establishment of the first cooperatives and state farms, and resettlement schemes for people on poor agricultural land, in the worse drought areas and in the war zones.

There is an urgent need to modernize Ethiopian agriculture, and both resettlement and the cooperatives will help concentrate farmers in groups for the purpose of providing agricultural services more efficiently. The state farms, which will exist side by side with the cooperatives, only represent 4% of production at present.

The first state farms were the larger private estates taken over under land nationalization. The original area was 72 000 ha. A further 82 000 ha were added this crop year, but were totally new farms on unused land selected by the government. In the coming year a further 135 000 ha will be added and by then 9.5% of total agricultural production should come from the state farms.

These farms produce both food and cash crops, draw on local labour, and provide adjacent farms with modern agricultural services.

It is hoped that in this way they will not only be efficient as far as their own production is concerned, but encourage peasant producers as well by providing help and setting an example.

The success of agriculture is central to the success of the whole economy. It contributes about 50% of GDP and provides a livelihood for almost 90% of the population. Agricultural exports are also 90% of the total, and agricultural raw materials are vital to Ethiopia's limited industrial sector.

Fall in foodgrain production

With a population of some 30 million, scattered over a huge area, food supply is crucial. Recent production levels have not been high enough and the government is trying to stimulate greater output from both the state farms and the peasant farmers. Foodgrain production in 1974/75 was 4.8 million tons.

It rose to 5.5 m in the following year, and was 5.3 million in 1977/78. But production fell back to 4.7 million tons in the 1977/78 season. Distribution problems aggravated this decline.

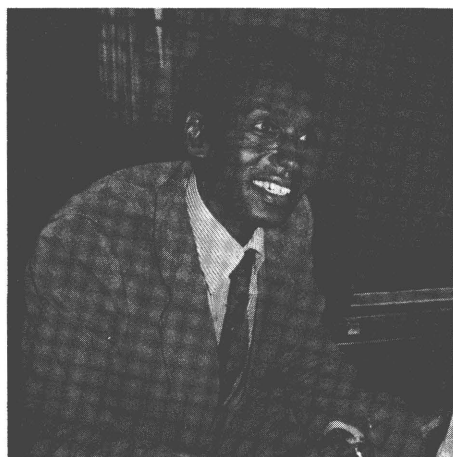
The drop was partly the result of natural problems (drought and locusts) and partly the result of disruption and damage caused by war. The government estimated that the Ogaden war cost some \$1 000 m worth of damage, while the war in Eritrea damaged one third of Ethiopia's industrial potential.

The food shortage caused by these events meant imports and a dependence on food aid. In 1978 food aid amounted to an estimated 80 000 tonnes. The government is trying to improve productivity by greater use of fertilizers, improved seeds, pesticides, tools and machinery.

It is also trying to increase acreage, build further mini-dams to provide irrigation, and provide storage facilities. The main constraints are, as ever, human and financial, but the government hopes that through the peasant associations the urgency of the problem will be understood and output show significant improvements in the years ahead. The immediate target is for an increase in grain output of at least 500 000 tons, which is twice the current level of imports.

Export crops

A similar emphasis on improving output of export crops is also evident.



Health minister Dr Teferra Wonde



State farms minister Ato Haile Shawl

Coffee is still Ethiopia's main foreign exchange earner. Of total exports worth 689 million birr(1) in 1977, coffee represented 519.3 million (75%). Next in importance were hides and skins (47.7 m birr), vegetables (43.4 m birr) and oilseeds (17.5 m birr). The main imports were petrol products, vehicles and other equipment. In the past few years the level of coverage of imports by exports has worsened as the trade deficit widened(2):

1976

Imports: 729.5 m birr.
Exports: 580.6 m birr.
Balance: -148.9 m birr.
% coverage: 79.6.

1977

Imports: 1 028.8 m birr.
Exports: 689.0 m birr.
Balance: -339.8 m birr.
% coverage: 67.0.

1978

Imports: 1 065.7 m birr.
Exports: 689.0 m birr.
Balance: -432.1 m birr.
% coverage: 59.4.

A revival of the cash crop sector is important both as a foreign exchange earner and to provide the raw materials for new industrial projects, which have an important import substitution element.

Agro-industrial emphasis

Industry represents only 10% of the GDP and is concentrated in four areas of the country. Much of it is agro-related and will remain so under government plans, either as processing or providing inputs for the agricultural sector. A quarter of all employment in industry is provided by textiles, which have a high development priority.

Another area of potential is the leather industry. Ethiopia has the largest herds in Africa and hides and skins are already an important export, mainly to Europe. Industry minister Ato Tesfaye Dinka believes leather goods are an ideal growth area for Ethiopia.

The first phase would be to export semi-processed skins, and then to move on to manufacturing semi-finished and finished leather goods. There has already been EEC help in investigating possible markets, and enquiries from European shoemakers on obtaining finished shoe uppers from Ethiopia.

Apart from the traditional markets for hides where finished products might be in demand, there is the domestic and regional market for leather goods, shoes in particular.

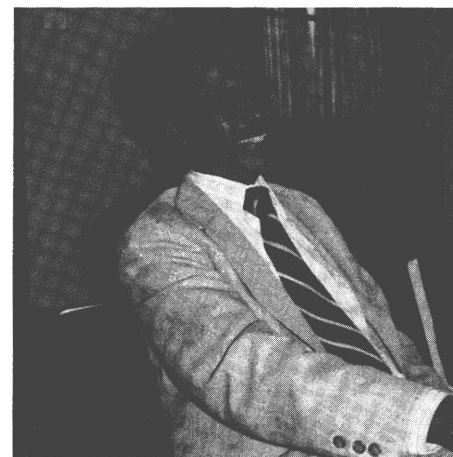
Ethiopia's herds could provide another industrial possibility, also with export potential, in meat canning. Productivity in the livestock sector, according to the Ministry of Agriculture, is extremely low because of poor management, low feeding standards and poor breeding.

It plans to improve this situation by more range management and the introduction of better breeds through artificial insemination. Quality is the important factor here, as it is for plans to export off-season vegetables, and eventually fruit, to the European markets. This year there will be the first experimental marketing of Ethiopian green peppers and beans in Europe.

This, if it proves successful, will also involve some industrial plant since, with many fruits and vegetables, only the top quality can be exported raw, the remainder needing to be processed if the exercise is to be profitable.

(1) 1 EUA = 2.87 birr.

(2) Source: National Bank of Ethiopia and Central Office of Statistics.



Industry minister Tesfaye Dinka

It is very early days for such schemes, but the variety of climate in Ethiopia could give them great potential.

For the moment the production and processing of two other crops, sugar and tea, is aimed entirely at the home market and import substitution.

As far as agricultural inputs are concerned, there are two main areas of possible industrial investment, in manufacturing fertilizers and other agricultural chemicals, and in making farm implements. Neither are yet off the ground, but both are under consideration.

Ato Tesfaye Dinka believes that the present level of fertilizer imports—100 000 tonnes a year—combined with the growing demand which will come from the government's agricultural modernization plan will make the manufacture of fertilizer from imported raw materials an attractive proposition.

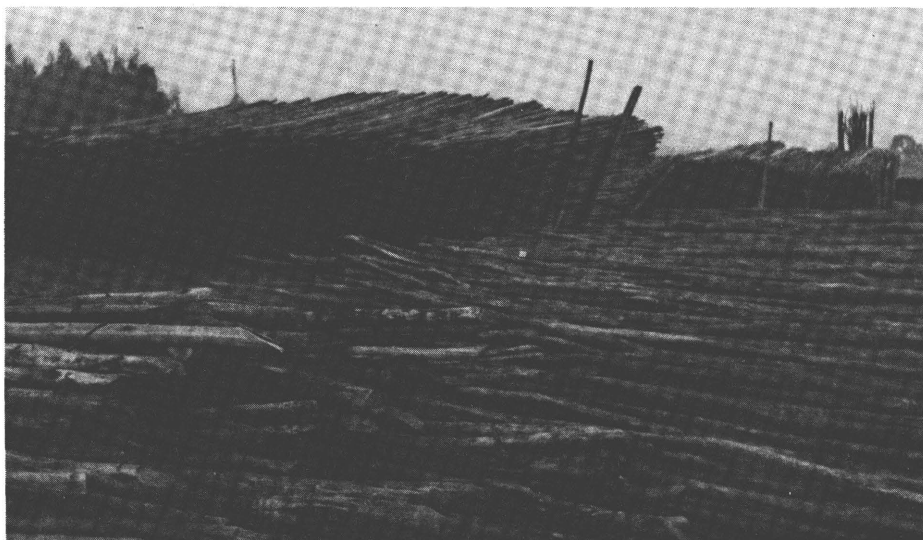
The main non agro-related plans are for the construction industry, with the establishment of two cement factories to supplement the three very small existing plants. In all but very small-scale concerns the industrialization plans are state projects. There is some scope for foreign private concerns, but primarily in such fields as mining.

The search for oil

For some time prospecting for oil has taken place in the north and east of Ethiopia. The country has a Red Sea coast which puts it on the periphery of the oil-producing Middle East, and this has always stirred a hope that oil might be found in exploitable quantities in Ethiopia or along its coast, a hope which has been reinforced by the current cost of imported oil. Because of its size, road transport and air communications are very important, and both depend on the imported crude which is refined at the port of Assab. Oil provides almost 90% of commercial energy needs, but this commercial use represents only 4% of Ethiopia's total energy consumption.

The other 96% is non-commercial and made up of wood, and animal and vegetable waste. The government is interested in biomass experiments since there is a growing problem of deforestation, and solar energy could play a role. But the need to use oil for transport will remain, and the cost, over 122 million birr in 1978, is likely to continue to rise.

As far as electricity is concerned, the country has a barely exploited



Wood in Addis Ababa market: its use for construction and especially as a fuel has led to a deforestation problem

resource—water. Of the 56 000 m kWh potential estimated by the Ministry of Mines, Energy and Water, only some 2% is currently exploited, but it is planned to gradually extend hydro-electric power for both commercial and domestic use.

The ministry also believes natural gas will be significant in the future, and the EEC has been involved in the search for geothermal energy (some trial drillings have already started and the EEC's commitment is 4.1 m EUA). The EEC is also involved in rural water supply along with other donors and the government. Only about 5% of the population has a proper water supply.

The development of all water resources is important for health as well as for industrial and energy reasons. One of the problems with the supply of both electricity and water to the public is the very scattered nature of the population.

One of the objectives of the collectivization programme is to group people more, so that services can be provided effectively and at less cost.

Primary health care

Ethiopia is among the world's poorest nations and nowhere is this more evident than in the health care available to the population. The revolution has meant that two priorities have come to the forefront; an emphasis on preventative as opposed to curative measures, and an attempt to bring primary health care to the rural majority and the urban poor.

Dr Teferra Wonde, the health minister, says that 80% of the health problems in Ethiopia are communicable diseases and nutritional deficiencies. The waste in human resources is enormous

and the human misery tragic. The need for effective preventative measures is evident.

These health problems, says Dr Teferra Wonde, "are due to poverty, illiteracy and ignorance which have resulted in widespread illnesses, and premature and excessive deaths among peasants and workers.

"More significantly, young children and women of childbearing age are the two population groups most vulnerable to these diseases." (1) Life expectancy in Ethiopia is just over 43 years. The child mortality rate for 0-4 year olds is 247/1000.

The health ministry estimates that at the time of the revolution only 15% of the population had any sort of access to health facilities and the emphasis was on curative medicine in the urban areas.

The aims now are to extend basic health services, provide mother and child clinics, health education and immunization, develop traditional medicine and improve the supply of pharmaceuticals.

The government has adopted the Alma Ata (USSR) UN target of "health for all by the year 2000". Apart from the activities of the health ministry itself, much will depend on the policies of other ministries in the fields of education and social infrastructure.

"What is more," says Dr Teferra Wonde, "the peoples of Ethiopia today

(1) The minister listed the major health problems as malaria, venereal diseases, helminthiasis, bacillary and amoebic dysentery, gastro-enteritis, leprosy, tuberculosis and bilharzia, together with nutritional deficiencies like kwashiorkor, marasmus, rickets, goitre and scurvy.

are more than ever willing and determined to participate in promoting their own health through their various mass organizations."

Despite the lack of human and material resources to cope with the chronic health problems, the minister believes rapid progress is possible.

Revolutionary education

Education in Ethiopia is not only aimed at providing the manpower the country needs for industrial and agricultural development, and the literacy needed to overcome social evils such as poor health; it also aims at a political reorientation of the whole population. This political aim cannot be achieved only in schools, since that will not reach the majority of the population.

The army and the mass organizations will both be media because they can reach more people than the conventional means of communication, and the government has been involved since the revolution in the production of propaganda material to help the politicization of the masses, so much so that the demand for paper has soared!

The most dramatic campaign at present is that against illiteracy. In the first phase, which began last summer, some 4.5 million people were enrolled. The ministry had mobilized all the resources at its disposal to achieve this figure and is now confident that by the middle '80s the literacy campaign will have reached the whole population.

The second priority, phased over 10 years, is to bring universal primary education to all parts of the country, and parallel with this is an expansion of polytechnic training to supply the

technical and scientific manpower for the various aspects of the development campaigns.

Apart from the urgent needs, there will be an expansion, as fast as resources permit, of adult education.

But it is not only the various levels of education which concern the government. As the minister of education Lt.-Col. Goshu Wolde, explained, "the very highest priority has been given to the development of educational facilities in rural areas, which have long been deprived of educational services."

Limited scope for regional cooperation

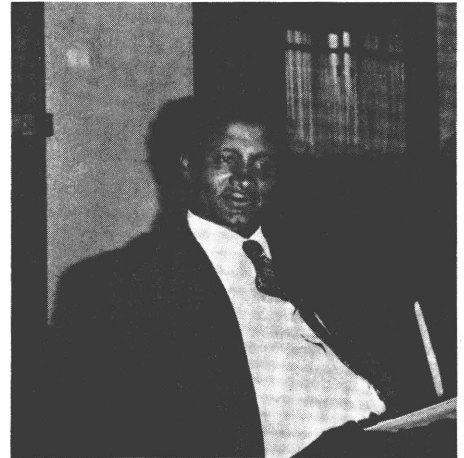
The first five years of revolution in Ethiopia have, naturally enough, been concentrated on internal affairs. There is in any case less scope, for historical and other reasons, for the kind of regional experiments taking place in West Africa.

Nevertheless, Ethiopia is interested in contacts regionally, and Ato Hailu Yimenu, senior minister in the Council of Ministers, pointed out that Ethiopia took a positive view of relations with all its neighbours.

Relations with Kenya are particularly good and President Arap Moi has already visited Addis Ababa.

The EEC itself is involved in two regional projects between Ethiopia and Kenya. There is also a regional project involving the railway between Addis Ababa and Djibouti.

Internationally, Ethiopia has very varied contacts and longer experience than most other ACP states. It was a founder member of the United Nations, the Non-Aligned Movement and the Organization of African Unity.



Education minister Lt.-Col. Goshu Wolde: bringing education to the neglected rural masses

It was also in at the beginning of the Lomé Convention and has the largest single indicative programme—some 120 m EUA.

Ato Hailu Yimenu thinks the relationship with the Community has been a constructive one. "With the EEC we have no problems", he explained, "and its assistance has helped us in important projects.

"There is always a dialogue and exchange of views between us. It does not decide for us, we decide, and we are already preparing for the second convention."

The first five years

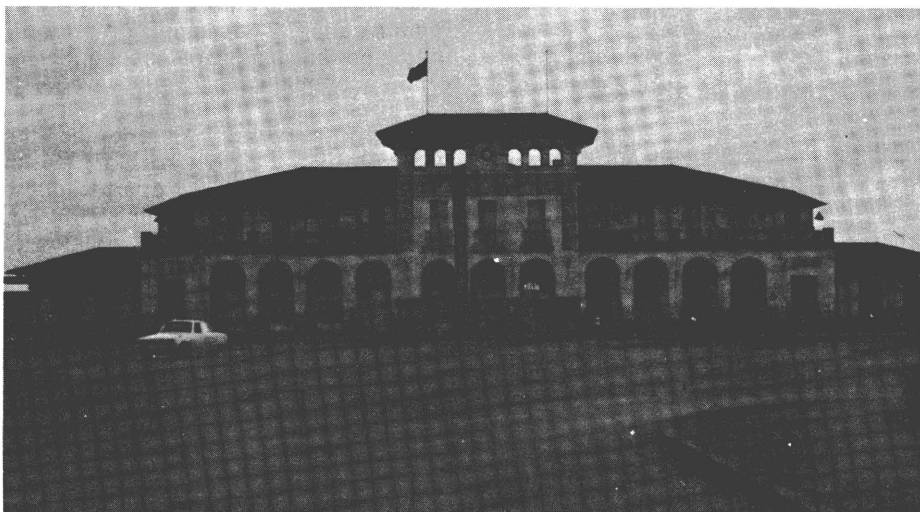
It is not possible to assess a revolution such as that which Ethiopia went through in 1974 after just five years. It is in any case a continuing process.

But on the fifth anniversary, Chairman Mengistu gave a breakdown of some of the points of progress he believed had been made during the period, and in particular during the first year of the economic and cultural development programme which has just come to an end.

After the disruption of the war in Eritrea, where a quarter of the country's industrial concerns are located, output from the industrial sector had hit 93% of the target, representing a 36% increase over the previous year.

In agriculture he pointed to the increasing acreage of the state farms, the campaign to increase the use of fertilizers, and the increase in both the quantity and quality of the coffee crop.

Although the land reform decree had relieved the peasants of the burden of paying heavy dues, "no qualitative change has been observed in the peasant's standard of living."



Addis terminal of the Ethiopia-Djibouti railway, which is to be upgraded with EEC help



Extension services to improve coffee production

This, he believed, would be overcome by expanding producers' cooperatives in rural areas, and these bodies will make it possible "to build an economy supported by a central plan on socialist lines."

Chairman Mengistu also noted that the targets for exports and road-building had been met, and the congestion at the port of Assab, which was hampering trade, overcome. On developing infrastructure generally he pointed out that over 50% of the country's capital investment was going into housing/dams, irrigation and various types of communications.

The manpower constraints were also being tackled. Enrolment in higher education had risen from 7 000 to 15 000 since 1974, and the emphasis was now on technical and practical education for development. The number of elementary schools had almost doubled since the revolution and secondary schools now numbered 807 as against 503.

At the end of this speech recalling the various phases of the revolution during its first five years, he announced the creation of a commission as a step towards creating a workers' party. A great deal of stress has been placed on organization so far, of which the creation of the supreme council for the national revolutionary development campaign was the most important from the point of view of development planning. The mass organizations too have been set up, but it has been the army which has provided the political leadership, defending the revolution when it was under attack both internally and externally. Chairman Mengistu and the PMAC now believe they must move on to create a "working class party with the unity of the communists" to further the construction of the new economic, social and political order they have mapped out for Ethiopia. □ IAN PIPER

Ethiopia in profile

Area: 1.2 m km²

Population: 30 million

Capital: Addis Ababa
(pop. approx. 1 m)

Other main towns: Asmara, Dire Dawa, Dessie, Harar.

Population density: 25 per km²

Population growth rate: 2.5% a year

Government: Provisional Military Administrative Council (PMAC)

Head of state: Lt. Col. Mengistu Haile Mariam

Language: Amharic, English and over 100 local languages

GNP: \$3 200 m

GNP per capita: \$110

Total exports (provisional 1978): \$304 m

Total imports (provisional 1978): \$511.5 m

Main export crops (1977):

Coffee: 519.3 m birr (1)

Hides & skins: 47.7 m birr

Pulses & vegetables: 43.4 m birr

Oil seeds: 17.5 m birr



King Lalibela (1172-1212), on foot by his horse, assembles his troops before battle. Since earliest times Ethiopia has had to struggle to preserve its independence and unique civilization

Main imports (1977):

Petrol products: 122.7 m birr (1)

Vehicles: 96.1 m birr

Machinery: 80.3 m birr

Textiles: 72.1 m birr

Main trading partners: USA, Japan, Germany (FR), Italy








In 1978 the EEC as a whole accounted for 40% of Ethiopia's imports and took 27% of its exports, and was by far Ethiopia's most important trading partner.

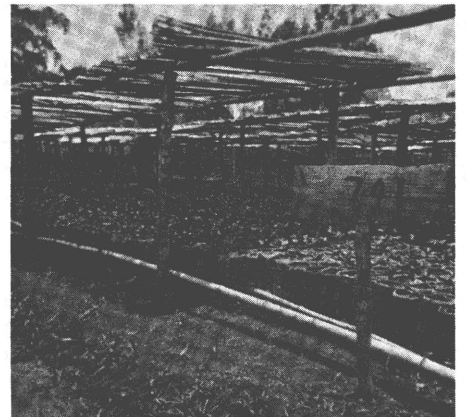
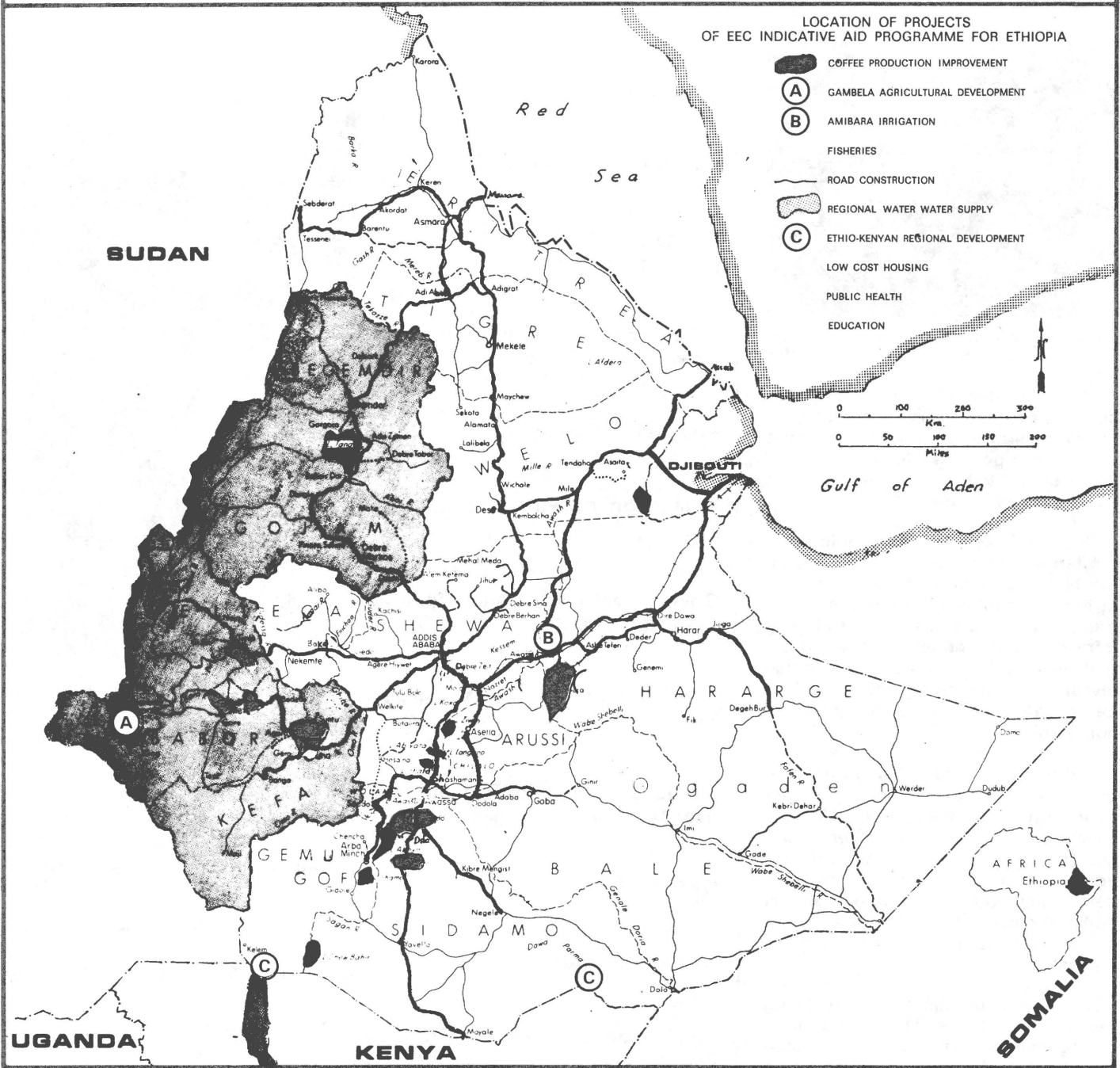
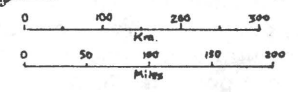
(Sources: National Bank of Ethiopia, the Ethiopian Central Statistical Office, the UN and Eurostat.)

(1) Note: 1 birr = (approx.) 0.36 EUA, US \$0.48, UK £0.22, FF 2.06.

ETHIOPIA

LOCATION OF PROJECTS OF EEC INDICATIVE AID PROGRAMME FOR ETHIOPIA

-  COFFEE PRODUCTION IMPROVEMENT
-  GAMBELA AGRICULTURAL DEVELOPMENT
-  AMIBARA IRRIGATION
-  FISHERIES
-  ROAD CONSTRUCTION
-  REGIONAL WATER SUPPLY
-  ETHIO-KENYAN REGIONAL DEVELOPMENT
-  LOW COST HOUSING
-  PUBLIC HEALTH
-  EDUCATION



EEC financing: (left) rural water supply and (centre) distribution of coffee berry disease-resistant seedlings in the coffee improvement scheme. (Right) seedlings in the nursery

Bird's-eye view of Ethiopian history

End of 1st century AD

The "Circumnavigation of the Erythrean Sea", an anonymous Greek travel book, states that King Zoscatos controls the area from Aksum to the eastern extremity of Africa.

Late 3rd—early 4th century

Ella-Amida defeats Roman ships on the Red Sea.

C. 325

Ezana, King of Aksum, conquers Cush (Meroe) and converts his nation to Christianity.

C. 525

Ella-Asbeha (Caleb), another great emperor, mounts an expedition to avenge Christians at Najrān—alliance with the Emperor Justinian—legendary arrival of the nine saints, the founders of Ethiopian monarchism.

9th century

First proof of relations with the Coptic church of Egypt.

C. 979

Queen Esato (Judith) converts to Judaism and lays waste Aksum.

1508-1540

Lebna Dengel reigns—receives the first Portuguese messengers to reach the land of Prester John—in 1523 has to start fighting the Muslim invasion led by Ahmad Grān.

1543

Emperor Galawdenos (Claude) beats back the Muslim invaders.

1589

Emperor Sartsa Dengel crushes the Turks entrenched on the coast of Eritrea.

1632-1667

Fasilides (Basilide) expels the missionaries and founds a new capital, Gonder.

1855-1868

Kassa overthrows the feudals and becomes Emperor Tewodros (Theodore) II—a misunderstanding with the British leads to a punitive expedition to Ethiopia—Tewodros kills himself in besieged Magdala.

1872-1889

Yohannes (John) IV has to defend Ethiopia against the Egyptians, the Mahdists (an Islamic sect from the Sudan) and from Italian colonizers, defeats the Egyptians at Gundet and at Gura (1876) but fails to prevent temporary colonization at Harar (1875)—falls while winning the Battle of Metemma.

1889-1913

King of Shoa from 1864, Menelik II became Emperor of Ethiopia—problems with Italy after the signing of the Treaty of Uccialli (May 1889) end in victory at Adowa (1 March 1896).

1907-1916

Lij Iyasu proclaimed heir—takes over government (May 1911)—but is removed on 27 April 1916.

1917

Zauditu, daughter of Menelik II, crowned Empress—Ras Tafari proclaimed heir to the throne and regent.

1930

Ras Tafari crowned under the name of Haile Selassie I.

5 December 1934

Incident on the Italian/Ethiopian border in Ogaden.

3 October 1935—5 May 1936

Italian invasion and conquest.

1945-1946

Peace treaties reconstitute the Ethiopian Empire.

1952

Eritrea reattached in a federative form.

1960

Coup d'état attempted by supporters of crown prince Asfa Wossen.

1963

Charter of the OAU proclaimed at Addis Ababa.

1974

Haile Selassie overthrown by the Ethiopian revolution. □

Source: L'encyclopédie de tous les pays du monde (Alpha).

Ethiopia and the European Community

Ethiopia is one of the 27 countries which joined the EEC-ACP agreement by signing the Convention of Lomé on 28 February 1975.

This event is just another step in Ethiopia's long history, marking the point of her revolution and making it clear to the world that she is prepared more than ever to cooperate in the worldwide efforts of improving the standard of living of the poorest. The Lomé Convention presents for Ethiopia one of the means of stepping up the national development campaign, and also of contributing to the development of the African continent, thus strengthening the role it has already played for a long time, as appears from the fact that both the United Nations Economic Commission for Africa and the Organization for African Unity have their headquarters in Addis Ababa.

How did this new relationship between Ethiopia and the European Community develop, after the Lomé Convention was ratified in April 1976 by its 46 partners?

April 1976: Establishment of an EEC delegation in Addis Ababa.

June 1976: Signature of frame agreement on indicative aid programme (IAP) for 120 000 000 EUA.

July 1976: European Community granted 14.4 million EUA to assist Ethiopia to overcome the decrease in export earnings in 1975 of products covered by the Stabex system of the Lomé Convention.

December 1976: Signature of the first financing agreement to finance one of the projects in the agricultural sector proposed in the IAP.

1977: Signature of 4 financing agreements for development projects.

1978: Signature of 3 financing agreements for development projects and one for exceptional aid.

1979: Ethiopian government appoints ambassador extraordinary and plenipotentiary to the Council of Ministers and Commission of the European Communities.

Implementation of development projects

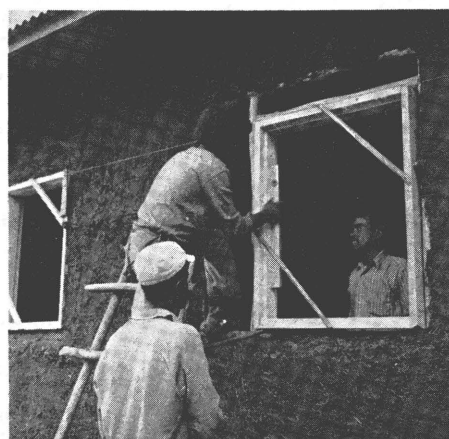
As is shown on the attached table, the development programme as proposed by the Ethiopian government provides for a well-balanced finance of projects in the different sectors of the national economy, emphasizing the needs in rural areas. Although the relations between Ethiopia and the European Community as such are only a few years old, its financial and techni-

Ethiopia-EEC indicative aid programme (IAP) 1976-1980

Sectors and millions	In millions of EUA(*)		
	Programme	Commitment	Disbursement
Production			
Coffee	12 870	12 870	3 151
Amibara irrigation	14 996	14 996	3 695
Gambella agricultural development	12 000	200	174
Settlement	4 290	—	—
Slaughterhouses	4 290	—	—
Fisheries	2 140	1 513	24
Economic infrastructure			
Roads	26 600	22 060	4 406
Energy (geothermal)	4 120	4 120	—
Social infrastructure			
Rural water supply	12 800	12 800	1 273
Education and training	6 560	4 021	469
Public health	4 290	100	—
Housing	4 400	4 400	262
Promotion of trade & industry			
Line of credit for small-scale & medium-sized enterprises	2 000	—	—
Trade promotion	500	50	23
Microprojects			
1st annual programme	320	320	171
2nd annual programme	538	538	—
Studies	1 300	—	—
Contingencies & administration	5 906	—	—
Total	120 000	77 988	13 648
	100 %	65 %	17.5 %
(*) 1 EUA = 2,9 Birr.			



The EEC is contributing 4.4 m EUA to low cost housing construction



cal assistance to Ethiopia in the framework of the Lomé Convention has become one of the most important among external resources.

The total amount of financial assistance for national and regional development, stabilization of export earnings, food supplies and relief operations comes to 450 000 000 birr, equal to 225 000 000 US dollar. However, it will be a long time before one will be able to see the impact of this assistance, in particular the development in rural areas.

Accelerated training of skilled manpower is urgently needed in order to increase the implementation capacity. Access to rural areas is still extremely poor, so that a substantial part of foreign aid will continue to be spent for the construction of rural all-weather roads.

As these activities progress more, and as follow up operations such as education, medical care, water supply and extension services become more widespread among the rural population, this will lead to a progressively increasing standard of living. □

W. VAN WOUDEBERG(*)

(*) Commission delegate in Ethiopia.

Nairobi ACP trade conference

Developing trade within the group and with the Community

Nairobi, capital of Kenya, was the scene of an ACP/EEC conference on 7-16 November 1979 to discuss the development and promotion of ACP trade, the second item on the six-point action programme for ACP cooperation mooted at Suva in April 1977. The first item, transport and communications, was dealt with at the Bangui conference in July 1978.

The ACP group has four items still to discuss—the creation of inter-ACP firms and cooperation with production; the financing of development; technology, knowhow and technical assistance and cultural, scientific and educational cooperation.

So barely a week after the new Lomé Convention was signed, some of its provisions (i.e. those on trade) were the subject of detailed analysis by ACP specialists. Obviously there would have been no time for such a meeting during the negotiations, but it had to be held quickly.

First because, as everyone agrees and the ACP countries themselves are the first to admit, they did not get all they might have done from the Lomé I provisions on trade cooperation and by getting their heads of external trade together and briefing them fully on the greater possibilities of Lomé II, they were helping to avoid any repetition of this failure.

Second the worsening trading position of the developing countries is giving them an ever-smaller slice of world trade. This is a general phenomenon and it has not passed the ACP group by. Their trade relations with the Community have regressed in real terms while those of other developing countries have progressed.

So the trend has to be reversed, for, as Peter King, commercial director of Jamaica's national export company, told the conference, "it takes a long time to develop exports and time is against the developing countries".

This was particularly true since the international economic situation looked so black with the developed countries losing control of inflation and exporting it to the ACP group, with unemployment increasing the risk of protectionism and with worsening monetary disorder.

The present trend in world trade was towards internationalism which, the ACP countries feared, would mean a gradual eroding of their preferences on their traditional markets, Mr King told the meeting.

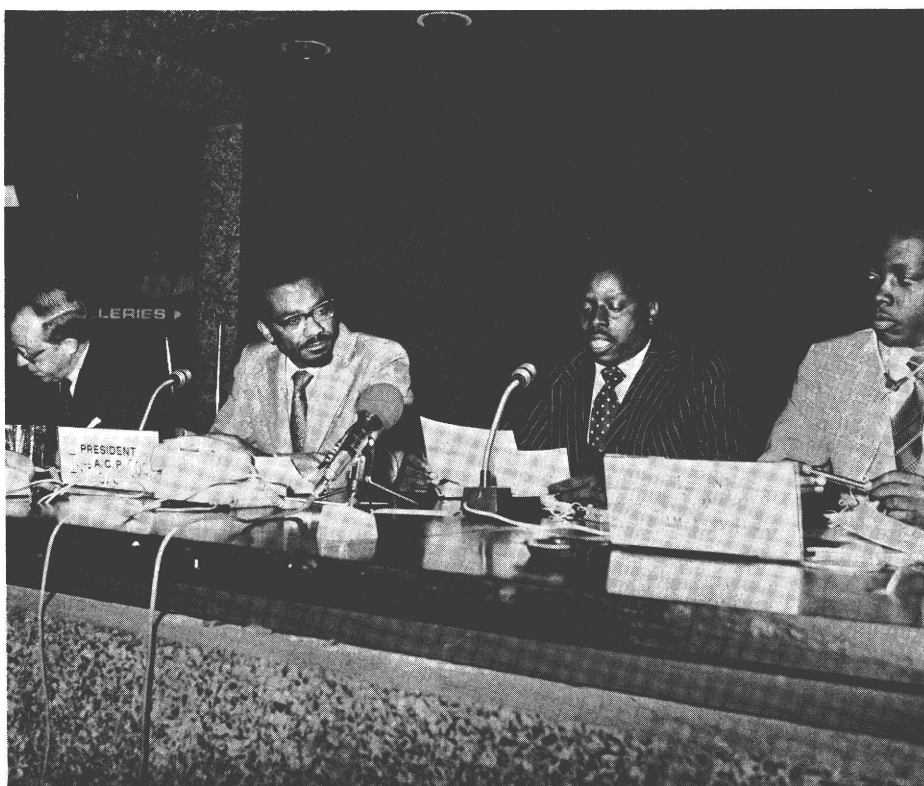
The conference highlighted ACP determination to put a stop to the

gradual reduction in their share of world trade and, most important, to develop by capitalizing on the trade advantages conferred by the Lomé Convention.

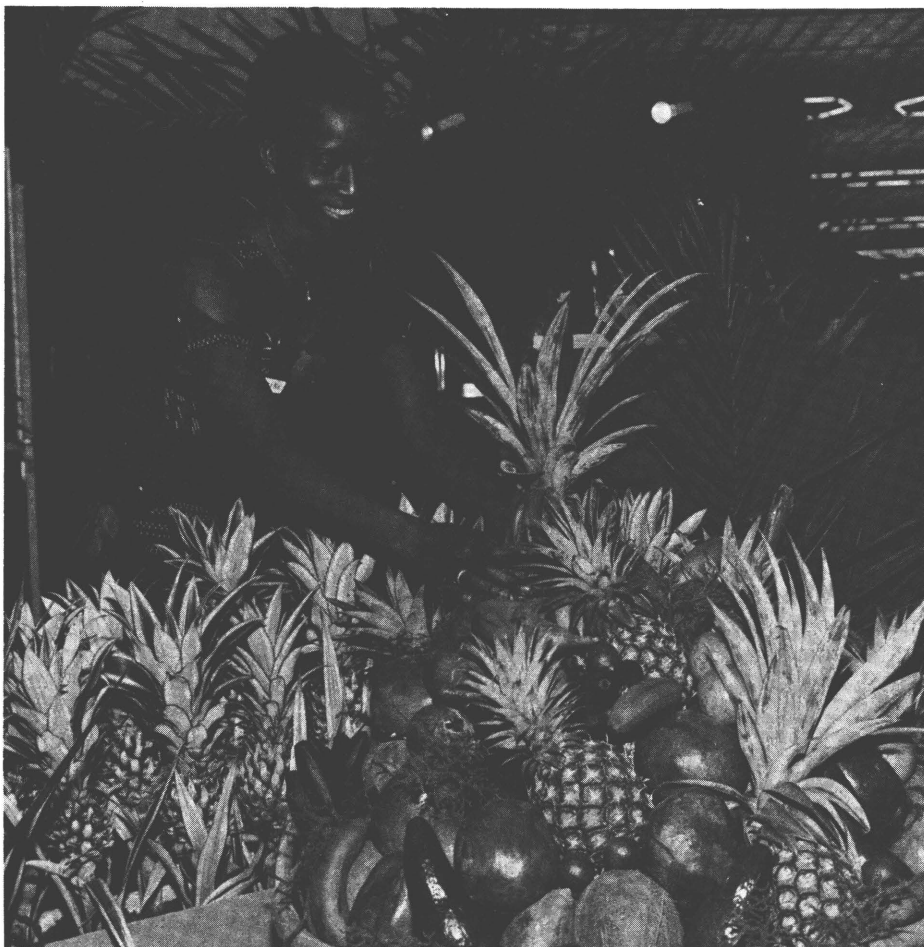
Attracting the consumers

Free access to a market is one thing. Actually exporting to it is quite another, as this means producing enough goods of a good enough quality to be exported. Many of the ACP countries, the least developed of them in particular, are having difficulty with just this. And, as Mr Amon-Tamola, head of the Ivory Coast external trade centre, was at pains to point out, "a market always has to be cornered".

Representatives of the ACP countries have to be physically present and they have to run promotion campaigns on the markets they want to win. But developing countries are not always able to do this. Even the Ivory Coast one of the leaders of the ACP group as far as export promotion is concerned, only has outlets in Brussels, Cologne, Milan and Paris—although all these cities have famous trade fairs.



The inaugural ceremony was presided over by Mr Kiereini, permanent secretary to the President of Kenya (second from right). With him are Mr Ntungumburanye (right), Burundi's ambassador to the Community and present chairman of the ACP Committee of Ambassadors, Donald Rainford, Jamaican ambassador to the EEC and chairman of the ACP cooperation committee, and Mr Van Hoek, Commission director of operations



The ACP countries are advertizing their products at an increasing number of trade fairs

As things stand, trade fairs are almost the only means the ACP countries have of advertizing their goods abroad and, in 1977, there were 204 ACP stands at 28 trade fairs and shows.

But one thing is increasingly clear.

International fairs are not always the best way of meeting the needs of small countries, whose stands are often lost amidst the displays of the bigger countries.

It would be better, as an ACP secretariat study pointed out, to run mini-fairs for ACP export products. The ACP group is increasingly convinced that if it is to develop its export trade with the Community, it must attract the real decision-makers—the consumers.

These are the people who have to be convinced. And convincing them means finding out what they are like, what they want and what they have to spend.

This will be one of the jobs of the export development unit planned for the ACP general secretariat. This unit will run a trade information centre which will distribute information about ACP exports and potential markets for them.

It will link ACP export organizations with each other and with financing bodies outside the Community and it will try to help get general agreements concluded along the lines of those for sugar and bananas.

Barriers to trade

But even when trade promotion is better and advertizing assured, there will still be other bottlenecks. Production costs for a start. It would be wrong to think that just because the ACP countries are developing countries that they have vast supplies of cheap labour.

This is not always the case. Manpower in Fiji, for example, is dearer than in Hong Kong or Thailand and it pushes up cost prices. And once the goods are ready to be sold, they have to be got to the European markets.

Which brings us to the second drawback—the ever-increasing cost of transport, over which the developing countries have no control.

There are links between the development of transport and the development of trade, obviously, and transport/

communications was the first issue that the ACP group discussed (Bangui, 1978).

The other barriers to ACP trade discussed at Nairobi that had already been gone into in detail at the Lomé II negotiations without any agreement being reached, were: restricted access for products like rum and beef and veal, non-tariff barriers (timetables or levies on certain processed and semi-processed agricultural products such as white rice from Suriname), the rules of origin (which the ACP countries have found too inflexible) and exaggerated rates of VAT.

But in spite of all this, Europe was a huge potential market for certain ACP products. Craft objects for one.

Kenyan exporters, for example, (often cooperatives or marketing organizations linked to the church) had a turnover of \$2-3 million here, which was interesting as it had a considerable effect on the economy and there was still the potential for expansion.

Complementarity

Trade between the ACP countries was also a promising field and this, being one of the major concerns of the group, was the other main item on the Nairobi agenda. The Georgetown agreement of 1975 referred to this.

Moreover, the ACP countries have been expressing their desire to boost commercial relations within the group ever since. The new Convention even mentions it explicitly.

Since most Third World economies are geared to export and they are the main suppliers of the developed world's raw materials, one might be tempted to think that nothing has yet been done. But there is a certain tradition of inter-ACP trade.

In 1975, for example, the developing countries imported commodities worth \$77 300 million and \$37 800 million worth of them were from other developing countries.

And, more strikingly, about 90 % of the fuel that the developing countries import comes from other developing countries.

The figures are 28 % for food, drink and tobacco and 39 % for raw materials in general.

There have been various attempts at liberalizing trade within the group and regional organizations like CARICOM

(the Caribbean Economic Community), the CEAO (West Africa) and SPEC (the South Pacific) have stimulated trade within their particular areas with some success.

What is harder, it seems, is to promote trade between the different regions of the group.

A study produced for the Nairobi conference came up with one or two interesting examples of inter-regional trade.

The countries of Africa are net exporters of oil seeds and vegetable oils and they could be sending them to the countries of the Caribbean, which are net importers.

The Caribbean could be exporting rice to Africa and the Pacific and sugar to Africa.

And the study gave two further, but less obvious examples—African meat exports to the Caribbean and Pacific oil seeds and vegetable oils to the Caribbean.

But here again there are obstacles. Many of them. Inadequate production in the exporting countries, an absence of storage facilities and poor transport.

And of course the "vast battery of customs duties, non-tariff barriers and exchange restrictions that the developing countries use to favourize their industrial and agricultural development and protect their balance of payments".



ACP displays tend to get lost amidst the stands of the developed countries

Lastly, there is a shortage of cash. Many developing countries prefer to shop for their commodities and processed agricultural products not in other developing countries, but in the developed world where they can get official loans and credit from suppliers and banks.

It will take time to get over all these obstacles. But the ACP countries are

not alone. The whole of the developing world to which they belong is aiming to adopt a strategy for collective autonomy as a way of contributing to getting the new international economic order established.

And economic cooperation between the developing countries is one of the main features of this strategy.

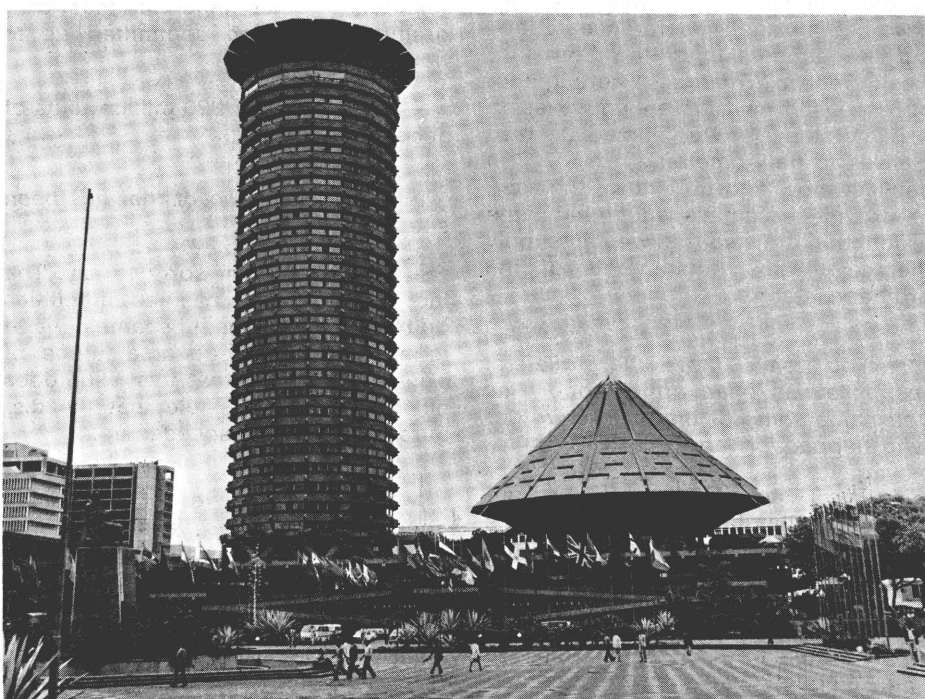
Donald Rainford, Jamaican ambassador to the EEC and chairman of the ACP cooperation committee, was right when he said: "this conference is one of the ACP contributions to establishing a new world economic order".

But the general reorganization of international relations will take time. There is no doubt that the Nairobi decisions will help, if they are implemented quickly, by boosting trade within the ACP group.

Some of them, like the idea of an ACP federation of chambers of commerce (which would increase contact between ACP businessmen) could be put into practice almost at once.

But first, there must be a special session of the ACP Council of Ministers to approve these decisions, to investigate the conclusions of the Bangui conference on transport and communications and to look at the UN experts' report on the possible creation of an ACP trade and development bank. □

Amadou TRAORE



The Jomo Kenyatta Centre, where the conference was held

UGANDA

EEC aid for rehabilitation

Ugandan ambassador Eli-phaz Odeke returned to Kampala in September after five years in Brussels. Mr Odeke led the Ugandan negotiating team for the first Lomé Convention; he looked at his country's present and future relations with the Community in this interview, just before his departure.

► An EEC mission arrived in Kampala last summer to launch a short-term action programme for Uganda. What are your country's most urgent needs, and to what extent does this action programme correspond to them?

— A Commonwealth team first worked out Uganda's rehabilitation priorities, and after their report the government has gone ahead to try to find resources for implementing this programme, or at least parts of it. But the EEC mission arrived before this report came out, and at that time it was really emergency action which was required. The EEC had provided food and other immediate requirements; the mission then went to work out a special emergency programme, worth almost 18.5 million EUA. There is provision for communications, roadworks and general rehabilitation programmes of an immediate nature.

► How does the action programme tie in with the indicative aid programme?

— The 18.5 m EUA is actually unspent money from the original indicative programme, apart from a 1.5 m EUA line of credit. Part of the indicative programme has been reshuffled and speeded up in favour of a rehabilitation scheme.

► The Ugandan economy has suffered both at home and abroad from the instability of the last few years. How is the government approaching the



problem of mobilizing sufficient international political and financial cooperation to get the economy on its feet again in the medium term?

— Well, the government is taking all possible steps to see that the economy is rehabilitated. In Uganda itself we have had a donors conference, following the publication of the Commonwealth report. We are also getting a lot of response from different countries on a bilateral basis. Our immediate problem is to get something like \$ 700 m between now and the end of the year, to provide essentials and rehabilitate production units so that we can supply the day-to-day requirements of the ordinary person.

► You say that the bilateral response has been pretty good. Can you name some of the main countries who stepped forward?

— The United Kingdom; Kenya, our neighbour, has been able to donate a reasonable amount of money; the United States is giving us some help, both in material and other forms; and we have approached some of the governments within the EEC apart from Britain, although we have yet to receive their replies. But I must say that there is good will towards helping Uganda.

Asking directly for cash is not very easy without goodwill from the donor governments, but we have quite a number of hopes.

► What steps do you feel will have to be taken to attract private investment?

— I think the government will soon come out with a kind of investment code which will give incentives to private investors. We have had this before in the form of decrees; and I think that scares people. But I think it will come now in a more formal way, from a civilian government. It will create some incentives for the investors, with the usual provisions for the repatriation of capital after some time and profits and the rest of it.

► To what extent has Uganda been able to benefit from the Lomé Convention?

— One should not underestimate the attitude behind the need to help Uganda. We have received quite a few projects in the health section for livestock and for training. I need not mention food aid here, which we have been able to benefit from. I think the amount of money will be quite tremendous, and there is a willingness on both sides to see that the funds left out of the present indicative programme should be committed as soon as possible.

► What percentage of that programme has been committed up to now?

— It's in all about 20 million units of account.

► And how much of that has been spent?

— Not much, I'm sorry to say. The fact is that Uganda has had difficulties on human rights and it became difficult to make disbursements on a number of projects. But now that this issue does not arise, it is possible that the disbursements will be speeded up.

► There was a lot of discussion about a human rights clause in the new Convention. How do you feel about it?

— I think the question of human rights in the new Convention has been resolved. The ACP position has been very clear—they are not prepared to discuss these issues, which are not connected with trade, and feel human

rights issues should be discussed at the United Nations. But this is not because they do not appreciate the need for protecting humanity. They do appreciate this. In most of their constitutions these important issues are covered, and they are signatories to the United Nations Charter on Human Rights. They feel that the best place to discuss it would be in that sort of forum.

I know there is a sort of political opinion in the Community which would like this issue enshrined in the Convention. But if it is merely to write it in, it would not serve a useful purpose. Once you put it in the Convention it is very easy, maybe by accident, to try to make use of it, and this creates a lot of implementation problems for the Convention.

► *Looking ahead, how do you see your country's relations with the Community developing under the new Convention?*

— The relationship the developing countries have with the Community, especially our ACP group, is one of the best models that we have had. For one thing we are getting a much more reliable type of aid from the Community than we would probably get from other sources. It is aid on a contractual basis; you can always discuss it, it can be modified to suit your conditions, and we have even got arbitration provisions in the Convention to settle disputes that we would never have time to deal with otherwise. There is always



Eliphaz Odeke

"there is good will towards helping Uganda"

good will on both sides, and the frequent meetings of the ministers have a lot to do with the success of this Convention. So Uganda, like any other ACP country, stands to gain quite a lot from this relationship. It is also a question of the personal relationships which one establishes with the Commission; you have to know your desk officer there and the delegates in your country and together work as a team. Then there should be no difficulties.

► *What are the government's priorities with regard to East African regional cooperation?*

— I think regional cooperation is something we cannot really do without in the long run. Even within the present ACP group we have always vowed to strengthen intra-ACP cooperation. Now, if intra-ACP cooperation is strengthened, naturally we will also be obliged to strengthen the regional groupings, and I think this is the way we will try to look at the question of East African cooperation.

Maybe we could start again in the form of a common market, which would lead us to develop common services again—they may not be as big as the former East African Airlines, but we could look for some infrastructure to help a common market to operate. It is up to the politicians to see that it is done.

If you are living at the border and you have got to go 500 miles to get foreign exchange in order to cross one mile over the border to buy soap, it doesn't make sense to the ordinary people in the villages.

So they take the business into their own hands and invent their own system of exchange. Unless we institutionalize something on a political level between the governments then these people will continue to operate that way, and they do it under fear of being arrested. □

Interview by
BARNEY TRENCH



Lake fishing in Uganda

Can the government net \$ 700 m in aid to provide daily essentials?

UNITED KINGDOM

Recreating "a lively and energetic role in the world"

What are the attitudes of Mrs Thatcher's Conservative government to Britain's relations with the EEC, the Commonwealth and the ACP countries?

The *Courier* asked Douglas Hurd, Minister of State at the Foreign and Commonwealth Office.

► *Minister, foreign observers tend to give a picture of Britons sitting morosely in front of TV and watching costume dramas about their past glories. Do you think domestic problems have made the UK more introspective in the 1970s, and if so, has this been reflected in British foreign policy?*

— The picture you describe may be familiar, but it is certainly misleading. The British people are better informed about the modern world than they ever were. Thousands of Britons go out from our cities and villages each year to work overseas—fewer soldiers and policemen than before, more businessmen and experts. I agree that there has been rather too much introspection in recent years, but I think this was a natural result of the withdrawal from Empire. The new British government wants to recreate for Britain a lively and energetic role in the world, and in particular to make a success of our membership of the European Community.

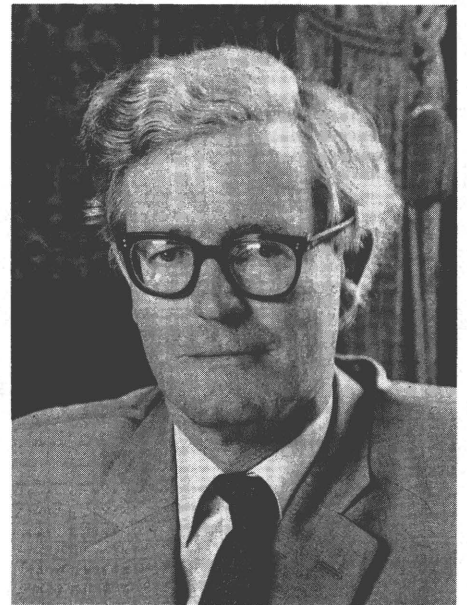
► *The economic difficulties of the past six years have made Britain's membership of the EEC more problematical than was anticipated. However, there has been talk of a new mood in Brussels and Strasbourg as regards the UK. What do you think this new mood amounts to, and is it solely due to a change of government?*

— The new government in Britain has a positive attitude to the European Community and I am glad to hear you say that this has been recognised in Brussels. As you point out, Britain's first six years of membership coincided with a difficult period of world economic recession. This made the problems of adjustment for us more difficult. You will remember that the origin-

al six members of the Community, by contrast, profited from a period of world economic expansion in the early years of their membership. But in practice our ties with the Community grow closer all the time. I find that firms and individuals in Britain increasingly understand the opportunities which a common market affords. And of course we are doing our best to give a lead.

► *Whatever Britain's popularity among her Community partners, the Community is scarcely very popular in Britain. The government gives the impression of looking on the positive side of EEC membership, but how far is it willing to go, in view of public opinion, in actively seeking Community solutions to domestic problems? To give an example: a British businessman who is now a member of the European Parliament has suggested that the UK's industrial relations problems should be solved through Community legislation. Are the Conservatives sufficiently "good Europeans" to consider that?*

— The British government looks to the European Community to provide a framework within which businesses and individuals can prosper, operating increasingly in a genuine common market—freer of barriers than is the case now. We want to see Community policies and legislation in areas where international action through the Community is more effective than national action. For example, conflicting technical standards imposed by national governments can distort the free exchange of trade and people unless the Community takes a hand. It is not sensible to try to find "European" solutions to every problem, for some are deeply rooted in our national history. I certainly would not accept that as the test of a "good European". We want the Community to act in fields where ordinary people would see the benefits, for example in consumer policy, a more genuinely common and competitive agricultural policy, a more effective transport policy and better policies to stimulate new enterprise in areas where declining industries are concentrated.



Douglas Hurd

"The new government in Britain has a positive attitude to the European Community"

► *Among the issues of great importance to the EEC, the UK is closely concerned by the common agricultural policy and relations with the developing countries. Taking these in turn: firstly, does the CAP impose an unfair burden on the British taxpayer, and if so, what is the government's position on this?*

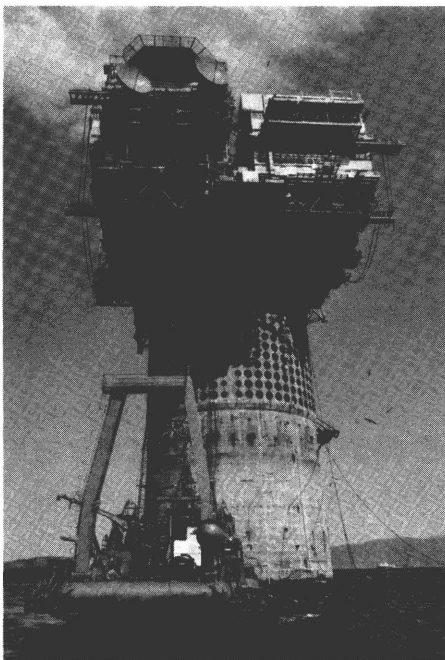
— The financial problem for Britain and the Community is more one of the operation of the Community budget generally than specifically a CAP problem, though agricultural expenditure of course accounts for most of the Community's expenses. For a number of reasons Britain, which is only seventh in terms of income per head in the Community, has now become easily the largest net payer into the Community budget. This situation has reached intolerable proportions. In 1980 we will have to hand over about £1 000 million, not far from twice as much as even the Germans, who with us are now the only significant net contributors to the budget.

Of course we are not asking for a system whereby everybody gets back what they pay in. But the effect of the present system is now seen widely throughout the Community to be grossly inequitable. It is essential that there is an early solution to the problem. This need not be difficult to achieve, and I am sure that it would have a major and positive effect on British people's attitudes to the Community.

► As regards the developing countries, Britain's links with the Commonwealth were sometimes described as the dowry she brought with her to the Community; at the same time, her responsibilities in southern Africa are something the other EEC countries are relieved to have avoided. How important are Britain's Commonwealth links now to ACP-EEC relations overall, and in particular how dangerous might failure in the present initiative on Rhodesia be to the Community's relations with Africa?

— The dowry Britain brought with her into the Community contained a great deal more than her links with the Commonwealth. But it is certainly true that British membership has done a great deal to enliven and develop the Community's relations with many areas of the world. The Commonwealth, after all, includes 41 countries which between them account for about a quarter of the world's population: 29 of those countries are members of the ACP group, and few I think would deny that the Commonwealth link is one of the major elements in the close relationship between the EEC and the ACP. Turning to your question about southern Africa, the recent Lusaka Commonwealth conference, as you will know, reached full agreement on the way forward on Rhodesia, and the British government's present approach is squarely within the Lusaka framework. We are working hard for a solution along these lines, involving all parties to the conflict, and are confident that such an outcome would be acceptable to the international community.

► Would it be true to say that development cooperation is one of the areas



The Ninian Central oil platform, the world's biggest movable structure, is towed into position. Making the best of North Sea oil has caused the British government some headaches

in which the UK has worked most in harmony with the other EEC countries? And in this context, how do you view the new ACP-EEC Convention?

— Development cooperation is unique among Community programmes in that it reflects not the normal interplay and conflict of national interests, but the common obligation of Community members to help the developing countries to eradicate poverty, disease, malnutrition and unemployment. The Lomé negotiations were the first Community meetings in



High inputs, high efficiency, high outputs—the intensive British farming formula may have to change in the face of rising costs and EEC surpluses

which I took part, and as a newcomer I was very impressed by the way in which we reached a negotiating position for the Community—not an easy thing to do when so many complicated interests are involved. In an important sense member states complement one another's interests: after enlargement the Community will embrace all the major ex-colonial powers, and their historical links with the developing countries themselves will provide a natural balance to the Community's policies for cooperation in development. The new ACP-EEC Convention consolidates the relationship established in the first Lomé Convention and in some important respects goes further, for example in its provisions for Stabex, for minerals and for investment protection.

► *British development policy under the Labour government was based on an "aid to the poorest" strategy, which was in keeping with the donor countries' general move towards a basic needs approach in the 1970s. Will the present Conservative government's belief in free enterprise lead to a change of emphasis in development policy?*

— As you say, it is generally accepted by the international donor community that concessional aid should be directed towards the poorest countries. This principle is certainly accepted by the present British government. However we, like other governments, must pay attention to our own economic circumstances and the size of aid programme which we can sustain. It is no use making promises which we cannot fulfil. The strategy adopted by the last government has now been in operation for four years. We have started a thorough review of that strategy and its implications. I cannot yet say whether this review will lead to any change of emphasis.

► *Why does the UK have two ministers dealing with developing countries but no longer has a Ministry of Overseas Development?*

— The Ministry of Overseas Development has reverted to its status in the 1970-74 period as a self-contained wing of the Foreign and Commonwealth Office, and is known as the Overseas Development Administration. Its functions are unchanged, but its ministerial head—my colleague Neil Marten—is one of the Foreign Office ministers. All of us in the Foreign Office are now to a greater or lesser extent concerned with the developing world, and I am sure that this is the right pattern. □

Interview by
BARNEY TRENCH

Consumer protection

The EEC contains nearly 260 million consumers and it has a direct influence on their daily lives. Now that the frontiers within the common market are down, there is a much wider choice of goods. But the consumers

expect more than this. They want the Community to defend and promote their interests and rectify the producer-consumer balance by making them full partners in the economic and social life of Europe.

“The European consumer community is still a long way off”

says Christiane Scrivener

Christiane Scrivener was France's and the world's first minister for consumer affairs. She was elected to the European Parliament in June 1979 and she sits on its committee dealing with public health, the environment and consumer protection.

From 1976 onwards, Christiane Scrivener worked in the French government to promote consumer policy, i.e. the protection of the consumer, by overcoming latent fears and even opposition between the heads of firms producing and distributing goods and services and consumer associations. MPs were involved in this drive as their support was vital if the assemblies were to vote for the relevant legal texts.

This campaign made it possible to introduce legislation in only two years, when France voted texts that made it a front runner in the fields of consumer protection/information and regulations to stimulate and extend the role of competition in economic life.

Every European is a consumer. But consumers do not constitute a specific category of society, so Christiane Scrivener thinks their rights, and duties for that matter, often get forgotten. She is struck by the fact that the only reference to the consumer in the Treaty of Rome is in connexion with the common agricultural policy and competition, although, on various occasions, the heads of state and government have stressed the human and social aims of economic development. Now that the European Parliament is directly elected, MPs must do something for the consumer and balance economic interests more fairly. To begin with, says Christiane Scrivener, this means giving the consumer better information so he can make a proper choice.



Christiane Scrivener

► *First of all, I should like to ask you how you saw your job as France's first minister for consumer affairs.*

— *A good question. When I started, I contacted the various people involved, that is to say the retailers, the consumer associations and the authorities and what I found was that they were*

pretty wary of each other and tended to avoid meeting.

Cooperation first

The first thing to do, I thought, was to organize some sort of cooperation on points of interest to everyone—we

are all consumers after all. And that is what I tried to do.

We took a number of topics, like consumer credit, consumer protection and the protection of health from dangerous products and we tried to get some sort of cooperation going. This is how we came to revive the national consumer council that had taken a back seat but now meets regularly to discuss problems affecting both retailer and consumer.

► *What were the main things you did to protect the consumer in your period at the ministry?*

— The first thing, I think, was legislation. A lot needed doing in three important fields and we passed a number of laws on them. I shall go over them in chronological order.

Three aspects of consumer legislation

The first has to do with competition. Obviously, consumer protection means healthy competition. We passed a law that did something about dominant positions and dealt with competition more precisely than in the past. We had price control for a long time and obviously this encouraged agreements between a fair number of people in the trade.

Then we passed another very important law on consumer credit. I had to quote the Community directive to get that one through. This law gives the consumer time to withdraw if he decides he does not want to go through with a particular credit sale.

The bill on consumer protection, the one they call the Scrivener law, was the third big thing. The aim was to offer the consumer greater protection, largely by making it possible to withdraw dangerous products and services from the market. Let me give you an example. Last year, thanks to this law, we were able to take some children's dressing gowns that presented a danger to children off the market.

The law says that a study has to be carried out when a product is taken off the market for a year. I don't know what the result of that particular study was but I've heard announcements on the radio asking people not to buy dressing gowns without labels, particularly at bargain prices. I think the mass media is playing a useful part here. This law has also done a lot to publicize the fines for retailers who use misleading publicity.

There is more to the law than that, obviously, but all parts of it are aimed

at providing the consumer with greater protection. So much for the major legislation.

I tried to make for greater honesty in consumer credit and I produced a project for house mortgages that was passed after I left. It wasn't voted exactly as I planned it but that doesn't really matter. The important thing is that in this field too, people who are buying houses or flats on the never-never now have a period of time in which to change their minds about the purchase.

The European consumer community is still a long way off

► *So, you in France have managed to pass a number of practical laws in what is a fairly new field of activity. Do you think that we could achieve a real consumer policy in Europe when the French consumer, for example, is fairly different from the British consumer and the German consumer?*

— I am not really convinced that consumers are all that different. Obviously some set greater store by certain things than others. The French, who are very wrapped up with food and good cooking, may well think that this is the priority sector of consumption whereas people from other countries think that housing, for example, is the big thing. But I still think that when it comes to it, the consumers of Europe have much the same problems and this is why it is not all that difficult to decide what subjects need dealing with. What is more, it was at European level that the framework for what one might call consumer protection was defined.

That is to say physical health, protection of economic interests, the right to representation and, I should add since this is something nobody ever mentions, the vital need for cooperation, to decide what both parties, consumer and trader, are interested in.

What is the point of selling goods or services that the consumer neither likes nor wants just at the time we should be more sparing with our resources?

Europe ought to be making a bigger effort now. During the campaign for direct elections, I said that the European consumer community was still a long way off. And I think it is.

► *That was a very good answer to the question. I hoped you would say that the idea that consumers differ from one member state to the next*

may be a common one but it is largely wrong. But protecting the consumer also often means standing up to the authorities and the producers who may be taking unfair advantage of a strong position. With the common agricultural policy in particular, consumer defence organizations often try and claim their rights and manifest their hostility to the farmers' demands on prices. The fact that the British consumers are at odds with the French farmers is well known. So, what I want to know is this. Do you think that we can still manage to harmonize these divergent interests?

— I think that when we are faced with divergent interests, we have to have the political will to organize cooperation. For my part, I was rather surprised to find that this is an area where things are very much behind and that cooperation between farmer and consumer is far less advanced than cooperation between industry and the consumer. It's a bit of a surprise.

What's more, I sometimes found both sides were a bit reticent about cooperating with each other—although we have to cooperate because something good is bound to come of it.

Information and consumer education

► *So, there is more to it than protecting the consumer. The consumer has to play his part as a partner in the economy—which raises the essential problem of consumer information. How do you think the consumer can be made aware of his rights and responsibilities?*

— When I left my post, what needed to be done in France, in any case, and probably in the other countries as well, was to inform the consumer. Obviously in a system of liberty and responsibility, it is with widespread information in the broadest sense of the term, i.e. including consumer education, naturally, that the consumer can play his full role and competition its.

How can we have proper competition without information on goods and services? It can't be done unless people can choose and so they have to be given the means of doing so.

We have to pay tribute to the media for having taken an interest in consumer affairs and for making quite a considerable effort in this respect. One of the things I did was to combine with the Ministry of Education to set up courses to introduce the public to consumer affairs.

I think the public is indeed increasingly aware of the problem and that things will get better.



"Consume better... for a better quality of life"

Now I ought to say a word about consumer organizations. Obviously they are free to bring up problems. They did so a lot in the past and they are still doing so now. And they are responsible for keeping their supporters informed. I think it is a very good thing to have consumer journals.

But I still say that these organizations should not be of any political colour because if they are, politics take over and proper information goes. European consumer organizations should be encouraged, obviously.

► *There is one extremely important field where information is going to be particularly vital and that is the field of energy. The consumer has to help save energy and to help use it rationally. The Community's consumer policy is still in its infancy. As you know, a consumer action programme, following on the preliminary programme of 1975, has just been proposed. Do you think that the schemes that have been proposed are adequate and that they form a coherent basis for a European consumer policy?*

— The programme is an interesting one, and it will obviously be a very good thing if we can get it all implemented. It would be a good idea if Europe modelled itself on the country which is the farthest ahead with specific points and tried to get all the other countries to follow suit.

And in response to what you said about the consumer and energy saving just now, I should simply like to men-

tion that a conference on consumers and energy has been organized with the support of the Union of European Consumers Office and will be held in Paris in 1980.

Consume better... for a better quality of life

► *Don't you think it would be useful for the EEC Council of Ministers to hold periodic meetings on consumer affairs?*

— I think a project I would like to see implemented has been put forward under the Irish presidency. I think it would be good if the Council of Ministers were to take an interest in these problems and hold a Council on consumer affairs.

This would teach us a lot and it would help make people aware of consumer affairs, particularly as we, the people of all the countries of Europe, have to look for a better way of using our resources. This is quite a new problem as consumption so far has always meant consuming more.

What is much more important now, I think, is to consume better, less in some cases, and to aim for a better quality of life. I am sure there is a lot we can do here and any Council of Ministers that got this sort of policy going would put the emphasis not on quantity but on quality—which is after all a pretty fundamental aim in Europe.

□

Interview by
ALAIN LACROIX

The Community and the consumer (*)

The advent of the consumer society has profoundly altered the relations between the customer and the producer/seller. The customer who once bought his goods on a small local market and knew his suppliers personally now has to cope with producers who are both anonymous and extremely powerful because of industrial concentration; a vast, complex range of products that use new materials and new manufacturing processes; pressure from publicity and sophisticated sales promotion techniques.

Mass production has provided, for example, electrical household appliances, for most of the population instead of only a tiny part of it.

But it is not all good, for the following reasons. Supply does not match demand, nor does the economic strength of the purchaser match that of the supplier (producer, wholesaler or retailer).

The consumer does not have enough objective information to choose the best goods and services for his needs and budget.

The consumer finds it difficult to claim his rights when purchases do not come up to expectations and recourse to the law is not always easy in case of damage.

But consumers realized that they had to join forces and the consumer movement was born, first of all in the USA, where the results of comparative tests were published in 1928, and then in Europe, where a Danish consumer association was founded in 1947.

But it was not until late on in the '60s that the consumer associations started to have any real influence and governments had to bring out laws and set up public services to protect the consumer.

Community consumer policy

Several of the policies provided for in the Treaty of Rome have helped the consumer.

(*) From the EEC Commission Environment and Consumer Protection Service.

First of all, the opening of national markets to create a vast European market has provided a much wider choice and, in certain cases, it has lowered production costs too, giving the housewife a better deal.

The move to ensure fair competition, in accordance with Articles 85 and 86 of the Treaty of Rome, has helped eliminate restrictive practices and prevent the abuse of monopolistic positions, mainly aimed at reducing or eliminating competition through unauthorized price fixing. In 1975, for example, the Commission fined United Brands, the American company that sold Chiquita bananas, 1 million EUA for abuse of their dominant position in a large part of the Community market after it was discovered that they were not asking the same price of all distributors. The Commission decision was upheld by the Court of Justice, although the fine was in fact cut to 850 000 EUA.

The common agricultural policy has played an important part in guaranteeing regular supplies coupled with higher incomes for the farmers.

And lastly, when technical barriers to trade were raised, provisions to help the consumer were included in various European directives.

However, no specific Community consumer policy was envisaged until the Paris summit of 1972 when heads of state and government stressed that

economic expansion, which was not an end in itself... must, as a matter of priority, make it possible to even out disparities in living conditions and must involve an improvement in the quality of life as well as a higher standard of living.

Practically speaking, they agreed to develop the European Social Fund, to set up the Regional Fund and to ask the Commission to devise environment and consumer protection programmes.

The European Parliament and the Economic and Social Committee have also done their bit to encourage the Commission to concentrate on the Community's consumers.

Three important measures

So, in early 1973, the Commission took three important measures.

First, on 1 January, it set up the environment and consumer protection service, with a division to deal with consumer protection and information.

Second, it formed a consumers' advisory committee to see what the consumers thought about Community action. This 25-member committee comprises 15 representatives of consumer associations, four experts appointed by these associations and six independent experts appointed by the Commission. It gives the associations a chance to cooperate with each other

and to discuss things with the Community institutions. It represents the interests of the consumer and it can issue opinions as it sees fit. It is also consulted as soon as the Commission starts work on anything of interest to the consumer and, in particular, at the annual fixing of agricultural prices.

Third, it devised an initial Community consumer protection information action programme, laying down the five fundamental rights of the consumer:

— The right to health and safety—goods and services offered for sale should not, under normal conditions of use, present any danger.

— The right to protection of economic interests—the consumer must be protected against unfair practices in publicity, terms of contracts, hire purchase agreements, etc., by the seller and against defective products and unsatisfactory services.

— The right to compensation—the consumer must get advice and assistance in case of injury or damage caused by defective goods or services and rapid compensation for any such damage.

— The right to information and education—the consumer must have enough information to make a proper choice and, where any damage is done, to claim compensation. Consumer education should start young.

— The right to representation—consumers must be consulted and be involved in decisions which affect them.

The programme then lays down priorities and the ways and means of implementation.

It was adopted by the Council of Ministers on 14 April 1974 for the period 1975-1979.

A second consumer policy programme, for 1980-1984, was put before the Council in June 1979. This lays greater emphasis on services and prices, involves developing the consumer's role as an economic partner and should enable the Community to realize everything laid down in the preliminary programme.

Consumer protection and information since 1973

The main achievements have been listed on the basis of the five fundamental rights listed in the preliminary programme.



Consumers' groups are on the lookout for unfair advertising (publicity picture for a furniture firm)

Health and safety

The Council has adopted almost 35 directives and it is discussing more in application of the programme to remove technical barriers to trade and the preliminary consumer protection/information programme. More particularly, these directives deal with:

Food. Since 1976, the Council has adopted a number of directives, notably on the labelling of food, on the ingredients of food products and the materials that come into contact with them.

Cosmetics. In 1976, the Council adopted a directive on the composition, labelling and wrapping of cosmetics. This banned 361 substances and provided for the gradual establishment of positive lists.

Product safety. A directive on the marketing and use of certain dangerous products was adopted in 1976 and a number of texts are being drawn up on toys and household goods. The Commission has also passed on to the Council a proposal to set up an information system on accidents in the home.

Various specialized committees on foodstuffs, animal feed, cosmetics and pesticides have assisted the Commission in this task.

Legal and economic interests

A number of proposals for far-reaching directives are under discussion in the Council of Ministers. They deal with:

- sales outside commercial premises;
- correspondence courses;
- misleading advertising;
- product liability.

The Commission has recently transmitted a plan for consumer credit.

Compensation

In late 1975, the Commission organized a colloquium to investigate the consumer's access to law and how it could be improved. The Commission studied the various systems used in the Community and now provides a modest amount of financial backing for certain practical experiments being run in the member states.

Information and education

The Commission has a variety of means here.

— The consumer is ensured information about products by the proposed

European consumer organizations

The European Office of Consumer Organizations

rue Royale, 29, box 3,
1000 — Brussels — Belgium
Tel: 219 13 39

The Committee of Family Organizations in the European Communities

rue du Trône, 127,
1050 — Brussels — Belgium
Tel: 513 91 70

The European Community of Consumer Cooperatives (Euro-Coop)

Rue Archimède, 17a, Archimedesstraat,
1040 — Brussels - Belgium
Tel: 733 21 29

The European Trades Union Confederation

rue Montagne-aux-Herbes-Potagères,
37,
1000 — Brussels — Belgium
Tel: 219 10 99

The Environment and Consumer Protection Service

Three of the divisions of this service are directly concerned with protecting the consumer and a special division to deal with consumer interests was set up in 1978.

Head: Michel Carpentier

Promotion of consumer interests:
Jeremiah Patrick Sheehan

Physical protection: Jules Quequin

Promotion of economic and legal interests: Sidney Freedman

Specialized information and education:
Ludwig Kramer

directive already mentioned in connection with the labelling and presentation of food and by another on energy consumption. These have been transmitted to the Council and various other texts, primarily on textiles and dangerous products, are being drafted.

— Consumer information on prices is covered by a directive on the display of food prices which was transmitted to the Council in May 1977 and is now being adopted.

Various Commission departments combined to run a survey of prices and profit margins and this will be used as a basis for a discussion of the way certain common consumer products are priced.

— In 1977, the Commission ran a consumer information colloquium, the occasion for a constructive dialogue between professional organizations and consumer representatives.

— It has also made a drive to publicize the measures taken to help the consumer at meetings with MPs, journalists and radio and TV producers and by bringing out a number of documents and periodicals (including the weekly Euroforum). A survey of 10 000 consumers was run in October 1975 to get a better idea of their opinions, behaviour and aspirations.

— The Commission has undertaken to produce a series of monographs on the different member states with a view to consumer education in schools. In 1977, it organized a seminar in London, attended by 80 teachers, experts and representatives of consumer organizations and the results of this were the basis for setting up a network of pilot schools, which the Commission did in conjunction with the competent authorities in the member states, and for forming a working party on training teachers in consumer protection.

Consumer representation

The Commission set up the Consumers' Advisory Committee in 1973 providing it with both human and financial backing. Sixty or so meetings of the committee (full and restricted sessions) and the constitution of 20 working parties have led to 30 opinions being forwarded to the Commission.

In 1976, the Commission also organized a colloquium for the consumer organizations in the member states. Lastly, it has provided consumer organizations with 1 280 000 EUA (Bfrs 61 000 000) to prepare studies and reports.

As well as giving their opinions on Commission proposals, the European Parliament and the Economic and Social Committee have run debates on the way the Community's consumer protection/information policy is going and they have also produced reports in a number of particular fields which the new programme should be taking into account.

The large number of written and oral questions from MPs over the last four years are ample proof of the European Parliament's interest in the protection of the consumer at Community level.

Finally, the Commission has been working closely with the Council of Europe and the OECD and has also had useful contacts with the American and the Swedish authorities. □

Debate on world hunger

Determination in the European Parliament to come up with practical solutions (*)

Another major debate early this year

There have been enough speeches and enough resolutions! The Community now has to get down to something practical. And the European Parliament has to take a hard look at the facts and make proposals. This was the leitmotif of all the speakers in the big hunger policy debate, the all-important issue at the September session of the European Parliament in Strasbourg.

Colette Flesch (Lib. Luxembourg) spoke on behalf of the Committee on Development and Cooperation, saying that the debate was only a starting point and that her committee would be putting practical measures before the assembly by February 1980 at the latest.

She pointed out that 70% of the people of the world are chronically under-nourished and 24% hungry, which could well cause the deaths of 58 million, 17 million of them children, within the next five years.

The Community was called upon to "mobilize extra resources as a matter of urgency to save these people". Miss Flesch also called for immediate approval of the Commission proposal to increase food aid, particularly cereals.

Other speakers mentioned the percentage of GNP that the member states spent on food aid, assistance with agriculture and boosting agricultural production, improving distribution networks, the arms race, food stocks, the responsibilities of the rulers in the Third World, socio-cultural barriers, the international economic order, dependency mechanisms and the rôle of non-governmental organizations.

Ernest Glinne (Belgium), speaking for the Socialist group, stressed that 1% of the arms budget in the industrialized world would be enough to complete the amounts that had already gone into boosting agricultural production. He added that food aid was only a short-term answer, to which there were socio-political barriers in

the under-developed countries, and any long-term strategy would have to involve economic and commercial assistance too.

Leo Tindemans (Belgium), representing the European People's Party, laid part of the blame on the Third World leaders. "The international organizations often content themselves with resolutions because the representatives of the Third World belong to the privileged classes that are not anxious to see the situation alter".

Half the rural populations of the developing countries are hungry and never benefit from the aid, he concluded.

Mr Ferrero (Italy), speaking on behalf of the Communist Group, said the basic causes of hunger were economic, social and political ones, stemming from a desire to reinforce material privilege and maintain an unfair economic order.

Aid was necessary but it did nothing about the machinery of dependence. The Communist group, he added, had proposed to increase the allocations for food aid in the 1980 budget.

"Give me a fish and you give me food for a day. But teach me to fish ..." It was Michel Poniatowski (Lib., France), the new chairman of the European Parliament development and cooperation committee, who quoted this Chinese proverb, saying that we ought to be both giving and teaching, but the political will to do so was wanting, although in fact plans for the machinery for the commodity price stabilization fund actually existed. He also said the rôle of the dollar as an international currency was to blame.

Europe on bended knee

Louise Weiss (EPD, France), who had first-hand experience of the countries where people go hungry, made a frontal attack on what she saw as a fundamental flaw in aid to the Third World today.

"The poor in the rich countries are sending aid to the rich in the poor countries. Our taxpayers are helping their dictators". She also berated one of the military superpowers for feeding the other and enabling it to point its guns back at the provider. On Vietnam and Cambodia she was derisive, speaking of Europe "on bended knees, begging criminals to let it save innocents".

There was no point in voting vague resolutions or nurturing a guilt complex, she concluded. What we had to do was fill the fundamental gaps and keep a proper control over whatever schemes we embark upon until they are actually carried out.

Extermination, European development commissioner Claude Cheysson called it. To be countered by a boost in production in the Third World by putting priority on agriculture—as the leaders of the Lomé Convention countries were increasingly doing.

Under the Convention, whereby the ACP countries themselves said what their priorities were, 40% of the Community's aid went to agriculture, whereas only 12-13% of bilateral aid went to that sector. Boosting production meant running infrastructure projects and overhauling the situation of the markets.

Was it right, the speaker asked, for the price of grain to go up by 50% in three weeks after a major agreement between the Americans and the Soviets?

The Community is lagging behind

Claude Cheysson was severe in his judgement of the Community's approach to the commercial side of the problem, on the grounds that the EEC was failing to ensure safe food supplies. Unlike the USA, Canada and many other countries, it refused the possibility of long-term contracts. It had not the means of fulfilling its responsibilities.

As for food aid, Claude Cheysson said, it may be no more than a palliative, but it was still inadequate. But he was positive about one thing: the speed with which the Community got emergency aid to the countries that needed it, as it had with Uganda, Equatorial Guinea, Nicaragua and Cambodia. Cheysson concluded by

(*) From 30 jours d'Europe, November 1979.

appealing to Parliament to live up to its obvious desire for practical action and restore the full amount the Commission had requested for the 1980 budget.

Mrs Macciochi (Ind., Italy), a radical, said that the countries of the Third World were being fought over by the superpowers and eyed with envy by the multinationals.

She stressed the fact that food was a weapon and she also said that, in her view, the recent Russo-American contract on grain sales seemed to have been negotiated in exchange for the non-withdrawal of Soviet troops from Cuba. She appealed for a new moral approach to this issue.

Chicago speculators

Mrs Pruvot (Lib., France) put her main emphasis on condemning the population explosion in the developing countries, speaking out against the threat to the common agricultural policy at a time when people all over the world were going hungry.

Like many other speakers, Mrs Cresson (Soc., France) objected to the speculators in Chicago and the multinationals in the food industry who, she said, were working against the interests of local agriculture.

"This is something we have to realize before we call for the dismantling of the common agricultural policy", she added, going on to state her support for the idea of a charter of economic rights and a white paper on the repercussions of the action of multinationals.

The MPs discussed a variety of topics and made many analyses and suggestions, showing that opinions ranged widely between the two extremes (linking hunger to capitalism/imperialism and to marxism), both of which also had their defenders.

A number of speakers expressed



Marie Jane Pruvot

Condemning the population explosion

their confidence in concrete remedies such as stepping up food aid, boosting production, increasing distribution and improving education. But there were others who thought the only way out

would be a total break with the present economic order and this led to impasse. Yet the development committee put forward the following resolution:

The European Parliament

— profoundly concerned at the persistence of hunger in the world, as illustrated by numerous statistics and international surveys:

— according to the FAO, 70% of the world population are suffering from chronic undernourishment, and 24% from starvation,

— according to a recent World Bank report, at least 700 million, if not 1,000 million, people will be living in utter poverty in the year 2000,

— in 1979 alone, 17 million children under the age of five and, in all, 50 million people will starve to death;

— alarmed at the exceptional periods of severe famine which strike the poorest and most deprived countries of Africa, Asia and Latin America,

— convinced that urgent action is necessary to meet the immediate needs of these countries and to save the lives of the hundreds of thousands of people, children in particular, who are facing sure death by starvation,

— aware that more structural measures and more financial and technical resources are necessary to cope effectively with hunger in the world,

1. Draws the Community's attention to the seriousness of the situation and urges it to accept its responsibilities and the role it should play in this field;

2. Urges that the Community mobilize without delay sufficient supplementary resources to save these people condemned to death by starvation; demands that the increases in appropriations earmarked for food aid proposed by the Commission be approved immediately—particularly those for cereals, which the Council reduced in its draft budget for 1980—and awaits other proposals to improve the situation;

3. Emphasizes that the problem of world hunger is bound up with the whole question of underdevelopment and therefore urges the Commission and the Council to work out and implement, in close cooperation with the European Parliament, an effective agricultural and food policy that takes account of the conclusions reached by the FAO conference in July on agricultural reform;

4. Asks that special efforts be made as a matter of urgency, as part of the coordination of member states' development cooperation policies, to ensure that at least 0.7% of the GNP is set aside, in the form of public aid, for development aid purposes;

5. Asks the Council and the Commission to review the coordination between national and Community programmes and the policies implemented in the UN, so that a more effective world food strategy can be devised;

6. Instructs the Committee on Development and Cooperation, acting in concert with the other parliamentary committees, to take the initiative, as a matter of absolute priority, in proposing practical measures on food aid and financial and technical aid to agriculture and development and guaranteed food supplies not only for the developing countries but also for the world as a whole, and to submit a report to the European Parliament by February 1980 at the latest;

7. Instructs the Committee on Development and Cooperation to take account, when drawing up its report, of the amendments on this subject tabled during the October 1979 part-session and withdrawn or not moved at the meeting of the committee on 6 November 1979;

8. Instructs its President to forward this resolution to the Council and Commission. □

Emergency aid to Kampuchea

On 30 October the Council approved a Commission proposal to grant a further 25 million EUA⁽¹⁾ (\$35 million) of aid to the people of Kampuchea as part of an emergency six-month plan (October 1979—March 1980), evaluated by UNICEF and the International Red Cross (ICRC) at \$111 million, not counting the sum needed by the United Nations High Commissioner for Refugees (UNHCR) for Kampuchean refugees having recently fled to Thailand, which is of the order of \$50 million.

This is in addition to the 5.1 million EUA (\$7 million) provided for relief

organizations working in Kampuchea, and will be used in the same way: 20 million EUA in cash for purchasing medicine, transport equipment, seeds and other essentials, and 5 million EUA (\$7 million) for the purchase and distribution of 20 000 t of rice.

This brings the Community's total contribution, including the possible supply of 1 500 t of milk, to \$43.4 million (\$33.6 million in cash and \$9.8 million in the form of 25 000 t of rice).

Member states have announced bilateral contributions totalling \$13.61 million, bringing commitments from the Nine to over \$57 million in all (Germany: \$3.66 million; France: \$3 millions; United Kingdom: \$2.67 million; Netherlands: \$2.2 million; Denmark: \$0.96 million; Belgium: \$0.42 million; Ireland: \$0.31 million, Luxembourg: \$0.24 million;

Italy: \$0.15 million).

The Community is also giving aid worth 30 million EUA (15 million EUA in cash and 28 000 t of rice) to the South East Asian "boat people".

The 1979 food aid programme approved in May provides for the supply to Vietnam of 86 000 t of cereals (7 300 t of which is to be delivered by the UNHCR to Kampuchean refugees in Vietnam), 15 000 t of milk powder and 4 000 t of butteroil, equivalent to almost 29 million EUA.

With the exception of the 7 300 t of cereals for Kampuchean refugees, this aid was temporarily suspended in July.

⁽¹⁾ If necessary, 1 500 t of milk worth one million EUA will also be supplied as food aid.

Who are the new Euro-MPs?

This table shows what most MPs did before direct elections—and in many cases still do.

The vast majority are in the professions or are white-collar workers. Manual workers are very rare.

Curiously enough, the biggest contingent of farmers is from the UK, the country with the smallest percentage of its population in agriculture.

The average European MP is 51 years old and the UK has sent the youngest delegation overall.

Job	Total EEC		GB	F	D	I	B	DK	NL	IRL	L
	%	No									
Businessman, etc.	13	53	26	12	4	4	1	1	2	3	—
Civil servant	8	34	9	8	5	2	1	1	4	2	
Doctor	1	3	1			1				1	
Farmer	5	22	6	5	2	1			3	5	
Housewife	2	9	2		1	2	1		2		1
Journalist/writer	10	43	8	6	9	15		4	1		
Lawyer	13	53	6	8	15	8	10		2	2	3
Politician ⁽¹⁾	15	63	6	17	6	20	3	3	5	2	1
School teacher	6	23	2	7	8	1		3	1		1
Scientist/engineer	3	11	2	4	4	1					
University teacher	6	26	7	4	2	10		2	1		
Other white collar	2	9	2		7						
Manual worker/union official	7	27	2	9	9	2	4		1		
Other	8	33	2	1	9	14	2	2	3		

⁽¹⁾ This information is based on what the parties or the candidates themselves stated. MPs only appear in the "politician" category if they have failed to mention any other job. Many members already have some experience of politics. The "other" category contains MPs whose previous occupation is unknown.

The Economic and Social Committee

Towards an ACP-EEC social dialogue

The EEC's Economic and Social Committee took an active interest in the Lomé II negotiations. *Chairman Raffaele Vanni* reports.

Of all the dates in the history of the Community, 31 October 1979 will be remembered as particularly significant.

This was the day when a courageous and determined step was taken along the path of new-style relations between industrialized and developing countries and the second ACP-EEC convention was signed in Lomé.

For the first time, the chairman of the Economic and Social Committee was invited to the ceremony and this is proof of the appreciation of the Committee's part in implementing Lomé I.

The Committee adopted general opinions on 16 June 1974 and 28 November 1975 and more recently, on 18 July 1978, it made an assessment of Lomé I.

But during the course of 1979, it also drafted an opinion on more specific aspects.

It has always tried to draw attention to the importance of establishing a dialogue between the various economic and social circles, in the profound belief that making these people aware of the problem is part of the general philosophy of participation and in line with the fundamental practical aim of making the very best of all possible aspects of Lomé policy.

So a number of quite far-reaching measures were gradually introduced.

On the basis of Article 80(5) of Lomé I, whereby it can set up consultative committees to work on specific subjects, the ACP-EEC Consultative Assembly invited the Joint Committee to make proposals with a view to consulting organizations representing economic and social circles.

A special tribute must be paid here to the dynamism and skill of Messrs



Raffaele Vanni
Economic and Social Committee chairman

Bersani and Ouedraogo, who co-chaired the Joint Committee.

The first consultation took place in Luxembourg in June 1977 and the event was repeated again in 1978.

The results of the two meetings were good and this was encouragement to establish a dialogue on a much broader basis, which was achieved in Geneva in June this year.

The Economic and Social Committee (in close collaboration with various European organizations and under the aegis of the Joint Committee) was extremely active in ensuring that the meetings were as well prepared as possible.

Last October, a delegation from the Committee (led by the chairman) met the Commission delegates to the ACP countries and they declared themselves willing to collaborate with the Committee on informing economic and social operators in the ACP countries and encouraging meetings with European partners, with every respect for ACP sovereignty.

Finally, at its last annual session in Luxembourg in October, the ACP-EEC Consultative Assembly confirmed the usefulness of the work the Economic and Social Committee was doing, stressing the interest of establishing a direct, effective dialogue between the social partners in the EEC and the ACP group.

So now a new initiative is called for to encourage this dialogue to ensure that it is more systematic and better prepared.

This is particularly important as the new Lomé Convention contains provisions aimed at extending the dialogue with economic and social operators and getting them more involved in the daily life of the Convention.

If they wish to continue the schemes that are already under way and cope with those proposed in the new Convention, the Committee and all the parties concerned in the dialogue will have to spend a good deal of time on this in the coming months and they must also take the initiative for making direct contact.

Our first target is the next meeting of socio-economic operators in 1980, which should be along the same lines as the one held in 1979.

In particular, the Economic and Social Committee, will, as I pointed out in my speech to the Committee's 173rd plenary session, help find subjects to put on the agenda of this meeting.

The Convention that binds the ACP countries to the European Community, ultimately brings us the kind of economic and social development that can serve as a model for the new international economic order that is so vital to the modern world.

The interdependence of the economic and social circles is one of the first conditions for this.

The Committee is convinced of it and will do its utmost to achieve these aims. □

THE CONVENTION AT WORK

First meeting of the Consultative Assembly since direct elections

From 10-12 October 1979, the fourth annual meeting of the ACP-EEC Consultative Assembly was held in Luxembourg. The occasion was novel because for the first time it was directly elected MEPs who were taking part, and foremost among them the new President (Speaker) of the Parliament, Simone Veil. There was also a change in the normal tone of the Assembly's work. For example, during a debate on a resolution on sugar, a British MEP said that his electors, who included many sugar beet farmers, supported the proposals on ACP sugar production. (In Britain the European elections were fought in constituencies rather than on a list system as elsewhere in Europe.) This was not the only reference to European public opinion during the Assembly, which shows, much more so than in the past, how the MEPs are taking account of their electorate now that they have a direct mandate.

Then there were a number of outstanding politicians from Europe such as Marco Pannella (Italy-rad.) whose outspoken contributions livened up the debate, and Georges Marchais (Fr. comm.) who made one of the stronger speeches of the day.

The work of the Consultative Assembly, as of the Joint Committee which preceded it, was dominated by the main questions, still at that time to be resolved, in the negotiations to renew the Lome Convention. The delegates discussed in particular article 64 on investment guarantees, the provisions on white rice from Surinam and human rights. These difficulties were eventually overcome with the signing of the second Lome Convention on 31 October, in the



The joint presidents of the Assembly, Simone Veil and Salomon Tandeng Muna

presence of Simone Veil, who had been formally invited during the Luxembourg meeting.

The Consultative Assembly also adopted the Giama report on trade problems under Lome I prepared by the Somali representative, and voted for a resolution condemning South Africa's apartheid policies and that country's role in Namibia and Zimbabwe, as well as certain multinational companies and EEC concerns which are continuing to give active support and encouragement the apartheid regime by their activities. There was also a resolution on sugar, and another on the work of the Joint Committee, the next meeting of which will be in February in an ACP country. □

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LIBERIA

President William Tolbert of Liberia made a brief visit to Brussels in mid-December. He made a speech during a call at ACP House and was received at the European Commission by President Jenkins (photo).



EDF

After favourable opinions given by the EDF Committee, the European Commission gave its agreement on the 25 September, the 16, 26 and 30 October and the 12 and 13 November to the financing of the following projects which raised the commitments under the 4th EDF to 2 172 927 000 EUA.

Ethiopia

A grant of 22 000 000 EUA for work on the Ghimbi-Shebel section of the Ghimbi-Gambella road.

Bahamas

A grant of 210 000 EUA for the economic development unit

Malawi

A grant of 400 000 EUA to enlarge the Mpemba staff training college.

All the ACP states

A grant of 500 000 EUA for the 4th investors forum at Dakar.

Botswana, Lesotho, Malawi and Swaziland

A grant of 986 500 for a regional training project in post and telecommunications for the four countries.

Zambia and Zaire

A loan on special terms of 8 000 000 EUA for a regional project to bring back into service the Lobito railway line.

Comoros

A grant of 2 286 000 EUA for inter-island telecommunications

Belize

A loan on special conditions of 125 000 EUA for secondary schools.

Togo

A grant of 5 000 000 EUA for a programme of intensive agriculture in the Savanes region.

Ghana

A loan on special terms of 1 910 000 EUA to improve the palm oil plantation at Pretsea.

Sudan

A grant of 5 500 000 EUA for a rural development in the Nubian mountains

Mali

A grant of 2 149 000 EUA for the 3rd phase of the Segon rice scheme.

Benin, Gambia, Ivory Coast, Guinea Bissau, Guinea, Ghana, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo, Upper Volta

A grant of 1 000 000 EUA for the WARDA regional rice scheme.

Jamaica

A grant of 1 010 000 EUA for trade promotion.

Dominica

A grant of 3 000 000 EUA as exceptional aid to contribute to the repair of damage caused by cyclone David.

New Caledonia

A grant of 1 200 000 EUA and a loan on special terms of 900 000 EUA for the Azareu-Coula road.

Mauritania

A grant of 1 925 000 EUA to extend the Kaedi regional hospital.

Senegal

A grant of 7 801 000 EUA for construction and equipping a commercial school at Kaolack and technical school at Diourbel.

ACP and OCT

Regional project involving a grant of 2 300 000 EUA for an aeronautical training institute in the Caribbean.

Chad

Grant: 300 000 EUA

Exceptional aid to be supplied immediately for the purchase and delivery of goods which are needed following recent events.

Central African Republic

Grant: 300 000 EUA

Exceptional aid to be supplied immediately for the purchase and delivery of essential goods.

Lesotho

Grant: 500 000 EUA

Phuthiatsana upper catchment livestock/conservation project. It is planned to finance the purchase of road-building and earth-levelling equipment.

Belize

Loan on special terms: 500 000 EUA

Extension of the concrete apron at Belize international airport.

Barbados

Loan on special terms: 950 000 EUA

Development of the fisheries complex at Oistins. It is planned to construct a jetty with a building and provide ancillary facilities and infrastructure.

Mali

Grant: 4 155 000 EUA

Supplementary financing for the construction of the Sélingué dam to cover the excess expenditure incurred in respect of the section of the works paid for by the EEC.

Tonga

Grant: 1 000 000 EUA

The project involves the construction of a wharf in Neiafu, the main town in the Vava'u group of islands.

Central African Republic

Grant: 1 773 000 EUA

Building, in Bangui, of a higher teacher training college (ENS) which will cater for 300 students.

Sierra Leone

Grant: 2 050 000 EUA

Improvements for existing educational establishments comprising:
— for three teacher training colleges: the building of dormitories and classrooms, and the purchase of buses;
— for Njala University College: purchase of equipment, and water and electricity installations;
— for 30 secondary schools: supply of science laboratory equipment.

Martinique

Loan on special terms: 1 530 000 EUA

Grant: 270 000 EUA

Laying of the second section of the grant water supply and distribution pipeline that is to link Manzo and Crève-Cœur.

Malawi

Grant: 2 400 000 EUA

The project aims to develop coffee production in the Northern Region of Malawi.

The EDF contribution will be used:
— to improve the extension services;
— to supply inputs;
— to process and market the coffee.

Guinea

Grant: 1 600 000 EUA

Project for the development of cotton production, involving the provision of part of the infrastructure and equipment and also technical assistance training and extension services.

Gabon

Loan on special terms: 980 000 EUA

Loan for the financing and completion of the economic and technical study of the Port Gentil-Bifoun road currently under way.

Zambia

Grant: 3 680 000 EUA

Aid from the EDF for the construction of feeder roads (162 km) in the Chamuka area (Central Province) and in the Mpongwe area (Copperbelt Province).

Guyana

Loan on special terms: 545 000 EUA

Grant: 355 000 EUA

This project, which constitutes the first stage of a plan for the development of a fish processing industry, involves providing the equipment, technical assistance and training for the staff.

Malawi

Grant: 650 000 EUA

Building of a hostel for students at Blantyre Polytechnic.

Belize

Grant: 400 000 EUA

The objectives of the project are to expand the animal health laboratory and supply laboratory equipment, and also to train veterinary officers and laboratory technicians.

Barbados

Loan on special terms: 648 000 EUA

Creation of a central agronomic research unit.

The project will include, together with the general facilities, a library, offices and laboratories.

New Caledonia

Grant: 400 000 EUA

Training and aid for the working population in the interior and on the outlying islands.

This project will require the recruitment of two technical assistants and the construction of an office building.

Jamaica

Loan on special terms: 1 860 000 EUA

Granting of a line of credit to the Jamaican Development Venture Capital Financing Company which specializes in assisting the activities of small and medium-sized enterprises.

Central African Republic

Grant: 678 000 EUA

Supplementary financing for the Bangui slaughterhouse.

The project includes technical assistance and miscellaneous improvements to back up the operation of the slaughterhouse. □

EIB

Under the terms of the Lomé Convention, the European Investment Bank has granted loans to the following ACP countries.

Burundi

The EIB has lent 500 000 units of account (about 64.2 million Burundi francs) to the Banque Nationale de Développement Economique in Burundi; the funds will be used to assist small and medium-sized ventures, primarily by financing preparatory studies for industrial, agro-industrial, mining and tourism investment, and possibly for the acquisition of minority shareholdings.

This operation—the EIB's first in Burundi—takes the form of a conditional loan at an interest rate of 2%; it is financed from risk capital provided for under the Lomé Convention from the European Community's budgetary resources and managed by the EIB on the Community's behalf.

The Banque Nationale de Développement Economique was set up in 1966 and has a fundamental role to play in Burundi's development. The State is the main shareholder, others are the Deutsche Entwicklungsgesellschaft (German Development Company) and the Caisse Centrale de Coopération Economique (France).

Cameroon

The bank has made available 7.6 million units of account for expanding and modernising an aluminium plant at Edéa in the United Republic of Cameroon. (1 EUA = approx. 293 CFAF).

The funds have been advanced in two operations:

— a 5.3 million EUA loan for 10 years at 6.35%, after deducting a 3% interest subsidy financed from the resources of the European Development Fund; this has been granted to Compagnie Camerounaise de l'Aluminium-ALUCAM, the company operating the plant (the French undertaking Péchiney Ugine Kuhlmann is majority shareholder);

— a 2.3 million EUA conditional loan (20 years at 2%) to the United Republic of Cameroon to help finance part of its contribution to ALUCAM's equity capital increase; this loan has been made

from risk capital funds provided for under the Lomé Convention and managed by the EIB on the Community's behalf.

Expansion and modernisation of the plant should boost primary aluminium output from around 50 000 tonnes to 80 000 tonnes per annum. This increase will help to step up Cameroon's aluminium exports and improve supplies to various local industries.

The project, which should create about 150 new jobs, is costed at a total of around 100 million EUA. The Caisse Centrale de Coopération Economique (France) and the International Finance Corporation are co-financing the works.

The European Investment Bank, has lent 6.6 million units of account (almost 2 000 million CFA francs) for developing clinker and cement production in Cameroon.

The loan is for 10 years at 7.3%, allowing for a 3% subsidy from the resources of the Community's European Development Fund. The borrower is Cimenteries du Cameroun (CIMENCAM), whose principal shareholders are Société Nationale d'Investissement du Cameroun (SNI) and Financier International.

The project supported by the Bank is geared to raising production capacity at the Bonabéri clinker crushing works near Douala from 480 000 tpa to 870 000 tpa and that of the Figuil cement works in North Cameroon from 70 000 tpa to 100 000 tpa.

Cementerie del Tirreno (CEMENTIR) is providing technical assistance for this expansion project aimed at catering for the substantial increase in demand on the local market which existing production capacities will be unable to satisfy by the early 1980s. The new Figuil plant is expected to come into operation in 1982 and the Bonabéri plant at the beginning of 1983.

Finance for the project is also being provided by the Caisse Centrale de Coopération Economique (France) and the Banque de Développement des Etats de l'Afrique Centrale (BDEAC). The total investment cost is put at some CFAF 7 500 million.

Since it was set up in 1967, CIMENCAM has received three loans from the Community totalling 4.29 million EUA.

Djibouti

The European Investment Bank has granted a loan for one million units of account to help finance construction of a power station at Tadjourah in North-West Djibouti (1 EUA = approx. 254 Djib. francs).

This is the first operation to be mounted by the EIB in Djibouti; it takes the form of a 20-year conditional loan from risk capital, drawn from Community resources under the terms of the convention and managed by the Bank as agent for the Community.

The borrower is Electricité de Djibouti, a public undertaking responsible for electricity generation and supply throughout the country.

The bank is helping to fund a total investment of 1.2 million EUA, the main features of the project being the purchase and installation of four diesel generators (total installed capacity 1 360 KW), construction of buildings, 10 km of overhead lines and five transformers.

The power station is necessary for a mineral water factory, to be constructed near a spring about 9 km away. The factory, which will produce its own bottles, will provide about 40 jobs. More than half the production (capacity 9 million bottles per year initially, which could be increased to 15 million) will be exported, bringing in foreign exchange earnings. The factory is the first industrial development outside the town of Djibouti itself.

The power station will also help to improve electricity supplies for the rural population in the area.

The Gambia

The European Investment Bank has granted a conditional loan of 2.3 million units of account to the Gambia to help finance modernization of groundnut processing facilities. This is the EIB's first operation in the country. (1 EUA = 2.52 dalasies).

The funds will be made available by the government to The Gambia Produce Marketing Board (GPMB), a public undertaking responsible for implementing national agricultural products marketing and industrial processing policy.

The loan, for 20 years at an interest rate of 2% has been financed from risk capital provided under the Lomé Convention from budgetary resources of the European Community and managed by the EIB under mandate.

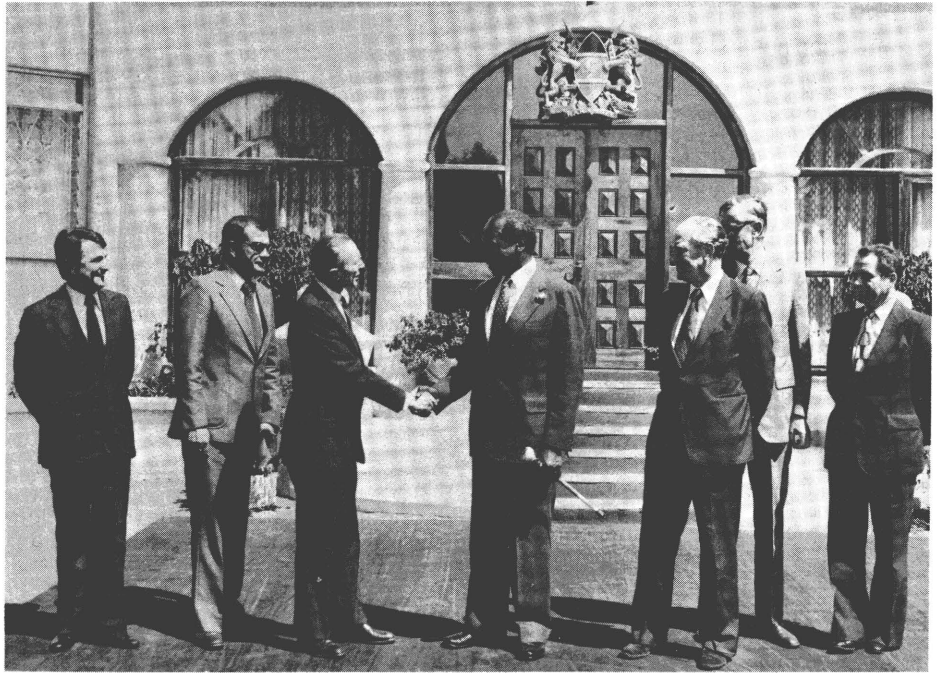
Costed at a total of around 5.7 million EUA, the works are designed to modernize groundnut decortication and processing facilities, chiefly at Denton Bridge, on the outskirts of Banjul, the capital.

As groundnut farming accounts for over 50% of the cultivable area and brings in more than 90% of the country's export earnings, modernization of processing facilities offers major benefits for the economy and is listed among priority development objectives.

The Ivory Coast

The European Investment Bank has provided 5.72 million units of account to help expand fertilizer production in the Ivory Coast.

The funds have been made available in two forms: 5.17 million EUA as a loan to "Société Ivoirienne d'Engrais" (SIVENG), a semi-public company and the Ivory Coast's sole producer of fertilizers (terms: 10 years at 7.15%, after deduction of a 3% interest subsidy drawn from the resources of the Community's European Development Fund); a 550 000 EUA shareholding in SIVENG, taken on behalf of the European Community using risk capital resources provided for under the Convention and managed by the Bank.



The managing board of the European Investment Bank met in November in Kenya. During the meeting the officials of the bank were received by President Daniel Arap Moi (in the centre of the photo). Shaking the President's hand is Yves Le Portz, the EIB chairman, and with them from left to right are Jean-Paul Jesse, the Commission's delegate in Kenya, M.A. Vienna, deputy-secretary in the office of the Kenyan vice-President and Minister of Finance, C.B. Ross, vice-chairman of the EIB, M.D. Hartwich, head of the department which deals with the bank's operations outside the EEC, and M.J. Silvain who heads operations in the ACP countries and OCTs

The company is upgrading and rationalising plant in the Abidjan industrial zone for production of complex and sulphuric-acid-based fertilizers. This will increase output to 120 000 tonnes of fertilizers a year, enabling SIVENG to cater for rising demand not only in the Ivory Coast, but also in Upper Volta and Southern Mali.

The project (industrial investment cost estimated at 18.5 million EUA) will promote economic cooperation between different states, in line with Convention objectives, and help raise agricultural productivity in the three countries.

Finance is also being provided by the Caisse Centrale de Coopération Economique (France), through the Banque Ivoirienne de Développement Industriel, and by the International Finance Corporation and the Deutsche Entwicklungsgesellschaft.

Mali

The European Investment Bank, has granted a loan for 2.5 million units of account for tourism development in Mali. It will go towards the construction of two hotels and the purchase of transport and communications equipment needed for the setting-up of tour circuits.

The funds have been made available in the form of a 20-year conditional loan to the State to cover its contribution to the equity capital of the company mounting the project; the finance is drawn from risk capital provided for by the Lomé Convention and managed by the EIB under mandate from the Community.

The hotels (60 and 40 rooms) are to be built at Mopti and Timbuktu and are scheduled to come into service in 1981, employing 90 people. They will be under government ownership, with Union Touristique et Hôtelière—UTH—taking responsibility for their day-to-day running.

Much of Mali lies in the Sahara and the Sahel, and it is one of the least developed countries in Africa. The exploitation of its potential for tourism is expected to boost the country's economic development by bringing in foreign exchange to ease the balance of payments, for which reason the Mali government has accorded high priority to the project.

The overall investment cost of the scheme is an estimated 5 million units of account, other sources of finance being the Caisse Centrale de Coopération Economique (France) and UTH itself.

The EIB has already mounted one financing operation in Mali under the Lomé Convention, with the loan in 1978 of 3.6 million EUA for the construction of a rice mill at Dioro in the Ségou region.

Mauritania

The European Investment Bank has granted a loan of 25 million units of account for opening up iron ore deposits at Guelb El Rhein near Zouerate in the north of Mauritania.

The loan has been made to Société Nationale Industrielle et Minière (SNIM), a semi-public company assigned the task of exploiting the

country's iron ore resources. The term is 15 years and the rate of interest 7.4% after taking account of a 3% interest subsidy financed from the resources of the Community's European Development Fund.

The project consists in starting up an open-cast mine and commissioning an enrichment plant: the ores to be mined have a lower iron content than those at present being worked, but the modern enrichment methods used will ensure comparable metallurgical performance.

It is planned to open up the mine in 1983 and the ores will then gradually replace those from the KEDIA deposits at Zouerate which are expected to be exhausted in 1986. The project will create some 760 additional permanent jobs.

The ore produced (80% for sale to iron and steel concerns in the Community Member States) will represent supplies of excellent quality. The magnetic properties of the concentrate obtained from the ores mined will constitute an additional advantage in marketing SNIM products.

The potential iron ore reserves in the Guelbs (an Arab name given to hills resisting erosion) are estimated at around 1 000 million tonnes; the Guelb El Rhein deposit itself is expected to yield 285 million tonnes. At a later stage it is planned to open up a further mine which should produce its first ore towards 1989, helping to maintain SNIM's output at around 14 million tonnes of merchant ores per annum despite the fact that the richer deposits mined since 1965 will by then have been worked out.

The project is one of great importance for the country's development and the financial agreements—exemplary from the point of view of international cooperation—have entailed the support of a large number of lenders.

Niger

The European Investment Bank has granted a loan for 4 510 000 units of account (approx. CFAF 1 300 million) to help finance construction of the 250-room "Hôtel Le Gaweye" in Niamey, the capital of Niger.

The loan—for 15 years at 7.4%, after deduction of a 3% subsidy drawn from the resources of the European Development Fund—has been made to the State-owned "Société Propriétaire et Exploitante de l'Hôtel Le Gaweye". The Hotel will be managed by "L'Union Touristique et Hôtelière" (UTH), which is providing CFAF 130 million to help finance the project.

The Niger government accords top priority to this development: the country's present accommodation capacity has reached saturation point, and this coupled with a shortage of conference rooms and reception facilities could well hamper the growth of economic and commercial activities.

The hotel is scheduled to open in 1981 with a staff of 250 and it should lead to appreciable foreign exchange earnings. The investment cost is put at

about CFAF 4 700 million. The project is being cofinanced by the Caisse Centrale de Coopération Economique (France).

Senegal

The EIB has granted a loan for 975 000 units of account (more than 280 million CFA francs) for a survey to quantify iron ore deposits in Senegal, in the Falémé area, along the border with Mali.

The funds have been provided in the form of a conditional loan from risk capital made available under the Convention and managed by the EIB on the Community's behalf. The loan will be repaid only if a decision to mine the deposits is taken.

The loan has been granted to the Senegalese Government which will pass on the proceeds to the prospection company MIFERSO (Mines de Fer du Sénégal Oriental) which was set up in 1975 and whose shareholders include the State and Bureau de Recherches Géologiques et Minières (BRGM), a French public body which will provide the technical management.

The feasibility study to be financed by this loan is intended to determine the available reserves of oxidised ores with a high iron content (63-64%); their presence was revealed by previous studies which did not, however, show whether they were sufficient for viable mining operations. The study will also provide fuller information on the chemical characteristics of the ores and on the morphology of the deposits.

The findings of the survey are expected to be known not later than September 1980 and provided that these are favourable, a final feasibility study will then be conducted before mining is begun. Potential output can be estimated at 12 million tonnes of ore per annum for 20 to 30 years and, if confirmed, would give a considerable boost to Senegal's economic development. □

SIERRA LEONE

President Siaka Stevens in Brussels

President Siaka Stevens of Sierra Leone is pleased that he encountered no major difficulties in the implementation of EEC's aid programme to his country under Lomé I Convention. He is also particularly interested in that aspect of Lomé II, its successor, which deals with stabilization of earnings from agriculture (now his government's highest priority) and minerals.

The President made these observations during a press conference he held at the International Press Centre in Brussels at the end of a two-day official visit to the EEC on 14 September.

Accompanied by a five man delegation which included the Foreign Minister Dr Conteh, the Minister for Development and Cooperation Dr S.S. Banya and the Minister for Trade and Industry Dr I.M. Fofanah. President Stevens had talks with President of the Commission Roy Jenkins and a number of Commissioners including Claude Cheysson, Commissioner for Development, on Sierra Leone's growing relations with the Community. Over 75% of the country's exports and 50% of its imports are now conducted with the Community.

The EEC's aid programme for Sierra Leone under Lomé I concerns essentially agricultural, infrastructural (construction of the Makeni/Kabala road), health, educational and a number of micro projects worth altogether some 32.5 m EUA. The EEC has also committed 5 m EUA to three joint projects involving Sierra Leone and Liberia under the Mano River Union.

At the end of his discussion with the Commission, Dr Siaka Stevens declared himself satisfied and qualified his visit as "very useful and instructive".



President Siaka Stevens welcomed to the Commission's headquarters by President Jenkins

At the IPC press conference however the President faced a barrage of questions notably on the financial wisdom of Sierra Leone in deciding to host next year's OAU summit, the prospect of a shortfall in rice production this year as a result of pest invasion of fields and what action his government was taking to combat diamond smuggling in Sierra Leone.

To these he replied in good humour. Sierra Leone was seizing the opportunity of the OAU summit to build infrastructure that would last the country for a long time. As for rice harvest, the outlook was indeed "not very good". The EEC he said had already provided aid of 690 tons of rice and that if the need arose there was adequate provision in the Convention for the procurement of additional assistance. His government has reduced export tax on diamonds as a "disincentive" to smuggling. In any case the police has the situation under control. □

GUINEA-BISSAU

Fishery agreement with the EEC

The negotiations between Guinea-Bissau and the Commission of the European Communities on the conclusion of a fishery agreement came to a successful end on 19 November. The two parties initialled an agreement, the text of which will now be presented to the Council for approval.

Guinea-Bissau is the second developing country—after Senegal, with which an agreement was concluded in May—to organize its relations with the Community in the sphere of fishing.

The agreement, which is valid for two years with an automatic renewal clause, specifies the number of Community vessels and the conditions in which they may engage in fishing activities within Guinea-Bissau's fishing zone. To this end the Guinea-Bissau authorities will issue licences against payment of a fee to be paid by the shipowners. The latter may be required to land part or all of their catch at a Guinea-Bissau port. Within the limits laid down in the agreement they will have to employ Guinea-Bissau nationals on their vessels.

Under the agreement the Community will pay Guinea-Bissau a sum, which, for the initial duration of the agreement (two years) and since there is no recent experience of certain kinds of fishing, has been fixed at FF 12.8 million. This money is not refundable and is designed to finance sea and freshwater fishery projects and services undertaken under the responsibility of Guinea-Bissau. It is additional to the financial assistance which Guinea-Bissau receives and will continue to receive under the Lomé Convention.

Finally, it was agreed that the Community would provide study and train-

ing awards for Guinea-Bissau nationals in the various subjects connected with fisheries. □

MANO RIVER UNION

1.5 million EUA for the Post and Telecommunications Training Institute

In September 1979, a signing ceremony took place of a financing agreement under the ACP-EEC Lomé Convention providing 1.5 million EUA for the Union Telecommunications and Postal Training Institute of the Mano River Union (an economic union which groups Sierra Leone and Liberia). The signing took place at the European Commission headquarters in Brussels. Signing for the European Community was Claude Cheysson, commissioner responsible for development, and signing for the Mano River Union, its secretary-general, Ernest Eastman.

The project provides funds for the recruitment of four advisers for the institute, as well as for the purchasing of furniture, tools and equipment, books and teaching aids, vehicles, and for scholarships.

The Institute has been established by the MRU, because it considers that efficient and reliable communications between the member states are a prerequisite for the strengthening of the union, as well as in a regional and pan-African context. The union itself is providing the cost of a new building to house the Institute at Goderich (12 miles from Freetown). Interim training programmes for the Institute in both post and telecommunications began in 1978. □



Dr Eastman of the Mano River Union after the signing

STABEX

Transfer to Liberia

In November the Commission decided to make a transfer of 7 586 943 EUA to Liberia for the purpose of compensating the shortfall in export earnings incurred by this country in 1978 in respect of iron ore pellets.

Though iron ore pellets are not included in the list of products covered by the current Stabex arrangement (only iron ore proper figures on this list), the Council agreed that, as an exceptional measure, this item should be taken into account for the purpose of offsetting the loss of earnings on Liberian iron ore exports recorded in 1978.

This transfer to Liberia brought Stabex payments for the 1978 financial year up to a total of 136.7 million EUA.

Uganda

The Commission has also signed three transfer conventions with Uganda, the first for 1 287 985 EUA as compensation for export earning losses in 1977 from cotton, and two for 1978 of 3 882 924 EUA for tea and of 3 125 543 EUA for cotton.

In addition 2.48 million EUA was given to Dominica after its request for compensation for losses in receipts from banana exports which resulted from the damage caused by cyclone David. □

ACP EMBASSIES

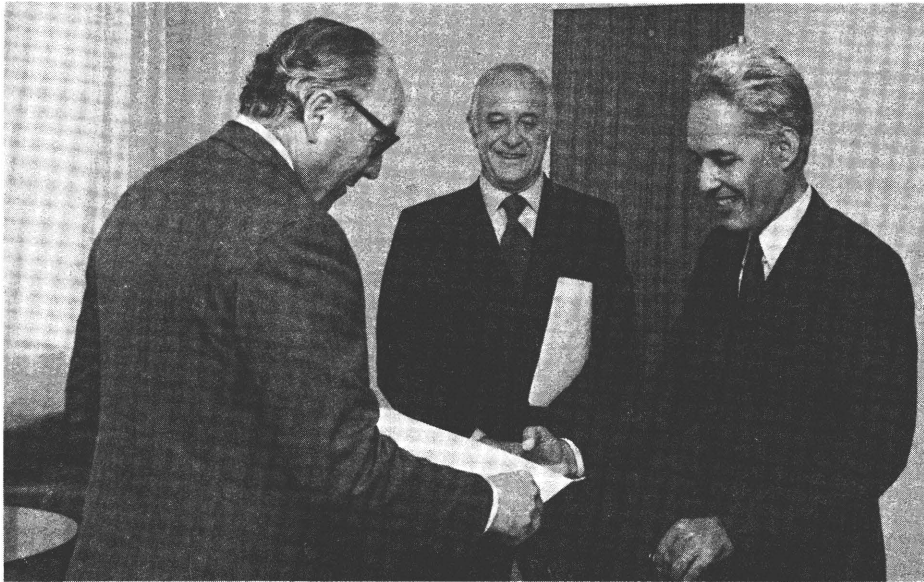
Seven new ACP ambassadors have presented their credentials to the Presidents of the European Commission and the Council. They represent Djibouti, Malawi, Mauritania, the Solomon Islands, Somalia, Uganda and Papua New Guinea.

Djibouti

The new Djibouti representative in Brussels is ambassador Ahmed Ibrahim Abdi. He is a graduate of the Ecole des Hautes Etudes d'outre-mer in Paris and the Ecole Nationale des Impôts. After a series of posts in the taxation department of his country he became, in 1976, permanent administrative delegate of the French Territory of the Afars and Issas in Paris, and from 1977 Djibouti ambassador in Paris. Ambassador Ahmed Ibrahim Abdi is 46.

Malawi

David Paul Wilson Rachikuwo has just replaced N.T. Mizere as Malawi ambassador to the EEC. He has a degree in economics and holds a diploma in public administration. Between 1966 and 1974 he held a



number of administrative posts, including chief personnel officer in the office of the President. From 1974 to 1979 he was principal secretary in four different ministries—local government, transport and communications, education, and trade, industry and tourism. Ambassador Rachikuwo, who is 41, is married with six children.

Mauritania

Abdallahi Ould Daddah, Mauritania's new ambassador in Brussels, has spent a good deal of his career in the diplomatic service. In 1963, after his degree in public law, he became principal secretary in the foreign affairs ministry, and from 1964 to 1966 was ambassador to France, also accredited to Britain, Italy and Switzerland.

From 1966 to 1967 he was ambassador to the United States, the United Nations and Canada, and in the three years that followed to the UN and Canada alone. When he returned to Mauritania he became minister of works until 1975 and of rural development until 1977 when he left the government. In 1978 he was appointed to the board of the national social security fund. Ambassador Ould Daddah, who is 44, is married with one child and speaks fluent Arabic, English and French.

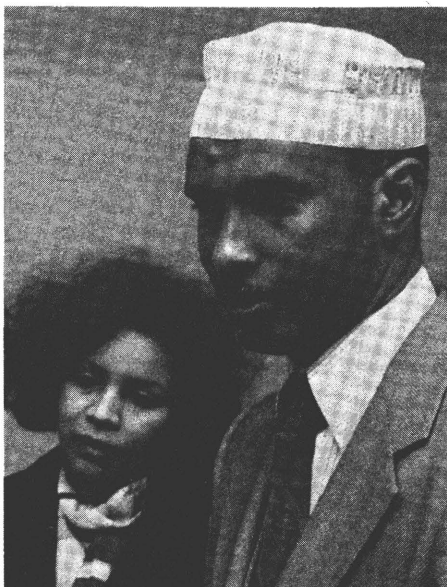
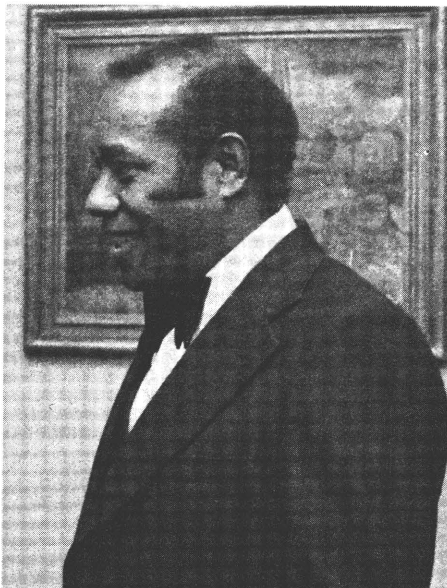
Solomon Islands

Ambassador Francis Bugotu is the first accredited to the EEC in Brussels since his country became independent in 1978. He began his career in teaching, having been educated in Australia, Britain and New Zealand. From being a teacher and inspector in the schools of the Anglican Church of Melanesia, he became a lecturer at the Solomon Island Teacher's College and then chief education officer and permanent secretary in the ministry of education. In 1976 he became permanent secretary to the Chief Minister and Council of Ministers until independence in 1978. He then became roving ambassador-high commissioner.

Ambassador Bugotu is an author, and among his works is a play, with A.V. Hughes called *This Man* which was made into a film in Australia. He has also published *The impact of western culture on Solomon Island society—a Melanesian reaction*, various works on the history and politics of the Solomon Islands as well as *Solomon Island pidgin—a comparative study*.

Somalia

Ambassador Omar Salah Ahmed is Somalia's new representative in Brussels. He is a doctor in agricultural science and began his career in a number of technical posts before becoming minister of agriculture in 1973. In 1975 he became a member of the national economic council and of the central committee of the Somali revolutionary party. Dr Omar Salah Ahmed, who is 41, is married with two children, and speaks fluent Arabic, English and German.



Top, ambassador Ould Daddah presents his credentials. Middle row ambassador Bugotu (Solomon Islands, left), and ambassador Rachikuwo (Malawi). Bottom left ambassador Omar Salah Ahmed (Somalia) and right ambassador Ahmed Ibrahim Abdi (Djibouti)

Uganda

The new ambassador of Uganda to the EEC Francis George Okello has a BA degree from Makerere University, a Master of business administration degree from Iona College Graduate School of Business, New York, and a doctoral degree in political economy and international relations from New York University.



After a brief service at the Ugandan Ministry for Foreign Affairs, he was posted to the Uganda Mission to the United Nations in New York. From 1971 he held several positions at the UN general secretariat including the post of assistant to the under-secretary-general for international economic and social affairs.

Mr Okello is 37 years old. He is married and has 3 children.

Papua New Guinea



Frederick Bernard Carl Reiher the new representative of Papua New Guinea holds a bachelors degree in theology. Principal private secretary to the Minister of Finance from 1973 to 1976, he was appointed to the political division of the Department of Foreign Affairs and Trade, before going to the United Kingdom as acting High Commissioner to open the country's first mission in London. In 1978 he was appointed by the PNG government as its first High Commissioner in the United Kingdom.

Mr Reiher is 34 years old. He is married and has two daughters. □

EEC COUNCIL

Second ACP-EEC Convention of Lomé — internal agreements

The EEC Council has approved and signed the internal agreements on measures and procedures for implementing the new convention and on the financing and management of aid.

This internal agreement on financing and management mobilizes the funds from the member states under the convention and in relation to the overseas countries and territories (OCT).

For the OCT the EEC Council fixed a sum of 109 million EUA of which 94 million EUA will come under the EDF and 15 million EUA under the European Investment Bank.

The agreement not only fixes the rules for managing financial aid, but also defines programming procedures, the examining and approving of aid, and spells out how such aid should be controlled and used.

There was also agreement on the setting up of a new EDF committee of representatives of the nine member states to work with the Commission and a further committee to work with the EIB.

The EDF has funds of 4 636 million EUA which is provided by each of the member states in the following way:

Belgium: 273 524 000 EUA, 5.9%;
Denmark: 115 900 000 EUA, 2.5%;
Germany: 1 311 988 000 EUA, 28.3%;
France: 1 186 816 000 EUA, 25.6%;
Ireland: 27 816 000 EUA, 0.6%;
Italy: 533 140 000 EUA, 11.5%;
Luxembourg: 9 272 000 EUA, 0.2%;
Netherlands: 343 064 000 EUA, 7.4%;
United Kingdom: 834 480 000 EUA, 18.0%.

This breakdown can be modified by Council decision, if unanimous, in the case of a new country joining the Community.

The total is divided as follows: 4 542 million EUA for the ACP states, of which: 2 928 million EUA in the form of grants; 504 million EUA as special loans; 280 million EUA as risk capital; 550 million EUA as transfers under title II, chapter I of the Convention (Stabex); 280 million EUA under the special financial facility under title III, chapter I of the Convention (Sysmin); 85 million for the countries and territories. □

ST VINCENT

Following the independence of St Vincent on 27 October 1979, the Prime Minister of St Vincent requested, on 5 November 1979, accession to the Lomé Convention. The Commission forwarded to the Council of Ministers a recommendation for a Council Decision on the provisional application to St Vincent of the arrangements provided for

the Overseas Countries and Territories until St Vincent becomes an ACP country.

The Republic of Kiribati acceded to the Lomé Convention on 30 October 1979. □

EMERGENCY AID

The Commission decided in October to provide the following aid:

— 3 000 000 EUA for Dominica to provide food stuffs, animal food and equipment and materials following cyclone David;

— 3 000 000 EUA to Chad to provide medicines, medical equipment, fuel and spare parts following the recent troubles.

Central African Republic

The Commission decided on 13 November to grant the Central African Republic emergency aid of 300 000 units of account under Article 59 of the Lomé Convention for the purchase of essential supplies (medicines, sugar, insecticides, etc.); it comes in response to the appeal for international assistance made by the President of the Central African Republic and follows a visit to the country by Commission representatives at the end of October.

This emergency aid does not preclude the possibility of further aid at a later date. □

FAIRS

The Community's programme of participation by ACP countries in international trade fairs saw a 15 % increase in 1979 against the previous year. There were 151 participants as against 132.

Forty-three ACP countries and two regional organizations (the liaison committee for ACP fruit and vegetable producers and exporters and the African Groundnut Council) benefitted from Community aid to display at the main European and African fairs the best of their agricultural, craft and industrial products with a view to developing trade relations with the relevant professional bodies.

The trade successes notched up during the 22 trade fairs on the Community's 1979 programme were, as a whole, satisfactory. The best results were obtained from the more specialized trade fairs such as the Cologne food fair—ANUGA, the International Food Exhibition in London, the leather week in Paris, and the textile and clothing fair (SITHA) in Abidjan. Good results



Klaus Meyer, director-general for development in the Commission addressing the Berlin fair

also came from more generalized fairs such as those in Milan and Brussels where the ACP countries were represented by commercial companies or by professional groups.

The Partners in Progress fair in Berlin in late September attracted seven ACP countries. A number of African ambassadors and the Commission's development director-general, Klaus Meyer, attended the opening.

Mr Meyer spoke at the opening ceremony stressing the Commission's activities in promoting tropical products.

The Ivory Coast, Mauritius and Upper Volta were also at the women's ready to wear fair in Paris in October with great success.

The specialist Rotterdam wood fair in October saw the participation of Guinea-Bissau, Guyana and Swaziland. □

SEMINARS

Libreville: transfer of commercial technology

The Commission's regional cooperation unit organized a business tour seminar on the transfer of commercial technology from 1 to 5 October last in Libreville.

Representatives from 24 French-speaking ACP states and European industrialists, together with the union of the *Sociétés de Gestion à l'Exportation* and of the European committee of small and medium-sized industry, examined ways and means of developing production and export sales of firms in the ACP States.

The characteristics, usefulness and operation of the *Sociétés de Gestion à l'Exportation* (SGE) were explained to the participants during the meeting in anticipation of the creation on national or regional level in the ACP states of such export firms, which would enable companies to put their products into foreign markets.

It was shown that industrial and trade cooperation agreements between companies in the ACP states and European companies in the same line of business, also offer trade opportunities.

Participants were so interested in these two means of transfer that they asked the Commission to pursue its policy of encouraging the transfers to ACP firms facing export problems, mainly by systematic provision of information on the subject and by supporting projects presented by ACP states in this regard.

The Commission, the Center for Industrial Development (CID) and the ACP Secretariat collaborated on the "International Seminar on Industrial Cooperation between ACP states and the European Communities" organized for the "Deutsche Stiftung für Internationale Entwicklung" (DSE) in Berlin from 24 to 30 September and in Brussels from 2 to 6 October 1979 for about 20 ACP officials.

Demonstrations and discussions dealt mainly with industrial cooperation as provided under the Lomé I and II Conventions, transfer of technology, industrial training, aid to small and medium-sized firms and promotional experience acquired through the CID.

The Commission's staff also took part in two co-ordinating meetings of aid donors.

The first, which took place in London on 8 and 9 October had for objective the establishment and finance of the Sudan Rural Development Corporation.

The second, organized by the World Bank in Berlin from 23 to 26 October, enabled donors of bi-lateral and multi-lateral aid to exchange views on financial and technical assistance had the opportunity to explain the provisions on the matter, under Lomé I and II.

Planning human resources

On October 1 in Brussels a second seminar opened on human resources, training and employment in development policy was held.

This seminar, organized by the directorate-general for development of the Commission, is intended for high level English-speaking officials from the Lomé Convention countries who are responsible for manpower and

planning in their national administrations.

The seminar, which was organized with the help of IFCAD (Institute for the Training of Development Specialists), aimed to make the participants aware of planning of human resources in the widest sense, both as regards education and training programmes and the better use of resources.

Particular attention was being paid to co-ordinating education, training and employment and the programming of management training in the ACP so as to ensure that the best use is made of EDF financial programmes and projects.

This seminar is one of the training activities being carried out at the regional level with the aim, as recommended by the EEC/ACP Council, of strengthening efforts towards management training and especially training the personnel working in the administration and public services of the ACP States.

High level officials of Barbados, Ethiopia, Fiji, Gambia, Ghana, Guyana, Jamaica, Lesotho, Liberia, Kenya, Malawi, Mauritius, Nigeria, Papua New Guinea, Seychelles, Sierra Leone, Solomon Islands, Somalia, Sudan, Suriname, Swaziland, Tanzania, Tonga, Uganda and Zambia participated in this Seminar.

A similar seminar for officials from French-speaking ACP states was held in Brussels last June.

CID regional seminar on industrial cooperation

The Centre for Industrial Development held two regional seminars in Africa:

21-23 November in Douala, Cameroon

26-28 November in Addis Ababa, Ethiopia

The objectives of each seminar were to bring to ACP states in East, Central and southern Africa a greater sense of awareness of:

— the centre's role, complementary to the roles of the Commission of the European Communities and of the European Investment Bank, in encouraging and assisting the growth of ACP-EEC and intra-ACP industrial cooperation;

— some specific opportunities for industrial cooperation.

Papers were presented by the Commission, the European Investment Bank, the European Patent Office, the Economic Commission for Africa as well as by the Centre.

As the theme of the Centre is cooperation, the purpose of the Centre's contribution to stimulate discussion of needs and opportunities:

— which are offered by the adapted technologies which the Centre and both ACP and EEC industry have jointly examined and agreed could have a wide application. These technological processes have all been proven in the field;

— which exist for small factories. The centre will table profiles of several small manufacturing plants each of which can attract EEC industrial investment;

— in the area of any ACP industry which may be experiencing production difficulties;

— in the field of industrial training;

— for Centres for Industrial Services.

These two regional seminars are the first to be organized by the Centre in the ACP States.

DELEGATES

42 Commission delegates in ACP states study implementation of Lomé II

42 delegates of the European Commission in the ACP states held their annual meeting in Brussels from 1 to 15 October.

The working meeting was of special significance as it dealt with the implementation of the Lomé Convention—the major worry being how to launch the 5th EDF more rapidly and at the same time ensure a more effective and flexible operation of the new EDF.

Discussion centered mainly on programming within the framework of the 5th EDF. The delegates agreed on the necessity to avoid the mistakes of the 4th EDF, mainly the presentation of projects inadequately prepared or unrealizable.

The operation of the present EDF was equally examined with a view particularly to accelerating the programmes in progress (it should be recalled that 70% of credits have been committed). □

ACP GROUP

The committee of ambassadors held its 158th meeting in December 1979 at ACP House, the first to be held since the signing of the second Convention in Lomé.

The chairman of the committee of ambassador, Mr J. Ntungumburanye, congratulated the ambassadors for the cohesiveness and unity which they had manifested during the difficult negotiations with the EEC. Mr Ntungumburanye also paid homage to his predecessors for the energetic efforts they had employed in chairing the committee of ambassadors during the period.

The committee of ambassadors noted the terms of the compromise reached at Lomé by the ACP Group of States and the EEC over the provisions of Article 64 of the Convention of Lomé II.

The committee of ambassadors next heard and adopted the chairman of the sub-committee for intra-ACP cooperation's preliminary report on the Conference on the Development and Promotion of ACP Trade. This Conference was held from the 7 to 16 November 1979 at Nairobi, Kenya.

The committee of ambassadors debated a working programme and timetable for forthcoming meetings of the ACP group of states. The chairmen of the various ACP sub-committees were instructed to appraise the file and give it their full attention.

The file indicated the postponement till January 1980 of the ACP Council of Ministers' meeting on the budget, a decision taken at the extraordinary meeting of the Council of Ministers which was held in conjunction with the signing ceremony for the new Convention in Lomé. The ACP Council of Ministers will meet in ordinary session from 28 to 31 January 1979 in Monrovia, Liberia.

The committee of ambassadors was informed of the visit which will be paid to ACP House on 13 December 1979 by Dr William Tolbert Jr., President of Liberia and Chairman-in-Office of the Organization for African Unity (OAU).

Finally, various other notices were given to the committee of ambassadors, among them one on the third UNIDO Conference convened for the beginning of 1980 in New Delhi, India, and another on the ACP group's participation at Oceanoexpo 80, in Bordeaux, France. □

DATELINE BRUSSELS

Broadcasts on ACP-EEC cooperation

From 1 March 1980 the European Community is going to be spending 5 227 million EUA (6 924 million dollars) on development in the ACP states under Lomé II. Under both Lomé I and



The Commission's delegates gathered with officials of the directorate-general for development

the Yaounde conventions before, EEC cooperation has grown. But the people who benefit also have to be made aware of what the Community is doing and one way this happens is through radiotapes which can be broadcast within the ACP states. Clyde Alleyne from Trinidad and Tobago, who is in charge of "Dateline Brussels", explains what this information project is all about:

► *Clyde you are the producer and presenter of Dateline Brussels. Can you tell us a bit about the programme, how it began? Who it goes to?*

— Well roughly two a half years ago I was approached by the community in fact by Graham Kelly while I was in Barbados and he suggested that as a Caribbean or Third World journalist living in Europe did I not consider it may be of interest to do some work for the European Community and it was from there that Graham Kelly wrote to the Commission, and the ball started rolling. What was really needed was an understanding of the nature of broadcasting in the countries we wanted to reach.

We started off with the Caribbean and then branched into some of the African countries within the ACP group. We felt that it was better if we wanted to keep up the momentum to have a weekly programme. So we were faced with this monumental task of really breaking new ground being an international organization trying to get in on radio stations weekly but it was something we achieved.

► *How many countries are now receiving the programme?*

— We only broadcast to English-speaking countries, although we cover events that are happening in the French-speaking countries. So far we broadcast to 21 countries out of 29 English speaking countries. I think that's a major achievement after 2 1/2 years of existence. (1)

► *Do you get feedback, do you get reaction from the radio stations?*

— We get feedback via the various delegates who write to us, but also interesting for us, we get letters from the programme directors of the many stations who write to say they have enjoyed the programme and look for its continuation.

► *What are the programmes about? What is the raw material you are using?*

— We try not to be a flag-waver for the EEC because I think that is one way of turning off not only listening audiences but the programme directors of the Third World, so we try to get a very happy balance, and to approach the subject of EEC-ACP relations journalistically.



Clyde Alleyne interviewing President Kaunda of Zambia

I would aggressively pursue a point whether with the President of the Commission, Roy Jenkins, or with an ACP ambassador. We started off by explaining the Lomé Convention, the EEC and the institutions of the EEC, and how they correlate. I then went on to visit ACP countries starting off in the Caribbean islands, and going on to East Africa. In 1980 I am visiting West Africa. We decided to visit ACP countries to look at their development problems and what role the EEC has been playing in their development progress.

Because the ACP are pushing intra-ACP cooperation we thought that we could offer a service by letting ACP listeners, for example in the Caribbean, know how Kenya, Tanzania or Nigeria are facing their development problems.

► *Do you touch on controversial subjects at all?*

— I think everything we do is controversial because you are walking this very thin line of trying to please two masters, the EEC and the ACP. The mere fact that there has been a lot of disquiet as far as Lomé I is concerned, about the realization of projects after money has been allocated. Some ambassadors were absolutely against having a human rights clause in the new Lomé Convention. Anything we cover is very delicate, it has to be objective and balanced.

When I go to the ACP countries I'm not afraid at all to use the microphones of Dateline Brussels to ask very teasing, very pointed questions of politicians. Likewise with the various commissioners here in the EEC.

► *In the context of the Lomé Convention you have been doing to some extent pioneering work. Do you think there is room in the future for joint action between the EEC and ACP in the field of information?*

— I think there should be. I have actually broached it with certain officials in the ACP secretariat, in fact I pointed out to them the things we've looked at, and they have been quite amazed. I think probably it would be a good idea if an official approach could be made to see whether this could be another joint EEC-ACP operation, as the *Courier* is or many other operations are here.

► *How do you see the future of your programme in the context of the new Lomé Convention? Where do you think it's going to go?*

— One of the innovations we are planning to introduce in 1980, when the new series of programmes start is the use of reports from good journalists in ACP countries, covering objectively events happening in their respective countries. □

(1) ACP and OCT countries which use "Dateline Brussels": Jamaica (2), Antigua, Bahamas, Barbados, (2), Botswana, Fiji, Ghana, Guyana, (2), Lesotho, Kenya, Liberia, Malawi, St. Lucia, Sierra Leone, Tanzania, Tonga, Trinidad, Uganda, Western Samoa, Zambia.

GENERAL INFORMATION

1979 Programme of EEC aid to the non-associated developing countries

On 23 November the Commission approved a second instalment of projects (sixteen) under the 1979 programme of Community aid to the non-associated developing countries.

These sixteen projects represent grant commitments totalling 43.7 million EUA, comprising 39.4 million EUA to be set against the appropriation for 1979 (out of the 110 million EUA available) and 4.3 million EUA against the unused balance for 1978.

Growth of Community aid to the non-associated developing countries is as follows: 1976: 20 million EUA; 1977: 45 million EUA; 1978: 70 million EUA; 1979: 110 million EUA; 1980: Commission proposals: 140 million EUA.

Sectoral breakdown for the 1979 programme

The breakdown of the appropriation available for the 1979 programme is as follows:

Sectors	Amount (m EUA)	Percentage
— integrated rural development	29.3	26%
— irrigation and water-supply infrastructure	16.6	14%
— agriculture and forestry	12.4	11%
— fisheries and stockfarming	12.2	11%
— storage infrastructure	10.7	9%
— transport infrastructure in the rural sector	5.0	4%
— agricultural research	5.5	5%
— other rural projects	3.2	3%
— studies and technical assistance:		
. rural sector	5.8	5%
. other sectors	1.8	2%
— post-disaster reconstruction	11.0	10%
— (administrative costs)	(1.0)	(1%)
Total	114.5	100%

Geographical breakdown in 1979

Seventeen countries, four regional integration organizations, one regional bank, five international research bodies and one regional health organization will be the beneficiaries under the 1979 programme.

The geographical distribution of these projects results from concentration on the least developed countries. Other countries have been taken into

consideration only for regional schemes.

Asia, Latin America and Africa receive some 73%, 21% and 6% respectively. This breakdown reflects the Community's two priorities, namely to assist the poorest countries (mostly concentrated in Asia) and to ensure a Community presence in the major regions of the developing world. The Indian subcontinent alone receives almost half the total, and with a quarter of that amount going to the greatest beneficiary, India.

Cofinancing

For the purpose of coordinating Community action with that of the Member States and other donors, it is planned to cofinance seventeen of the 40 schemes selected for the 1979 programme i.e. almost half with international agencies or bilateral aid bodies in Member States (Belgium, Germany, Italy and the Netherlands).

Projects in the second instalment of the 1979 programme

Last April the Commission approved a project in Thailand, to the tune of 600 000 EUA, to promote the cultivation of "winged beans".

The second instalment covers the following projects:

India — supply of fertilizers 25 000 000 EUA

Sri Lanka — hydrological study for the Mahaweli Ganga Development Area 300 000 EUA

Thailand — rubber smallholdings' yield improvement 1 800 000 EUA

Thailand — irrigation studies (Pa Mong) 700 000 EUA

Yemen Arab Republic — financial support to the Taiz agricultural research centre 1 100 000 EUA

International Rice Research Institute (IRRI) — research support 1 000 000 EUA

Institute of Crops Research for the Semi-Arid Tropics (ICRISAT) — research support 800 000 EUA

Honduras — water supply and sanitation in the rural sector 3 200 000 EUA

Andean Pact — food technology (studies) 300 000 EUA

Central American Bank for Integration (CABEI) — technical assistance programme 500 000 EUA

Centro Internacional de la Papa (CIP) — research support 500 000 EUA

Centro Internacional de Agricultura Tropical (CIAT) — research support 1 000 000 EUA

Centro Agronómico Tropical de Investigación y Enseñanza (CATIE) — rural development pilot project and research support 1 100 000 EUA

Angola — scheme to step up the Somar fishery complex at Moçamedes 900 000 EUA

Sri Lanka — Eastern region rehabilitation programme 3 000 000 EUA

Nicaragua — scheme to rebuild a hundred or so agricultural centres 2 500 000 EUA

Total 43 700 000 EUA

The Commission is to approve the third instalment of the 1979 programme within the next few weeks. □

First loans to Egypt

The European Investment Bank has extended its operations to Egypt for the first time with two loans, each for the equivalent of 25 million units of account (approx. 25.1 Egyptian pounds), towards financing a thermal power station and deepening and widening the Suez Canal.

These loans have been made under the terms of the financial protocol concluded between the Community and Egypt which came into effect on 1 November 1978. This provides for 93 million EUA to be made available up to October 1981 in loans from the bank's own resources carrying a 2% interest subsidy financed from the Community budget; budgetary funds will be used also to provide 14 million EUA in loans on special conditions (term 40 years, including a 10-year grace period; rate of interest: 1%) plus 63 million EUA in grant aid (part of which for the interest subsidies).

Thermal power station

The EIB has lent 25 million EUA, for 20 years at a rate of 7.60%, after deduction of the 2% subsidy, to the Egyptian Electricity Authority, a public utility responsible for electricity generation and supply. The funds will help to finance an oil/gas-fired thermal power station to be built at Shoubrah el Kheima, north of Cairo.

The loan goes towards construction of the first stage of the power station, as well as power lines and associated equipment. The station is to be fitted out with three 300 MW generating sets, the first scheduled to come into operation at the end of 1984, the second towards mid-1985, the third at a later date. The project will help to meet the expected upturn in electricity demand from both industry and households.

Most of Egypt's electricity is now generated by hydropower. The Nile, which accounts for virtually all of the country's potential, has been exploited almost to its limits, although additional energy will be available from 1990 from the extension of the Aswan High Dam.

Future increases in electricity consumption must be met primarily by thermal power stations, fired by indigenous oil and gas. Apart from the Shoubrah el Kheima plant three other thermal power stations are presently under construction.

The Suez canal

The EIB has also lent 25 million EUA to the Suez Canal Authority (SCA), the public utility responsible for the canal's upkeep and running. The loan will similarly be provided for a period of 20 years at a rate of 7.60%, allowing for the interest subsidy.

The SCA has undertaken to deepen and widen the canal, to expand and

upgrade facilities and to improve the alignment by constructing a new section to by-pass Port Said. It is expected to complete this work so that the canal will be open to 16.1 m draft vessels by mid-1980.

The Bank's funds will go towards clearing 12 wrecks from the north and south entries to the canal, and rationalising and expanding ship repair and maintenance facilities at Port Said, Ismailia and Port Tewfik, in particular by installing additional lifting equipment. The work is also being financed by Japan, Germany, the World Bank and a number of Arab development institutions. □

FRG

Germany's African policy

Despite increasing efforts to establish a German-African dialogue, there are still "profound gaps in the field of information and communication between African countries and the Federal Republic of Germany" according to the Bonn Institute of International Relations (Institut für Internationale Begegnungen).

The Federal Republic's African policy seems insufficiently understood among African countries. Nevertheless, German economic involvement in Africa is important and could be more so in other areas such as the decolonization of Namibia and Zimbabwe and the fight against racism in South Africa, the Institute believes. Germany is among the 5 western nations involved in negotiations for the decolonization of Namibia and its public opinion is more and more opposed to apartheid.

However some prominent politicians in government as well as in the political parties believe that Bonn's policy in favour of progress and liberty everywhere in Africa is not well known and ought to be better explained and more widely propagated.

We have received from Mr Dieter Bielenstein, Secretary General of the Institute, four texts from Chancellor Schmidt and from members of Bundestag (the Parliament) concerning the German position on certain African issues. Here are some extracts:

On South Africa the main subject of an article in *Die Neue Gesellschaft*, by Wolfgang Roth a Social Democratic Party MP and member of its executive Committee, it is considered that "the existence in South Africa of a racist system, of persecution and of extreme social inequalities is, for more than one reason, catastrophic for that country".

He believes that "South Africa is vulnerable from each Africa country but that it can also inflict terrible damage". Mr Roth notes that "South Africa is the cause and the legitimacy

for disproportionate arms spending and for terrible wastage in poor countries". This he added, often constitutes "a threat to peace on the entire continent".

In the view of Wolfgang Roth, in order to halt and defeat racism in South Africa, contribute to economic development and to establish peace in Africa, it is necessary "to pursue a strategy of pressure on supporters of the apartheid regime by gradual diplomatic and economic sanctions on the one hand, and by encouraging every internal South-African initiative for a peaceful solution on the other.

Another parliamentarian, Uwe Holtz, chairman of the Bundestag's economic cooperation committee intervened on the position of Angola and Namibia. He told the newspaper *Vorwärts*: "Angola is interesting to us not only because of its underground wealth and economic weight but equally because of its role in the search for a solution to the Namibian problem.

There was a great deal of political damage, during and after the war with Portugal, and relations with MPLA, whose members today constitute the country's governing team, took a turn for the worst. The improvement in our relations with Angola gives us an opportunity to reflect on efforts for peaceful change in Namibia.

At the moment, the initiative of the governments of Great Britain, France, Canada, the United States and the Federal Republic of Germany, is only being pursued through a British negotiator; everything must be done to ensure that this initiative is not bogged down.

"The Federal government has always emphasized its responsibility vis-a-vis the former German colony and it would, as before, stake its honour on accelerating negotiations for a peaceful transition to independence in Namibia and to seize every opportunity, however small, which could bring us closer to a positive outcome" added Mr Holtz.

The chairman of the Bundestag economic cooperation commission believed on the other hand, that South Africa must understand the "demands" of German public opinion.

Uwe Holtz's remarks sounded like a prelude to the official government position on the conflicts in southern Africa indeed Chancellor Schmidt, recently declared that "with regard to the conflicts in southern Africa, the German Federal Republic is unconditionally on the side of those intervening in favour of self determination and human dignity without distinction of colour of skin or political persuasion.

"We, Germans, are against colonialism, against all kinds of racial discrimination and against the permanent persecution of the black majorities in southern Africa. There is no more place

in the world for these vestiges of a past era. Namibia and Zimbabwe must become independent. The policy of racial discrimination must give way to a policy of equality for all men in South Africa.

"We are in favour of peaceful means to a solution of these conflicts. After the bitter experience of our own country we have come out in Europe as in the whole world against violence and for peaceful change.

Mr Peter Corterier, equally a member of the Bundestag, recalls that European countries cannot protect their interests "south of Europe by combating the Soviet Union, but only by means of a credible policy in favour of economic and social development for all". □

NGOS

Relations with non-governmental organizations

By the end of November 1979, the Commission had received 187 demands for funds under the scheme for cofinancings with NGOs. These requests from 68 NGOs totalled 17 181 180 EUA. Commitments stood at 10 035 555 EUA for 122 projects. An additional 139 024 EUA had been made for four global donations.

In addition the Commission had contributed to 14 projects to educate European public opinion, undertaken by the NGOs, coming to 170 119 EUA. □

DAC

Ministerial meeting

In late November the Development Assistance Committee (DAC) of the OECD held a ministerial meeting. This annual meeting provides the participants with an opportunity to exchange views on the problems of development and to agree guidelines for the future work of the committee.

The committee recognized, within the context of the worldwide economic and political problems of development, the importance and the mutual interest involved in the proposal of the Group of 77 on global negotiations.

The development strategy should act as a point of reference in these negotiations while preserving its role in the various fields—internal policy, health, environment and so on.

Low flow of aid

The committee deplored the low level of official development aid (ODA)

especially in the case of the poorest countries. It also studied the consequences for financing development policy of the rise in oil prices. It emphasized the importance of non-concessional flows, especially for countries of average income. On the whole the financial problems of the developing

countries were judged serious but not insurmountable.

The ministerial meeting of the DAC also adopted a number of guide-lines aimed at improving the provision of aid. This was the result of work carried out in the preceding year in which the Commission had played an active part. □

UNHCR

Food aid for UN High Commission on Refugees

The UN High Commission on refugees has asked the Community for an emergency food aid for Refugees in several countries.

- Botswana: (20 000 southern African refugees);
- Uganda: (25 000 from Rwanda, Zaire and other displaced persons);
- Pakistan: (200 000 Aghanistans);
- Somalia: (300 000);
- Zambia: (12 000 Zimbabweans).

Following this request, the Commission has decided to make the following first batch of aid:

- 30 tons of butter oil for Botswana;
- 100 tons of powdered milk for Uganda;
- 100 tons of butter oil and 100 tons of powdered milk for Pakistan;
- 100 tons of butter oil for Somalia;
- 60 tons of butter oil for Zambia.

Furthermore, the Commission has asked the Council to approve a second batch consisting of 200 tons of powdered milk for Uganda, 500 tons of powdered milk and 160 tons of butter oil for Pakistan and 150 tons of butter oil for Somalia. □

IMF/WORLD BANK

The Belgrade jamboree

The annual meeting of the International Monetary Fund (IMF) and the World Bank is an event that evokes worldwide interest not only because of the profound effect it can have on the international monetary situation but because once its decisions are taken there is no pussyfooting. Thus it came as no surprise that the developing

world, which is far from satisfied with the present situation, was in force at October's sittings in Belgrade.

Two not entirely exciting decisions as far as developing countries were concerned were reached, namely, an agreement in principle to set up the much-heralded "substitution account" and a pledge to continue the fight against inflation.

The former, which will enable countries to deposit excess dollars into an account from their central banks in return for interest-bearing claims denominated in the IMF's own currency, the special drawing right, (SDR), was accepted by developing countries on the assumption that it would be just a step forward towards an overall reform of the system, as called for in a meeting earlier in Belgrade between the so-called groups of 24 and 77.

US Treasury Secretary G. William Miller however dismissed this as a misconception and in his own speech to the conference went even further to suggest that the IMF might be empowered to scrutinize the economy and exchange rate policies of any country running either a large payment deficit or a large surplus.

Mutual interest

Coming at a time of mounting criticism of the IMF's stringent stipulations for loans in the developing world, and at a time when private commercial banks in consequence are making inroads there, Mr Miller's statement had an explosive effect. However this was muffled in the deluge of speeches emphasising the need for increased assistance to developing countries—a subject hammered home by World Bank President Robert McNamara when he warned industrialized nations against looking inward in attempts to preserve minor privileges.

By helping less favoured nations to become productive partners in an international system, he said, the industrialized nations would be helping themselves.

As for the substitution account itself, Britain's Sir Geoffrey Howe, said that the UK was far less enthusiastic about it, adding that it "could in principle make limited but useful contributions to the stabilization of exchange rates". However, intensive negotiations on the working of the account are expected between now and April 1980 when the interim committee meets in Hamburg to make a final decision.

A successful fight against inflation, the top priority of industrialized nations, is recognised by developing countries as a pre-requisite for improving the world economic situation and in effect their import capability.

But as there is no magic formula for overnight change which they would prefer, they were reconciled to the gradual process advocated by industrialized nations. □

ZIMBABWE

The people of Zimbabwe and of the rest of Africa enter 1980 with a feeling of real satisfaction. An agreement, a genuine one, was finally signed in mid-December between the Patriotic Front, the Muzorewa government and the British government, aiming at independence for Zimbabwe in the first half of this year after democratic elections which, unlike those held previously, will allow all the people of Zimbabwe to choose their leaders.

After 15 years the just cause and the obduracy of the Patriotic Front, supported by the OAU, the United Nations and all those who believe in justice, have overcome the mad adventure of a handful of irresponsible men who unfortunately possessed very considerable means of dealing death, but not of saving life.

The Republic of Zimbabwe will be born in a few months as a truly independent state whose people will at last achieve human dignity. This was the aim of the struggle waged by the Patriotic Front of Robert Mugabe and Joshua Nkomo, whose actions will have been the main catalyst in the victory over the law of the minority. The diplomacy and firmness of the British government in reaching this solution must also be stressed.

During this fight for independence in Zimbabwe the European Community provided considerable humanitarian aid. An independent Zimbabwe may, if it so wishes, join the ACP-EEC Lomé Convention. L.P.



Robert Mugabe with Claude Cheysson

The EEC Commission has always supported the cause of an independent Zimbabwe



Equally, the United Nations and the Belgian Zimbabwe Committee (Comité Belge pour le Zimbabwe) have spared no effort in the search for peace and liberty in this country. Pictured at a meeting in Brussels are Thrérèse Gastaut, head of the UN office in Brussels, Frédéric Dahlman of the Belgian Zimbabwe Committee, Robert Mugabe and Josiah Tongogara (left), ZANU defence secretary, who was killed in a road accident in late December

TRADE PROMOTION

A seminar on the promotion of wood sales by the Andean group was held in Lima in late September. From the European side 12 chairman of national bodies, a representative of a banking group and a representative of the major commercial outlets attended. The

Latin-American side was represented by 50 producers and civil servants. The week of discussions provided useful contacts and will enable trade in wood to develop between Europe and the Latin American countries involved.

The Philippines, Indonesia, Pakistan and Mexico all participated in the women's ready to wear fair in Paris in October, and Peru was present at the specialized wood fair in Rotterdam, also in October. □

keeping with the specific arrangements in this sector created by the multifibro agreement (MFA).

For the products covered by the MFA, individual countries have quotas given to them if they have accepted quantitative restrictions on their exports.

These quotas were determined in each case on a number of criteria—the level of competitiveness in the textile sector of the country concerned, and the general level of its gross national product.

For products not covered by the MFA the beneficiary countries as a whole will be given tariff free access for 55% of the volume of their total exports in 1977 as long as this volume does not exceed 25% of the preferences given in 1978.

As far as agricultural products are concerned the 1980 adjustments concern certain quotas only, since concessions concerning tropical products under the GATT multilateral trade negotiations have already been put into effect by the Community.

As in 1979 when particular attention was paid to measures favouring the least developed countries by exempting them from products listed under chapters 1-24 of the GSP scheme, 1980 also saw efforts in the same direction with changes for certain products sub-

EUROPEAN COMMUNITY

The EEC has adopted its system of generalized preferences for 1980

During its meeting on 20 November the Council of the European Communities gave its approval to the scheme of generalized preferences (GSP) in favour of the developing countries(1). This brings to an end the initial ten year period of the GSP which the Community was the first to put into operation in July 1971. The 1980 scheme

extends what went before, but next year it will be necessary to define longer term guidelines for the second decade of the GSP.

Despite difficult economic circumstances the Community has agreed to make a new effort to improve the access of industrial products from the developing countries to the Community market.

For textile products, the new preference scheme (the main outlines of which were decided in May 1979) is in

(1) We published the Commission's proposals to the Council on GSP in the *Courier* No 57 September-October 1979. Yellow pages X.

ject to quotas such as cocoa butter. In any event imports from the least advanced countries will be free from quantitative restrictions.

1980 will also see China included in the Community's GSP for the first time under special conditions.

Both the European Parliament and the Economic and Social Committee have both been consulted on the GSP. □

COMMISSION

The Commission must play its part

During an informal meeting at Comblain-la-Tour in September 1978, the Commission decided to call in independent experts to give an objective view of the internal organization and administrative structure of the Commission. After many months of work the five-man commission under the chairmanship of ambassador Spierenburg has presented its report.

The experts suggest reducing the number of Commissioners to eight, and to divide the portfolios in the same way so that each of the eight have sufficient responsibility.

They suggest that there should be one commissioner for each country instead of the present system where Britain, France, Germany and Italy have two each and the other five countries one each making a total of 13.

The role of the President would be to chair the Commission and represent the Community, according to Spierenburg, with one vice-president, instead of five at present, to act as his deputy, and provide coordination. They would have horizontal responsibility while the other commissioners would have vertical responsibilities. Such a structure could enter into force, according to the report, in 1981 when Greece becomes the 10th member. There would then be 10 commissioners—the President the vice-President and eight commissioners with departmental responsibilities.

Planning for enlargement

The experts also recommend a reduction in the number of administrative units so that after the admission of Spain and Portugal the number of directorates-general coincide with the number of portfolios.

The role of the directors-general should also be reinforced, and they should have more direct contact with the members of the Commission to whom they are responsible, and be delegated, though precise mandate, important negotiations and other roles as representatives of the Community.

At the same time, the report believes, the role of the "cabinets" (or private offices) of the commissioners ought to be reduced since at present they often form a barrier between the commissioner and his departments.

In a further section of their report the experts consider the administrative policy of the Commission. At present it employs 8 300 people of which 40% are concerned directly or indirectly with linguistic work.

The report proposes a series of measures to make the administration more efficient and offer the staff better career prospects, without prejudicing the benefit the Commission can derive from the use of staff of experience recruited from outside.

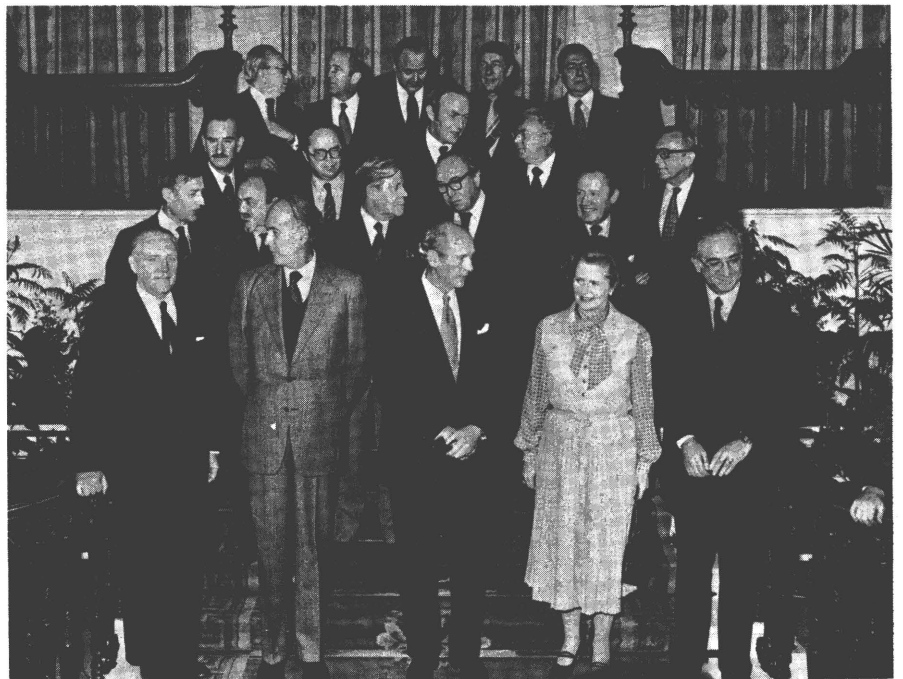
In a press conference after the informal gathering of the Commission at the beginning of October, President Jenkins said they approved, in general, the proposals made in the Spierenburg report. □

EUROPEAN PARLIAMENT

Budget rejected

Just six months after the first ever direct elections, the European Parliament has shown its political teeth by throwing out the Community's budget for 1980. The Parliament was unhappy about the Council's response for its call for changes in the balance in the draft budget between the various Community policies. The Parliament's rejection was very conclusive, 288 votes to 64, a majority of 224 against the budget. As the *European Financial Times* put it, "the Parliament decided to take a yard precisely because the Council refused to give an inch".

The old, unelected Parliament, also had the power to reject the budget, but since the creation of the EEC it had never used it. The rejection was there-



The European Council met in Dublin, the Irish capital, at the end of November where much of the time was spent discussing, without agreement, the British contribution to the Community budget. The heads of state and government were accompanied by their foreign ministers with whom they posed for this "family" photo

From left to right: Front row: Pierre Werner, Prime Minister of Luxembourg; President Valéry Giscard d'Estaing of France; Irish Prime Minister Jack Lynch; British Prime Minister Margaret Thatcher and Italian Prime Minister Francesco Cossiga. Second row: Prime Minister Van Agt of the Netherlands; Prime Minister Anker Jorgensen of Denmark; Chancellor Helmut Schmidt of Germany; Roy Jenkins, President of the European Commission, Gaston Thorn, Luxembourg foreign minister, and British foreign secretary, Lord Carrington. Third row: Foreign minister Ch. A. van der Klaauw of the Netherlands; Prime Minister Wilfried Martens of Belgium; Michael O'Kennedy, Irish foreign minister talking to the Italian under-secretary, Giuseppe Zamberletti. Back row: Henri Simonet, Belgian foreign minister talking to his French counterpart Jean François-Poncet; Hans-Dietrich Genscher, German Foreign minister; Keld Olesen, Danish Foreign minister and Commission vice-president, François Xavier Ortoli

fore a major political event in the development of the Community, the consequences of which are likely to be considerable in the long run. For the moment, however, the Community faces the prospect of starting 1980 without its budget. A new draft budget will have to be drawn up for submission to the Parliament and in the meantime the Community will have to finance itself from month to month on the basis of its old allocation.

Michel Poniatowski elected chairman of the development committee



Michel Poniatowski

Colette Flesch (Lib. Lux.) who was formerly chairman of the European Parliament's development committee was recently elected a questor of the Parliament.

She received the highest number of votes for the various questor posts. As a result she has had to give up the development committee.

Michel Poniatowski (Lib. Fr.) was elected chairman in her place. Born in Paris in 1922 he studied law, and attended the Ecole Nationale d'Administration (ENA).

He is a former minister, and an honorary chairman of the republican party. Until his election he was a roving ambassador, and personal representative of the French President.

New vice-president of the European Parliament

Piet Dankert (Dutch soc.) was elected a vice-president of the European Parliament to replace Anne Vondeling, who was killed in a car accident in November. Mr Dankert has been a member of the Parliament since 1977.

What's happened to former members of the Commission?

Name	Responsibility	Date	Situation in 1979
Some have risen			
Raymond Barre (F)	Economics	1967-72	Prime minister
Jean-François Deniau (F)	Development	1967-73	Minister of Trade
Patrick Hillary (IRL)	Social affairs	1973-76	President of the Republic
Franco-Mario Malfatti (I)	Presidency	1970-72	Minister of Finance
Giuseppe Petrilli (I)	Social affairs	1958-60	Chairman of IRI
Henri Simonet (B)	Energy	1973-77	Foreign minister
Altiero Spinelli (I)	Industry	1970-76	MP (Rome-Europe)
Christopher Soames (GB)	Foreign relations	1973-77	Governor of Rhodesia
Some have gone elsewhere			
Albert Coppé (B)	Social affairs	1967-73	University professor
Ralf Dahrendorf (D)	Research	1970-74	Director of LSE
Robert Marjolin (F)	Economics	1958-67	Economist
Jean Rey (B)	Foreign relations and presidency	1958-67	President of European Movement
Emmanuel Sassen (NL)	Competition	1967-70	Permanent representative to the EEC
Victor-Hubert Bodson (L)	Transport	1967-70	Lawyer
† Albert Borschette (L)	Competition	1970-76	
Giuseppe Caron (I)	Internal market	1959-64	Retired minister
Guido Colonna di Paliano (I)	Industry	1964-70	Hon. ch. Rinascente
Walter Hallstein (D)	Presidency	1958-67	Politics
Fritz Hellwig (D)	Research	1967-70	Economist
Petrus Lardinois (NL)	Agriculture	1973-76	Banker
† Robert Lemaignen (F)	Development	1958-61	
Lionello Levi-Sandri (I)	Social affairs	1961-70	State concillor
† Piero Malvestiti	Internal market	1958-59	
Sicco Mansholt (NL)	Agriculture Presidency	1958-72 1972-73	Politics
† Michel Rasquin (L)	Transport	1958	
Henri Rochereau (F)	Development	1961-67	Civil servant
Carlo Scarascia-Mugnozza (I)	Agriculture	1972-73	State councilor
† Lambert Schaus (L)	Transport	1958-67	
George Thomson (GB)	Regional policy	1973-77	House of Lords
Hans von der Groeben (D)	Internal market	1958-70	Retired

This list is based in members of the Commission although some may have served in Euratom and the ECSC before the fusion of the three Communities.
Source: Vision.

Edgar Pisani joins socialist ranks

Following a decision by the French council of state the number of seats given to Simone Veil's list in the European elections in June in France have been reduced from 26 to 25. The extra seat went to the socialist Edgar Pisani, making 22 French socialist members in the European Parliament.

Economic situation

The economic and monetary committee of the European Parliament met in November in Brussels under the chairmanship of Jacques Delors (Soc. Fr.).

It first considered the economic situation of the Community based on a report by Philipp von Bismark (EPP-Ger.).

The members expressed their concern at the consequences of the price rises for oil and the deep recession in the American economy on the development of economic activity in Europe.

They recalled the overriding need to control inflation through appropriate measures in each country by regulating expenditure to government income, monetary control, prices and incomes, which in turn would preserve the chances of future increases in investment and ensure greater social justice.

The MEPs then studied the 8th report by the Commission on competition policy. André Damseaux (Lib. Bel.) stressed the need for the Parliament to exert control on the general policy followed by the executive in the field of competition so that the rules adopted would strengthen the unity of the market and improve economic efficiency.

Agriculture

The current situation in agriculture was reviewed by the President-in-Office of the Council, Mr James Gibbons T.D., when he addressed members of the committee on agriculture of the European Parliament in Dublin 19 November. Sir Henry Plumb (U.K. European Democrat) presided.

It was the first time the committee had met with the President-in-Office in the country holding the presidency. The President-in-Office dealt with the position in relation to five areas of the CAP.

In a wide-ranging discussion with the members of the committee, Mr Gibbons said that all of the measures contemplated by the Council and Parliament in relation to agricultural structures must have a social purpose.

The Community as a whole had an obligation to meet the conditions of

poverty affecting certain categories of farmers, and in that respect, the Parliament had a particular function in directing expenditure.

Energy

The committee on energy and research, chaired by Hanna Walz (EPP-Ger.) held an initial discussion on the draft report by Karl Fuchs on the Commission's communication on Community objectives in energy policy for 1990, and the coordination of national policies. The controversy on nuclear power is at the centre of the Parliament's deliberations.

Taking his cue from the Commission report, the rapporteur believed that energy development should continue, but under the strictest safety measures which should be universally applied at the Community level.

In opposition to this view the Italian radicals and their allies demanded an immediate halt in nuclear power development. Edgar Pisani (Fr) and Gordon Adams (GB) of the socialist group proposed a compromise, limiting growth and changing the means of distribution.

The rapporteur hoped for a change in energy investments away from concentration in nuclear power by diversifying into replacable and existing energy. The examples given were geothermal, solar energy, and a full use of coal resources. It is also necessary to develop gas transmission lines since supply could increase fourfold by 1990.

There was unanimity on the need for a common energy policy aimed at rationalization and the use of new technologies. The committee also agreed on the need to encourage all types of consumer to economize on energy in order to avoid economic and social disruption. □

The specific requests included a standstill in tariff cuts on a number of industrial products, an extension of the period allowed for the introduction of tariff measures for infant industries, larger Community import quotas for certain paper products, and improved concessions on agricultural products.

In view of the difficulties Portugal is currently experiencing with its industrialization, coupled with its trade deficit, which is mainly with Community Member States, and in order to ease the transition to Community membership, the Community accepted most of Portugal's requests.

The protocol initialled on 22 November contains derogations from the agreement arrangements, in order to give Portugal a certain amount of protection against imports and thus ease the task of restructuring and development, particularly with regard to motor vehicles. The protocol also provides for increased Community imports of Portuguese paper products, a tariff concession on pineapples, bigger tariff preferences for preserved sardines, tunny, bonito, mackerel and anchovies and preserved olives and capers, larger tariff quotas for bottled Port and Madeira, and an extension of the preferential arrangements to cover Vinho Verde and Dão wines.

The protocol is due to come into force on 1 January 1980. □

RESEARCH SPENDING

The European Community is currently spending more than the United States on research and development (R & D) and nearly twice as much as Japan.

Total R & D spending in the Member States amounted to 11 170 000 EUA in 1978 against the United States' 10 660 000 EUA and Japan's 6 000 000 EUA for civil projects.

This is a considerable increase compared with the sixties and early seventies when the EEC was well behind its main industrial rivals.

Community R & D activities had been developing since the Council resolution of January 1974, and since 1977 had been following four main objectives:

- improvement in the long term security of Community supplies (energy, agriculture, primary products);
- development of economic competitiveness;
- improvement of living and working conditions;
- protection of the environment and of nature.

Nevertheless, Community R & D expenditure remains modest, not much more than 2% of total Member States expenditure on R & D. □

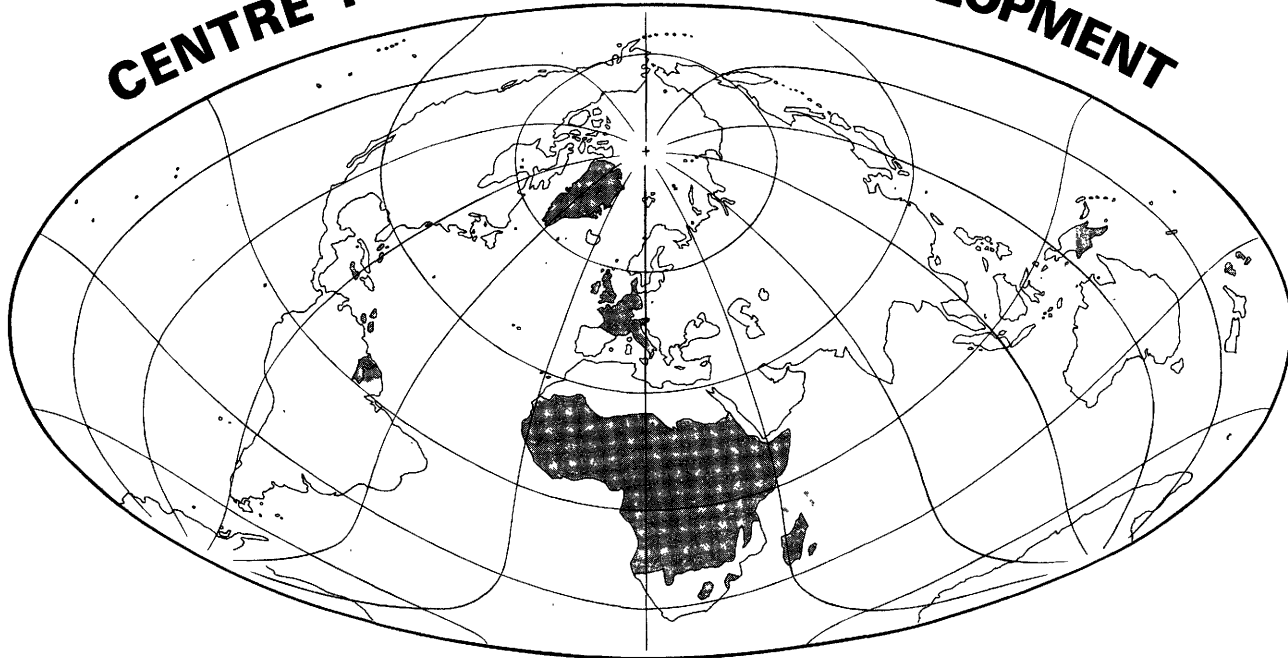
EEC-PORTUGAL

Revision of 1972 agreement

On 12 November the Community and Portugal opened negotiations for the revision of the 1972 EEC-Portugal agreement. They were concluded on 21 November, with the two delegations reaching agreement.

The negotiations originated in a request made by Portugal at a meeting of the EEC-Portugal Joint Committee at the end of January, when its delegation called for changes to the EEC-Portugal agreement in order to take account, in the trade arrangements, of the problems Portugal was facing in restructuring and developing its economy, and to pave the way for its forthcoming integration into the Community.

CENTRE FOR INDUSTRIAL DEVELOPMENT



BUSINESS OPPORTUNITIES

Offers from firms in the EEC

Manufactures of cements and various compounds

Ref. 76/61b

A Belgian firm wants to contact ACP companies interested in manufacturing cements and various compounds for the building trade.

The investment required (plant and constitution of stock for three months) is around Bfrs 12 million for production of about 600 t p.a.

Manufacture of battery chargers

Ref. 79/62b

A French firm would like to contact any ACP companies interested in making battery chargers locally.

Craft and industrial woodwork

Ref. 79/63b

A French company is interested in making medium-sized wooden articles in conjunction with ACP partners.

Clothing

Ref. 79/64b

An English company, experienced in the manufacture and

supply of uniforms for the armed forces of many countries, is interested in a joint venture (50/50) in an ACP state to produce uniforms and other professional clothing. The minimum production would be around 50 000 jackets, shirts and pairs of trousers p.a. An initial staff of 20 could ultimately be expanded to 200.

This production unit could cover the European and/or ACP markets. The English company would be responsible for marketing the products.

Manufacture of paints and resins

Ref. 79/65b

A Belgian company is seeking partners to set up paint and resin factories in the ACP states, particularly in East Africa and Rwanda. The company is willing to participate in projects, both by supplying technical assistance, getting ventures under way, training staff, providing financing plans and taking at least 25 % of the capital.

Outlines of various projects are available at the CID.

CID assistance related to energy projects in the ACP

One of the most serious constraints on economic growth in developing countries is the high cost of energy. The majority of developing countries are basically exporters of raw materials, and have little or no chance in making up for increased import prices of oil by a corresponding increase of prices of their export commodities. Thus, their overall terms of trade have drastically worsened since 1973, and in particular many ACP States now have to spend up to 40% of their export earnings to pay for oil imports, against about 10% five years ago.

The possibilities of developing countries to save energy are rather limited. Unlike industrialized countries, their energy consumption is very low and reflects their lower degree of mechanization and productivity of labour. Economic growth can not be achieved without the use of tractors, irrigation pumps, agricultural and industrial plant and machinery, nor is the integration of developing countries into regional and international trade possible without diesel and aviation fuel for rail, sea and air transport.

In short, without ample application of mechanical and electrical energy, developing countries will never be able of even reducing the gap between themselves and the industrialized world.

The following figures give an indication of the close connection between economic development and energy consumption:

Table 1. Development of average world consumption of primary energy		
Year	Consumption in m. tons coal equivalent(1)	Per-capita consumption in kgs coal equivalent
1800	15	17
1870	218	
1900	777	483
1920	1 425	
1970	7 000	
1975	8 640	2 140
2 000(2)	12 600 - 19 600	2 200(3) - 2 800

(1) 1 ton coal is equivalent to 0.714 tons of oil and 11 600 kwh.
 (2) World energy conference 1977 estimate.
 (3) 1978 average consumption.

Table 2. Average energy consumption per capita 1978 of selected countries and regions	
Country/Region	Kgs of coal equivalent
World	.2 200
USA	12 840
EEC	5 800
Nigeria	65
India (1973)	204
China (1973)	440

Developing countries have no chance to reach the present level of economic development of the industrialized countries, unless agreement is reached on implementation of the following measures:

— saving of energy in particular of fossile fuels, in the industrialized countries, mainly in domestic heating (30-40% of present total consumption) and individual transport (20-30%);

— development of alternative sources of energy including nuclear power, thereby giving particular attention to technologies adapted to the situation in developing countries;

— exploitation of heavy oil and tar sand deposits both in developing and industrialized countries.

The CID, since it was established three years ago, has assisted several ACP countries to study the possibilities for alternative energy projects. In accordance with the national priorities of ACP States, and the guidelines given to the CID, projects had to comply with at least two of the following criteria: (1) saving of foreign exchange, (2) use of local resources, and (3) labour intensity. Moreover, technologies had to be industrially proven, and commercially and economically viable.

Consequently, the CID is providing assistance to ACP sponsors for projects in the following sectors and countries:

**Table 3.
CID-assisted energy projects**

Sector and country	Project	CID intervention
1. Bio-masse Sudan Cameroon	Processing of 72 000 tons of molasses into 16 000 tpa of ethanol, for blending with petrol. Investment: about US \$8 m. Production of 1 000 tons yeast and 1 000 tons alcohol p.a. Investment: US \$7 m.	EDF financed study; CID follow-up together with EEC joint-venture partner, Sudan Government and financial institutions. Co-financing of study.

Gabon	Transformation of sugar cane into ethanol, for blending with petrol. Investment cost to be determined	Identification of EEC partner and co-financing of study.
Jamaica	Artisanal bio-gaz (methane) generator for use of agricultural waste (1.6 - 6.75 m ³ gaz/day). Investment: US \$200-850.	Financing of pilot plant.
Seychelles	Gasification of coconuts for generation of electric energy. Investment: US \$40 000 for 28 kVA generator.	Identification of project and preparation of study; pilot plant to be financed by German government.
Several ACP countries	Charcoal production for domestic and industrial use, from wood waste or soft wood plantations.	Identification of suitable technologies; preliminary projects studies; preparation of project proposals.
2. Hydro-electricity Zaire, Cameroon, Rwanda	Establishment of minipower stations for farms, saw-mills, work-shops, etc., in rural areas not linked to electricity distribution network; typical range: 3-40 KW.	Studies and technical assistance.
3. Solar Kenya	Manufacture of thermic solar captors for water heating.	Co-financing of study.
4. Hydro-carbons Kenya, Madagascar, Trinidad & Tobago, Jamaica, Nigeria, Ghana, others	Re-cycling of used lubrication oil; average through-put capacity about 2 000 tpa. Investment: US \$2.9 m. (including working capital, for plant capacity of 1.5 ton/hour).	Identification of technology and assistance to undertake feasibility studies.
Nigeria	Exploitation of bituminous sands and processing into about 400 000 tons of bitumen and 300 000 tons of fuel oil. Investment: about US \$300 m.	Identification of technology, formation of technical and financial consortium, monitoring of geological and study work.
Madagascar	Exploitation of bituminous rocks; capacity and investment cost to be determined.	Identification of project and technology; assistance with preliminary studies.

ACP principals interested in studying the possibilities for establishing projects of the type described above, but also in any other field of alternative energy, are invited to submit project proposals to the CID.

These proposals should give as much information on the local conditions for the project under consideration, as well as information on the project sponsor (present industrial activity, last annual report, etc.).

The CID will be pleased to evaluate these proposals, if appropriate, in cooperation with a potential EEC partner. If the project appears to be viable, the CID will consider any further assistance which may become necessary such as the search for EEC joint-venture or technical partners, the elaboration of feasibility studies, the organization of project finance, and the conclusion of management and training arrangements.

CID aid for existing ACP firms

Since it was first set up, the CID has gradually evolved a way of helping existing firms which come up against technical, operational and organizational problems or which are anxious to diversify or expand. This assistance involves providing the firms with qualified experts to identify the problems and suggest solutions. Here are a few examples of schemes run and results obtained:

Zambia — improvement and development of the tourist industry

Ref. 79/66c

There have been two expert appraisals here—one on

improving the tourist trade in the short term and one to establish long-term development strategy.

The recommendations have been approved and adopted by the Zambian government. 4. ZAM. 1.TOU.

Malawi — rehabilitation of a rice plantation

Ref. 79/61c

The problem here was broken rice. The results of the expert assessment, aimed at improving the quality of rice production, have been approved. 4. MAL. 1.FOO.

Madagascar — extensions to a paper pulp factory Ref. 79/68c

The government has approved the results of the expert appraisal and the extensions are now being built. 4. MAD. 2. TIM.

Madagascar — reestablishment of a wooden frame factory Ref. 79/69c

The experts' recommendations have been approved by the National Investment Bank. 4. MAD. 3. TIM.

Madagascar — reestablishment of a gelatine factory Ref. 79/70c

The experts' conclusions were negative and the National Investment Bank has acted on the CID recommendations and closed down the plant. 4. MAD. FOO.

Trinidad — rehabilitation of a perforated brick factory Ref. 79/21c

The experts' recommendations have been acted upon. 4 TT. 2. EXT.

Trinidad — car filter factory Ref. 79/72c

The rehabilitation measures recommended by the experts have been approved, production has improved and negotiations are now being held with potential investors. 4 MEC. TT.

Sierra Leone — assessment of a supply of equipment for a fish meal factory Ref. 79/73c

A foreign firm offered its second-hand plant, the experts agreed it should be accepted and a joint venture has been launched. 4. SL. 3. FOO.

Jamaica — recuperation and utilization of used machinery Ref. 79/74c

The conclusions of an expert appraisal are now being considered. 2 JAM. 2. MEC.

Nigeria — rehabilitation of a coffee liophilization and decaffeination plant Ref. 79/75c

The experts' conclusions have been approved and the measures adopted. 4. NIA. 18. FOO.

Barbados — rehabilitation of a textile and clothing plant Ref. 79/76c

An expert appraisal is being carried out. 4. BAR. 3. TEX.

Papua-New Guinea — boosting production of a soap factory Ref. 79/77c

An expert appraisal is being carried out. 4. PNG. 3. CHE.

Guinea-Bissau — rehabilitation of an oil mill Ref. 79/78c

An expert appraisal is being carried out. 4 GB. 3. FOO.

Offers in the ACP States

Sudan — salt refinery Ref. 79/79b

A private industrialist and the Sudan Development Corporation intend setting up a table salt refinery producing about 20 000 t p.a. from sun-dried water from the Red Sea. Total production will be in the region of 100 000 t p.a.

Any EEC salt producers interested in helping with a feasibility study, ensuring management, providing know-how and taking a roughly 10% share in the capital of the new company should contact the CID.

Congo — plastic crates Ref. 79/80b

A private Congolese concerned producing polyethylene-

/polystyrene articles (household goods, containers and pipes) is interested in diversifying its production to include plastic crates for local breweries. There is expected to be a call for about 350 000 such crates p.a. The Congolese firm is seeking a technical (already producing in Europe) and financial partner.

Barbados — mineral water Ref. 79/81b

The government of Barbados is currently assessing a project to produce bottled mineral water, primarily for the export trade. A feasibility study has to be run. The government will cover all local costs. European mineral water producers are invited to contact the CID.

Stop press

EEC offer

Soil brick plants Ref. 79/82b

A German firm offers co-operation for the establishment of small mobile plants for brick manufacture from soil and chemical compounds.

The plants require little energy and are operated where the bricks are needed.

Capacity: 200 to 300 soil bricks/hour, diesel fuel consumption 2 litres/hour, investment about US \$25 000.

Interested parties may contact directly: KST, D 8904 FRIEDBERG-STAETZLING, Germany. Telex 053627, or the CID.

A QUICK RESPONSE

If you are interested in any of the items mentioned in this periodical, send us a telex quoting the reference and we will send you further information when it is available.

Address all correspondence to:

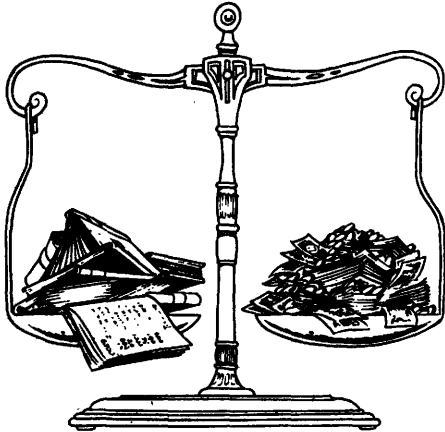
Centre for Industrial Development
"Business Opportunities"
451, Avenue Georges Henri
1200 BRUSSELS,
BELGIUM.

Telex No. CDI 61427
Telephone (02) 7358073.

A glance at Community life⁽¹⁾

THE INSTITUTIONS

Keeping close eye on the spending of the taxpayer's money



The European Court of Auditors hit the headlines for the first time when details of its confidential report on the expenses of the 13 members of the European Commission began to appear in the international press this summer.

The last issue of *Euroforum* reported on the Commission's reaction to the contents of the report—since made public—and the determination of its President, Roy Jenkins, to exercise more rigorous control over expenditure where possible.

But while the public have taken a great deal of interest in the findings contained in the report, few people have a clear idea of what the Court of Auditors is or does.

The Court is the youngest of the Community institutions. It started work only towards the end of 1977 when it took over and developed the role of its much smaller predecessor, the Audit Board, which had a staff of 30. The Court's payroll now covers 170 people, and this figure is expected to rise to over 200 next year.

The Court is based in Luxembourg in a building that has been used by the Community since the 1950s, but as the Court has expanded so has it been forced to take additional accommodation elsewhere in the city.

The Court consists of nine auditors—one from each Community country—who have either belonged to external audit bodies or who are qualified for the office. At their first meeting, the members decided to nominate Irishman Michael Murphy, a former Secre-

tary of the Irish Department of Finance, as its President.

The members are appointed for six years, like the judges in the Court of Justice, although to ensure a satisfactory rotation a number of them are serving only four year terms this time round.

The Court is regarded as being the 'financial conscience' of Europe and its task is to examine 'the accounts of all the revenue and expenditure of the Community'. This focuses in particular on the Community budget—worth just over £8 billion last year.

But, unlike its predecessor, the Court may carry out audits whenever it wishes—the old Board had to wait until the annual closure of accounts and the final payment on a project had been made, before moving in. The wider scope given to the new Court allows for continuous audits, which makes it easier to tackle any financial irregularities that might occur. The Court has the power to publish its findings, submit reports on its own initiative, comment on specific questions and give its opinion at the request of any of the Community institutions.

Although occasional reports, such as that on the Commissioners' expenses, catch the public's imagination, most of the Court's work is taken up in preparing its annual report for each financial year, in much the same way as an annual audit is carried out on the books of a private or, more particularly, a public company.

Its first such report, covering 1977, was published earlier this year and highlights several cases of what the auditors considered was misspending of Community funds which, after all, are contributed by the taxpayers in the nine member states.

For instance, they pointed out that in 1977 the Commission sent Niger six times more milk than it needed, and 3 750 tonnes of husked rice were found to be unfit for human consumption when they arrived.

It also noted that over £3.5 million still remain to be collected from agricultural frauds dating back to 1971. The 20 cases of fraud discovered in 1972 had shot up to 258—or one per working day—four years later.

The annual report should in future be ready for publication by the November of the year following. As the Court becomes more familiar with its tasks, and builds up its contacts with the other Community institutions, so the reports are expected to be more tho-

rough and the procedures more streamlined.

Later this year, therefore, the Court will publish its findings on 1978 expenditure and revenue in the Community—the first time the report will be entirely the fruit of its own labour. The 1977 report largely relied on the groundwork done by the old Audit Board.

Earlier this year, the Court published a factual, and non-contentious, report on the Community's office accommodation policies in which it recommended that the institutions 'give further study to whether the present apparent preference for rental agreements continues to be sound financial management'.

The Court noted that of the many buildings used by the Community, it owned only its small sports ground at Overijse on the outskirts of Brussels and offices in Paris, Montevideo, London, Ottawa and Washington. All other buildings are rented.

The members of the Court are: Mr Michael Murphy (Ireland), President; Mr Aldo Angioi (Italy), Mr Paul Gaudy (Belgium), Mr Arne K. Johansen (Denmark), Mr Albert Leicht (Germany), Mr Pierre Lelong (France), Mr Marcel Mart (Luxembourg), Mr André Middelhoek (Netherlands), and Sir Norman Price KCB (United Kingdom).

ENVIRONMENT

Children brush up on their knowledge of the great outdoors

At one time, developing an acquaintance with the world outside the school window was described as 'nature study'. Very often, it amounted to little more than germinating peas and beans in a glass jar, starting a flower patch in the school grounds or pressing autumn leaves into textbooks after an outing to a public park.

However, in more recent times, nature has become known as the environment and nature study has become known as environmental education.

The European Commission is taking an active interest in this type of study and is currently sponsoring a project which is aimed at coordinating environmental studies in certain pilot schools in the nine member states.

The network started its work in February 1977. Before this, discussions between representatives of the Commission and the ministries of education

(1) From *Euroforum*.

in the Community member states established its main aims and operational framework.

It was agreed that the schools involved would advance the range and quality of the environmental education they provided by cooperating and learning from each other's experience. It was also agreed that the schools would act as collectors of information for schools in their own countries and for the Community as a whole.

The members of the coordinating team are based in the Curriculum Development Unit in Dublin. Schools were chosen on the basis that children involved would be in the nine to eleven age group, there would be evidence of good practice in environmental education and that teachers would be willing to join their colleagues in other countries in discussing and developing classroom techniques.

The network was set up between February and June 1977, when teachers from all the pilot schools met each other for the first time at a seminar in Dublin. They agreed that each pilot school and centre should be encouraged to embark on a study of some aspect of its local area. They also agreed to facilitate communications between schools by issuing a newsletter, to explore the possibility of organizing in-service courses in environmental education for teachers, and to encourage exchange visits between teachers.

Concerning the project work, a village school in Belgium examined the effect that tourists had on the village. A school in Hertfordshire, England established a mini-weather station and studied weather forecasting and its importance on agriculture.

A school near Rome made a study of fossils and archaeological remains of the Etruscan and Roman civilisations. Schools in both Dublin and the Netherlands made studies of the ecology. Other studies in other member states included insect infestation, fishing, food and city life.

Copies of a study called 'Life and Environment' presenting the work of the Curriculum Development Unit can be obtained from:

O'Brien Educational,
11 Clare Street,
Dublin 2, Ireland.

Bottle banks play important role in preventing waste

'Neither do men put new wine into old bottles', the Bible tells us. But is it any longer a universal truth?

In recent years we have become accustomed to the sight of empty bottles stockpiled at various points around our cities awaiting recycling. They may sometimes be unsightly but they are playing an increasingly important environmental and economic role in society. Consider a few statistics.

By doubling the amount of waste glass recycled over the next 2-3 years the European Community could save 225 million litres of oil, over £4.5 million in waste disposal costs, more than 2 million tonnes of raw materials and reduce the total amount of glass in domestic waste by 20%.

This picture emerged from an international seminar on glass recycling recently held in Brussels which was attended by experts from Community institutions, the OECD, consumer and environmental bodies, the Community's Waste Management Committee and representatives of industrial container glass manufacturers.

The seminar was organized at the initiative of FEVE, the European Container Glass Federation, to brief European experts on the latest developments in the field.

The reports showed that Community countries are already making great strides in glass recycling. For example, front-runner Germany achieved a figure of 370 000 tonnes in 1978; France expects to recycle 600 000 tonnes by 1982; the UK is well advanced with its 'Bottle Bank' scheme; Belgium is now extending collection systems across the country. Other member states also have programmes.

The key to success in most cases in the bottle-bank placed at strategic locations in towns and villages such as supermarkets, car parks and street corners, where householders bring along their empty bottles and jars. The containers are emptied by private contractors or local authorities and the glass is sold back to the manufacturers for

cleaning and remelting into new bottles.

Recycling is of considerable importance for society: it means less glass to collect, less glass to dispose of, less extraction of raw materials and savings on the use of energy. All these benefits have environmental consequences and also represent financial savings.

Industry also benefits in terms of more economical energy use (2% energy saving for every 10% of recycled glass used, due to its lower melting point) and more efficient use of raw materials (for every tonne of crushed glass used in the furnace, 1.2 tonnes of raw materials are saved).

The FEVE president, Mr David Bailey, told the seminar his organization is committed to doubling the amount of glass recycled over the next 2-3 years.

Cross-frontier pollution: a pan-European concern

'Acid rain' and 'black snow' in recent years have taken their places in the vocabulary of environmental accidents that already included such inelegant couplings as 'red mud' and 'mercury poisoning'.

All these are the results of industrial activity which, unfortunately, may also produce pollution that affects innocent victims a long distance away.

Acid rain and black snow are weather disturbances which have afflicted Scandinavian countries for several years and which have been blamed for the death of salmon and vegetation which are among these countries' most valuable resources.

The cause of these polluted rains and snows is a subject of constant concern and study for scientists in these countries, but many of them seem to believe that the environmental pollutants which fall on them from the skies originated in other European countries or even in North American plants and factories and are carried by wind currents to their Nordic destination.

There have been high-level contacts involving government ministers of the



various countries involved but no firm decisions have been reached so far. One major difficulty, of course, is that few countries want to invest in major industrial modifications to prevent pollution that doesn't affect them, even though it affects countries hundreds or even thousands of kilometres away.

Now, however, after years of discussion, nearly all the countries of Europe have participated in the drafting of an international convention on the prevention of long-range transfrontier pollution. The treaty will bind the countries that sign it to a serious effort of research and, hopefully, the eventual elimination of this problem.

The accord also represents a major diplomatic achievement because it involves virtually all the countries of Eastern and Western Europe. It is one of the more striking examples of East-West cooperation foreseen in the historic 1975 Helsinki agreement on security and cooperation in Europe.

Conducted under the auspices of the United Nations Economic Commission for Europe in Geneva, the negotiations which have paved the way for the agreement have spotlighted one of the few areas that unites European countries of such diverse ideologies and economic systems. Both the Communist and market economy countries of Europe have agreed that this new form of industrial hazard is a problem that concerns everyone.

This document is expected to be ready for signature following a major ministerial meeting of all countries involved set for 13-16 November in Geneva. The European Commission in Brussels feels that the European Community as an entity should sign the new pollution convention as well as its individual member states and has requested that the member governments give it the authority to do so.

Both the member countries and the European Commission have been participating in the preparation of this meeting on trans-frontier pollution.

ENERGY

Coal may yet prove to be even blacker gold than oil

Amidst all the gloom surrounding the energy crisis old King Coal's merry old soul is glowing brightly. Long neglected during the era of cheap and abundant oil supplies, which ended abruptly in the winter of 1973, coal is now coming back into favour.

In striking contrast to oil, the Community has plentiful reserves of coal, especially in the UK and Germany. But the problem has long been that it was

more expensive to mine domestic coal than import foreign oil. Moreover, high wages were insufficient to attract enough men to accept the danger and discomfort of working underground.

Mining also became more costly as the shallower and easier seams were exhausted. But there has never been any question of shortages.

Now coal is ready for a comeback. Speaking recently at the German coal mining centre of Saarbrücken, Mr Guido Brunner, European commissioner responsible for energy, said that coal would increasingly replace oil and gas as a source of energy. He added that in a period of high unemployment, prospects in the coal industry were good.

Mr Brunner pointed out that, in contrast to the oil and gas industries, investment in the coal industry had been rising steadily with £675 million being invested annually.

While some Community member states prefer to buy coal on the cheaper world market, Mr Brunner pointed out that only 10% of world production is traded internationally. The world market will therefore be unable to meet the growing demand for coal. He also pointed out that petrol and gas can be produced from coal, thus greatly increasing its utility.

Mr Brunner said that the Community would continue to encourage domestic coal production through cheap loans and special loans on the international markets. He added that £675 million will be provided to develop new coal technology, not only to reduce costs but also to exploit more inaccessible reserves.

Economic motoring: a few signposts to better performance

One of the rarest things these days is to find someone who admits to being a bad driver. Many fancy themselves as Fangios or Nikki Laudas burning down the motorway or screeching round hairpin bends.

But a bad driver is not simply dangerous; he is also heavy-footed and wastes petrol. Fortunately, life is becoming steadily more frustrating for such drivers, with petrol prices escalating rapidly and speed restrictions and fines becoming more and more severe.

In addition to the safety aspect, one major reason for this is, of course, the oil crisis and the need to economise on petrol. European Community experts have calculated that fuel savings of between 20-35% could be achieved by more efficient cars over the next 20 years. But immediate savings, of the order of 10 to 15% or more can certainly be got from better driving behaviour.

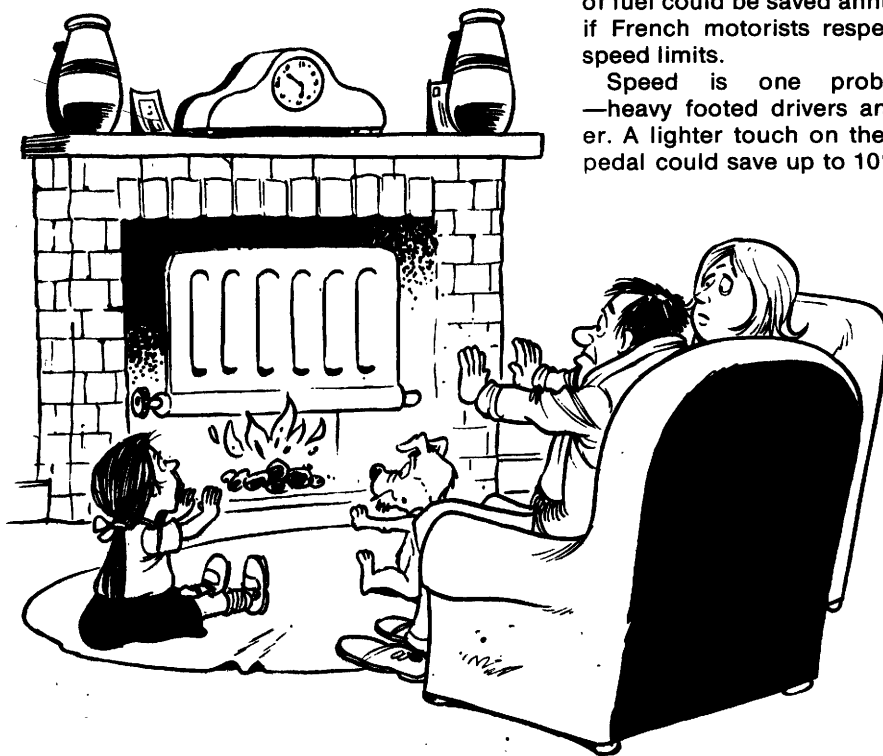
For instance 10% less petrol is used for each 10 km per hour (just over 6 m.p.h.) cut in speed. A 1200-1300 cc European car consumes 6.5 litres of petrol per 100 km at 80 km/h, 7.3 at 90 km and 8.2 at 100 km.

Denmark and Ireland have the strictest speed limits in the Community but Germany has no compulsory limits on its autobahns. However, speed limits serve little purpose if they are ignored.

In France, for example, only 5% of motorists caught speeding in 1975 had exceeded the limit by more than 10%. By 1978 the ratio had risen to 20%. It has been estimated that 500 000 tonnes

of fuel could be saved annually if French motorists respected speed limits.

Speed is one problem—heavy footed drivers another. A lighter touch on the gas pedal could save up to 10% of



fuel without affecting average speed. Racing starts at traffic lights or violent acceleration consume gallons. More frequent gear changes, especially at low speeds, could also work wonders.

The driver is only half the problem. A well-tuned and designed car is also essential. The fuel performance of European cars varies greatly. French cars are the most efficient, according to a recent study of the Geneva based Economic Commission for Europe.

A standard French car consumes 8.45 litres per 100 km compared with 8.72 for an Italian, 9.32 for a British and 9.55 for its German counterpart.

European cars have for long been more economical than US cars. But there is no room for relaxation. The Americans are aiming to cut average fuel consumption to 8.5 litres per 100 km by 1985.

Member states have, however, already started to try and improve car efficiency. A standard fuel consumption test has already been introduced in Germany, the UK and France to aid car owners and buyers assess fuel rates of different models.

An agreement has been reached between the UK and German governments and their car industries to reduce fuel consumption of new cars by 10% between 1978-85. Similar schemes to encourage development of more energy efficient cars are now being discussed in other member states.

These national agreements should be completed by a Community agreement to ensure a consistent and fair presentation of results. Improvements could also be achieved through the wider use of diesel engines and liquefied petroleum gas (LPG). Diesel engines were practically unheard of a few years ago but are now found in 6% of new cars and the ratio is rising fast.

In the longer term the mixture of alcohol with petrol could also bring major savings. Tests have shown that up to 35% alcohol can be added without having to change car engines.

The development of external combustion and gas turbine engines and continuously variable transmissions could cut fuel consumption by 50%. But these are not for tomorrow.

On the other hand you can cut fuel consumption by 5-8% today by fitting an economiser onto the carburettor. It is of greatest value in towns and dense traffic. Moreover it is relatively cheap. Electric cars are another possibility once batteries of sufficient power and life have been developed at commercially viable prices. Lighter, more streamlined cars equipped with better tyres would also save fuel.

TAXATION

Europeans topping league table as the yield rises

Taxmen would hardly rate a place on anyone's list of favourite people. To most people, they are the prototype image of anonymous bureaucrats who slice increasing chunks off salaries every payday.

It is not surprising that European taxmen have become the targets of a considerable amount of bitter abuse and the hapless victims of a number of unpleasant jokes. It is generally acknowledged that the levels of taxation in Europe are among the highest in the world.

A graphic indication of just how much tax the average European pays is contained in a recent study prepared by the Organization for Economic Cooperation and Development (OECD)—the Paris-based organization that monitors economic trends in the developed, industrialized countries of the world.

According to the OECD study, the nine Community member states feature at the top of the league along with the Nordic countries and Switzerland when it comes to taxation.

Leading the Community's own league table is Luxembourg, where the average level of taxation last year was around 50%. The tiny land-locked country is followed by the Netherlands (46.7%), Belgium (44.4%), Denmark (43.2%) and France (39.4%). Further down the table is Germany (38.0%), the United Kingdom (35.3%), Italy (34.5%) and bringing up the rear is Ireland where the average level of taxation is around 33.7%.

The study also contains some other interesting facts about taxation in the OECD as a whole. It draws attention to how the level of tax revenues have changed over the years. For the OECD area, the average proportion of Gross Domestic Product accounted for by taxation rose from 28% in 1965 to 36% in 1977.

The increase was especially large in northern Europe—the Nordic countries, Belgium, Luxembourg and the Netherlands. Between 1977 and 1978, however, figures show that there has been a levelling off of this trend.

As regards tax structures, the OECD points out that the main tendencies have been to increase reliance on personal income tax and social security contributions while reducing overall reliance on consumption taxes, especially excises on tobacco and alcoholic drinks. Taxes on corporate incomes and on property have also continued to decline in most countries.

It is worth noting that the level of taxation in the United States is around 30.4%, lower than any of the Community countries. Yet this level has triggered off a 'tax revolt' in the USA where Americans are expressing open and bitter dissatisfaction.

So it would appear that the average European is a pretty tolerant sort of person when it comes to paying tax since there has not been any widespread 'revolt' in the Nine.

Nine come together in an effort to combat evasion

Life is to be made somewhat less cosy in the future for tax dodgers who cost Community governments—and,



indirectly, all taxpayers—millions of pounds every year.

The Community's Council of Ministers has just agreed to three important pieces of legislation governing value added tax, one of which will reinforce the efforts of the nine member states in their fight against fraud and evasion.

The new legislation extends an existing system of mutual assistance between the member states in certain tax areas to VAT by means of an agreement to exchange information, as well as the setting up of a uniform procedure for the recovery of VAT in another member state.

Increased Community-level cooperation to beat the dodgers

At first glance coal miners, wealthy industrialists and popular singing stars would seem to have little in common. But they are just some of the Europeans who are increasingly finding themselves the subject of increased attention from the taxman.

In virtually every European country in recent months there has been a growing interest by governments in stemming what they once considered an acceptable drain on resources. What they are aiming to do is reduce—though hardly eliminate—the drain on national treasuries because of various forms of legal or illegal tax evasion.

In 1979 there was an agreement by the Council of Ministers to combat evasion of value-added tax. But this is only one form of tax dodging which is ultimately at the expense of the honest citizen and which national authorities are determined to defeat.

While the label 'tax evasion' or avoidance sounds like a crime, some of it is very deeply rooted in the traditions of different countries or professions. For instance, British tax authorities are closely scrutinizing the various industrial and business practices that grant employees tax-free benefits such as company cars, meal money or even free coal for coal miners. The Inland Revenue Service estimates that millions of pounds are being lost each year because of such practices and is considering a crack-down on this and other forms of tax evasion.

The same is true in France, where 'Open Season on Tax Fraud' was the title of a cover story in one of the country's leading weekly magazines in October. According to the article, if all tax cheats had paid all their taxes in 1979, income taxes could have been reduced by half.

A number of the country's top musical stars have been the subject of tax investigations in the past few years, as has been one of the country's leading industrialists.

In Italy, the issue has engulfed household names in the business world but also involves 'ordinary' citizens. Investigators there have estimated that some six million people were engaged in 'black work'—undeclared jobs on which they pay absolutely no taxes or social security. This type of undercover work is also widely practised in other countries.

Individuals and companies in Germany, Denmark, Belgium and the Netherlands have all come under the prying gaze of tax detectives.

The problem of tax evasion has become so widespread that international organizations such as the European Community, as well as the Council of Europe and the Organization for Economic Cooperation and Development have for some time been making a serious study of the problem.

One of the headaches they have been increasingly concerned with involves uses of 'tax haven' countries which have generous tax laws and serve as headquarters for thousands of 'mailbox' companies. Other practices that cut a company's tax bill include 'transfer pricing' and other methods of shifting money or profits from subsidiaries in one country to another at the most advantageous prices.

With the post-war spurt in international business activity, there has been an accompanying surge in the ways of manipulating tax laws. In order to keep a more watchful eye on both the legal and illegal tax practices, national administrations have realized that there must be more international cooperation.

That's why the Community's economics and finance ministers have decided to increase the cooperation between them which began in 1977, in cases involving both direct taxation and value-added tax collection.

Tax commissioner Richard Burke does not think enough is being done to fight tax evasion. Criticizing the lack of cooperative action on the part of the member states' governments recently, he said: 'It begs the question as to whether there is a political will to make progress in this area'. Mr Burke was addressing trade union representatives in Brussels.

The European Commission in Brussels, which is in charge of seeing that these new cooperation laws are applied, recently told the European Parliament that most member states have now incorporated the first Community measure to beat the dodgers, which was agreed in 1977, into their national laws.

In addition, a major international symposium under the auspices of the Council of Europe is being planned for early 1980. This will be followed closely by the Commission and the nine governments, all of them equally anxious for any new ideas that will help them crack down on the multitude of tax avoidance practices that increase the taxes for other citizens.

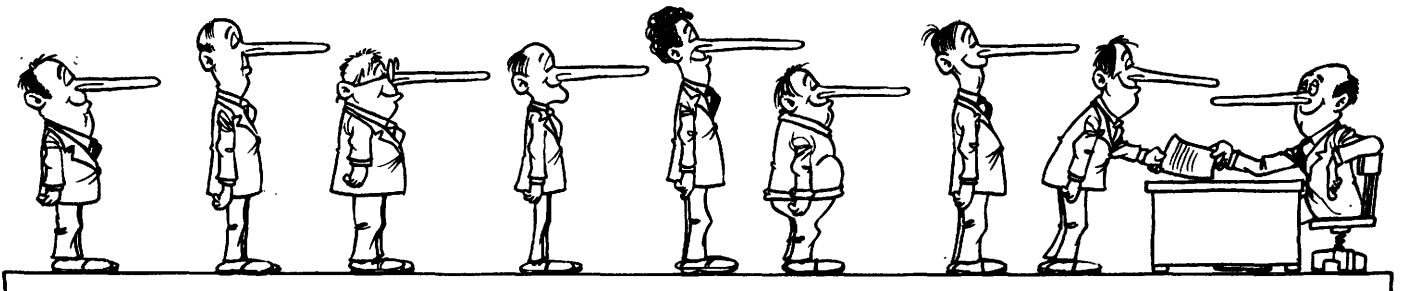
LIFESTYLE

Adopting yet another part of the American way of life?

'They're always getting together, no matter what their age or class or outlook. Not just in the commerce and industry associations which everyone joins, but for a thousand other reasons: religious or moral, weighty or frivolous, wide-ranging or highly-specialized, vast or tiny'.

Thus Alexis de Tocqueville describing American life 144 years ago (*Democracy in America*, 1835) and what he saw astonished him; 144 years later he would probably be equally surprised to discover to what extent this American approach has spread to a less strait-laced Europe.

Over half the people living in the European Community today, for instance, are paid-up members of at least one association. In some countries, like the Netherlands and Den-



mark, the proportion is as high as 75-80%.

So who are all these people who form associations and join groups, and why do they do it?

Giving a speech to the European Association for Voluntary Service recently, Jacques-René Rabier, who is in charge of a number of surveys regularly carried out by the European Commission to find out what Community citizens think or how they live, referred to some research the Community has done on this and related subjects.

Nearly 9 000 people were questioned about the clubs and associations they belonged to, anything from trade unions and mutual aid societies to political parties, religious organizations, cultural or educational groups and sports clubs. When the results were analysed certain clear patterns emerged.

Throughout the Community, it's the men who are the keenest group-joiners, though in countries where joining groups is most popular, the difference between the sexes dwindles to insignificance. Where it is least popular, in Italy for instance, the gap is much wider.

There twice as many men as women belong to an association. It seems to be a cumulative thing too: in countries where joining groups is most common, people are likely to belong to several organizations.

However, we mustn't assume that everyone who joins a group is necessarily going to be an active member. In Belgium, for instance, 71% of the people questioned belonged to an association, but only 20% claimed to be active.

What accounts for these variations? One reason seems to be nationality, another what Mr Rabier calls 'cognitive mobilization', which he measures in terms of how keen a person is to talk politics and try and convince those around him. The keenest tend to be mostly men between the ages of 25-50. These 'opinion leaders' are likely to belong to several organizations.

However, as de Tocqueville noted, groups exist for an enormous range of activities. Belonging to a bowling club or a parent teacher association cannot really be compared with militant activity in a political party or trade union.

However, the survey did discover that the most popular associations for Europe as a whole are the trade unions, mutual aid societies and sports clubs, closely followed—at least for women—by religious groups. Political associations trailed far behind.

Generally speaking, women seem to be more interested in social, religious and cultural activities, and men in trade unions, sports and politics.

Certain differences are notable between countries—if they belong to

any organization, Italian men are most likely to choose a trade union. For Italian women it is often the only organization they would think of joining. The Germans and the Irish on the other hand, especially the women, prefer religious or philosophical organizations, and hardly anyone anywhere, but especially not in France, and especially not women, is interested in joining a political group.

Perhaps we can leave the last word to de Tocqueville: 'Among the laws which govern human society, there is one which seems clearer and more precise than all the others. For men to stay civilized—or achieve civilization—it is essential that they develop and perfect the art of getting together with each other'. □

TRANSPORT

Moving towards a more mobile Europe

The idea of a fixed link (tunnel or bridge) across the English Channel has been around in some form or another since Napoleonic times. Now the project could be given a new and perhaps decisive boost following the publication by the European Commission of a Green Paper on the improvement of transport infrastructure in the Community.

The Channel Tunnel plan is just one of more than a dozen projects mentioned in the paper as being examples of major infrastructure schemes of potential Community interest which the Commission would like the Council of Ministers to approve. Others include better cross-border links in Ireland and

better communications between Dublin and Cork and Galway.

The main theme of the Green Paper is that while the Community is constantly taking steps to eliminate trade barriers between the nine member states through the abolition of customs duties and similar hindrances to free trade, other no less obvious barriers remain. These are natural, geographical barriers (e.g. mountain ranges, rivers and other stretches of water) which obstruct the free flow of goods and people, and often create special hardships for the Community's outlying regions.

Although the member states have devoted a good deal of their resources to the development of their international transport infrastructures, there are several reasons for closer Community involvement in the planning and execution of infrastructure projects.

The most significant of these is the importance given to the development of a common transport policy in the Treaty of Rome.

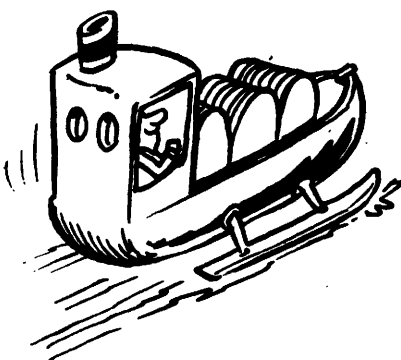
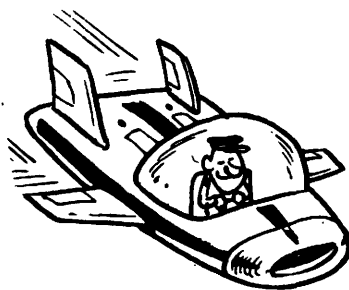
Transport accounts for some 6% of Community GNP (more than agriculture), 15% of total capital investment and as much as 40% of capital investment in the public sector. It is therefore, the Commission feels, a sector comparable with agriculture and steel, which have for many years been the subject of Community action and investment.

Another reason for Community involvement is the changing shape of transport in Europe. Over the past decade, the growth in traffic between member states has increased twice as quickly as the volume of purely national traffic. This trend is likely to continue, the Commission says, and the demand for transport could double by the year 2000. The Community must be in a position to respond effectively to this demand.

The current practice of conceiving and executing infrastructure projects in purely national terms can lead to duplication of effort and does give rise to serious inadequacies. A disproportionate priority is given to roads and motorways, for example.

The Commission stresses that the role of the Community would be to supplement, not to replace, national action. The Community would provide financial assistance and ensure coordination.

The advantages of the Community taking part in the development of transport infrastructure are by no means purely economic. There are important social implications, especially for frontier regions. These areas, many of them at present financially disadvantaged, should be the first to benefit from the improvement of



cross-frontier links in terms of improved living standards and employment prospects. Improved infrastructure, by redressing the dangers of centralization in the Community, could be an essential part of existing regional policy.

Infrastructure is also closely linked with the Community's energy policy. Transport consumes about 14% of total Community energy, and 24% of petroleum products. Getting the best return on that consumption, and ensuring the right choices in terms of the most 'energy economic' forms of transport, are problems that infrastructure planning can play a part in resolving. The quality of the infrastructure network for each mode of transport influences the choices made by transport users.

The Commission is, however, not unaware of the fact that the development of transport infrastructure can have disadvantages, both socio-economic and environmental, and these have to be borne in mind.

What shape, then, does the Green Paper envisage the Community role in transport infrastructure taking? The Commission stresses that the member states should retain the right of initiative for infrastructure plans.

A project proposed by one member state would be discussed by its eight partners and the Commission, and its value to the Community as a whole assessed.

The Green Paper suggests that Community intervention would become necessary when a desirable project did not command sufficient priority at the national level, or where it might overtax national resources. Community action could also be useful where a number of member states were involved in a project, but where there was no way of sharing costs effectively.

Aid, where appropriate, would be provided by a special financing mechanism for infrastructure investment, which has already been forwarded to the Council of Ministers for approval. The adoption of this mechanism (expected by some sources in June 1980) is seen as being one of the most important developments so far in the Community's transport policy.

Money has already been voted by the European Parliament to finance a series of studies aimed at examining the weak points in the Community's current infrastructure network and the conditions under which bottlenecks are produced. Earlier this month, during its debate on next year's Community budget, the Parliament voted £30 million to help finance improvements in transport infrastructure throughout the nine member states.

In addition, a committee on transport infrastructure has been set up and is hard at work examining every aspect of transport communications in the Nine.

The role of the Commission document is, as the term 'Green Paper' suggests, to promote a wide-ranging discussion and debate on the future development of transport infrastructure in the Community, a debate which is particularly relevant in the light of the accession of Greece in 1981.

A symposium planned by the Commission for the first half of next year will attempt to draw the threads of this discussion together.

Euro-MPs support Commission campaign for lower fares

The European Commission has secured the strong backing of members of the European Parliament for its plan to introduce greater flexibility into air transport in the Community.

At their October plenary session in Strasbourg, the Euro-MPs virtually without exception spoke in support of the Commission Green Paper published this summer which examines the possibilities of increasing the efficiency of our airlines, thereby reducing the cost levels of air transport in the Community. If anything, they thought that it should have perhaps gone further.

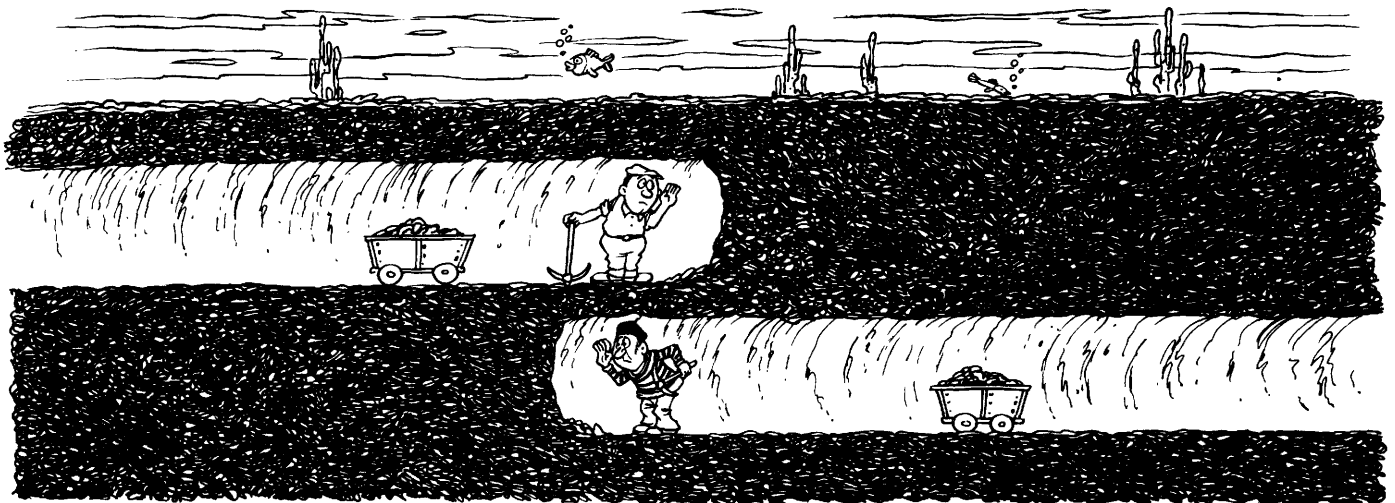
MPs obviously relished the opportunity to dwell on the cost and difficulties of flying in Europe, one of them saying that it took him up to nine hours to fly from Edinburgh to Strasbourg. In the same vein, several speakers urged that inter-regional services be stepped up. These already exist, as between Cork (Ireland) and Rennes in Brittany.

Replying to the many points raised in the debate, transport commissioner Richard Burke emphasized that the Commission's aim was not to disrupt existing arrangements; rather it was to start an evolution—and not a revolution—in the industry.

This would, he said, help to give travellers efficient services with prices which are as low as possible and at the same time guarantee the financial viability of airlines.

He told members that the common transport policy was entering a new phase in its development and that it should now get 'prime viewing time'. The Green Paper, he said, concentrated on areas where Community action could yield more benefits than purely national measures.

The Green Paper puts forward a number of suggested policies, including the opening of existing routes to include other airlines, a rethinking of tariff structures including cheap 'no-frill' fares and a simplification of administrative formalities that would reduce the time spent waiting at airports. □



Books about Europe

Paul DESBOIS & Jean-Pierre RAMADAC — **Les Pièges de l'Europe (Europe: the Traps)** — Preface by Jean-Pierre Cot — Editions Anthropos, 12 av. du Maine, 75015 Paris — Bfrs 615 — 1979

At the start of this highly critical and committed work, there is a passage which Jean-Pierre Cot takes up in the preface. "According to the Institut Batelle in Geneva, automatic machine tools will make 30% of workers redundant in the coming years. Prognos, a Basle company, forecasts that micro-electronic advances will have put 4 million Germans out of work by 1990.

"Stora say that if France introduced the kind of technological changes already common in Japan into its iron and steel industry, employment in the sector would be cut by 70%.

"There is no point in expecting the tertiary sector to start creating jobs when the secondary sector fails. Siemens think machines can take over 30% of office jobs by 1990, making 800 000 of Germany's 2 million typists redundant. This is an industrial exodus like the agricultural exodus of 20 years before, only worse."

The authors apportion the blame, laying particular emphasis on the international dimensions of the crisis and stressing the role of the multinationals that are "pillaging" the Third World. The Community and the Lomé Convention are also accused, Stabex being attributed to neo-colonialist ambitions. "The process is the same in enlargement. The economies of Greece, Portugal and Spain are under America's yoke and their accession to the EEC will serve to strengthen America's position in Europe".

The authors also attack the shortcomings of diplomacy where human rights are concerned.

But Cot says that "the attack on Claude Cheysson, found guilty of trying to link the granting of advantages to the ACP countries to respect for certain international standards in the international division of labour, is ill-founded. It is wrong to criticize the disorder in the international division of labour and, at the same time, to object to any attempts at righting the situation... And the directly-elected European Parliament cannot, just by

being there, establish greater social justice in the Community. But it will at least be a reasonable platform for socialism and enable one or two messages to be got across".

The authors end their work by stressing that all these hopes (control over multinationals, women's movements, solutions to the energy problem, better living conditions, defence of freedom and regional autonomy) "usually represented by new social movements" can be realized for European workers in political minorities in Europe, provided that the European political parties and unions include them in their schemes for the transformation of Europe of the businessman.

Edmund WELLENSTEIN — **25 years of European Community external relations** — European documentation — Office for official publications of the European Communities — 41 pages — 30 FB — £0.50 — 1979

This booklet of some 40 pages, which has just appeared in six languages (Danish, Dutch, English, French, German and Italian), gives an overall survey of the external relations of the European Community.

It is the first publication to show how the appearance on the international scene of this new entity called the "European Community" gave rise to a dynamic process which is still in motion and has yet to be completed.

The author traces a quarter century of European and international history—from the time in 1952 when the first diplomatic missions, of the United Kingdom and the United States, were accredited to the fledgling High Authority of the European Coal and Steel Community (ECSC) led by Jean Monnet, to the signing in 1978 of an agreement between China and the European Community.

He talks about the important negotiations that have determined world developments and about the large number of agreements concluded between the European Community and the rest of the world.

The booklet includes annexes retracing the major stages in the development of the European Community and its external relations, a list of the agreements concluded

between the Community and non-member countries, and a list of all the external offices representing the European Community.

The author of this booklet has devoted a quarter of a century to the construction of Europe. After entering the service of the High Authority of the European Coal and Steel Community in Luxembourg in 1952, at the age of 33, Edmund Wellenstein in turn occupied the posts of secretary of that Authority's most important working party, secretary of the High Authority itself and, in 1960, secretary-general of this very first European executive institution.

After the merger of the High Authority with the Commission of the European Economic Community and the Euratom Commission, Mr. Wellenstein was appointed director-general for external trade at the European Commission in Brussels and in 1973, director-general for external relations.

From 1970 to 1972 he led the Commission delegation for the negotiations on the enlargement of the Community (accession of the United Kingdom, Ireland and Denmark) and for the conclusion of trade agreements with Austria, Switzerland, Sweden, Finland, Iceland, Portugal and, lastly, Norway.

In 1976-77, after leaving his post as director-general, Mr. Wellenstein became co-chairman of the commission on development of the Conference on International Economic Cooperation (commonly known as the "North-South dialogue"), which met for eighteen months in Paris.

Edgar PISANI — **Défi du monde (The world faces a challenge)** — Editions Ramsay, 27, rue de Fleurus, 75006, Paris — 277 pages, FF 59 — 1979

The world has become a dangerous place to live in. The spread of atomic weapons and the interplay of solidarity create threats that loom larger every day.

After 20 years of euphoric growth, a world crisis is reshuffling the cards and we now have high-speed industrialization in south-east Asia and rooted, burgeoning unemployment in the West.

More than the muffled tone of expert discussions is needed to cope with this.

Here, with his usual clarity, imagination and passion, Edgar Pisani plunges into discussion of one of the all-important subjects for our future. If we are to benefit fully from our vast agricultural potential, restructure our industry and safeguard our employment, if we are to finance the genuine research on which our independence hangs, then national boundaries must be surpassed.

None of the countries of this old continent of ours can face the challenge alone. All policies today depend on one thing. Creating Europe. Our choice in the coming years is plain and simple: live together or succumb to poverty.

Does Europe want to be free? The author hopes so, fervently, but he fears that "at the very moment when everything points to the need to be stronger", it will back down. He does not hesitate to say that Europe can only have an international part to play if it decides to ensure its own safety.

And, he concludes, "I am pro-Europe with a vengeance because Europe is the horizon of my land and without Europe I cannot defend it, give it life or survive... It is because I am a patriot heart and soul that I am also European and that I need the patriotism of others..."

Pisani, who was born in 1918, was a minister under de Gaulle and thus one of the founders of the European agricultural policy.

Today, this ex-chairman of the European Parliament economic committee is a socialist senator for the Haute Marne and involved in the work of the Club of Rome and the Brandt Commission on the new international economic order. He won the *30 Jours d'Europe* prize (1979) for this book.

Bino OLIVI — Il tentativo Europa (The European experiment) — Universale collection — Etas libri, Via Mecenate 87/6, 20138, Italy — 309 pages — Lit 5500 — 1979

This political history of Europe was designed as a guide for the European voter, but it remains a first-class work of reference.

After 15 years as EEC Commission spokesman in Brussels, Bino Olivi is well-placed to describe the winding path to European unification up until 1978.

The preface is by Antonio Giolitti, the European commissioner respon-

sible for coordinating Community and regional funds and Olivi's text is in two parts, dealing with the difficult life of the Six and the enlarged Community of Nine.

It gives the reader an inside view of the birth of the Treaty of Rome (that established the Community and Euratom in 1957), the de Gaulle vetoes, the accession of the UK (at last!) and Denmark and Ireland, the economic/oil crisis that put Community solidarity to the test, the emergence of a European external relations policy, the launching of the European monetary system and the first direct elections to the European Parliament.

Through these events we gain insight into the whys and wherefores of the integration of Europe at the present time.

COMMUNITY STATISTICS — £2.55 — 1979

The Community's Statistical Office has issued the 17th edition (1979) of "Basic Community Statistics". Containing 158 tables on population, national accounts, agriculture, energy, industry, transport, trade, prices, wages, finance and regional GNP.

It is published in convenient paperback form and is available from the Community's Official Publications Office.

Charles ANDRE — L'Europe à la croisée des chemins (Europe at the crossroads) — Editions Fédérop — Lyon — 1979 — 317 pages — Bfrs 449.

This book takes a good look at the building of Europe so far and what the Community is becoming. Almost exclusive confidence has been placed in the mechanics of world capitalism. Independence has thereby been mortgaged, divergent trends between the member states have been emphasized and Europe's identity has been destroyed. Is there still time, now that the new international division of labour is coming into being, for the Community to take itself in hand and really to exist?

The author feels that the only possible ways of meeting the hopes of the peoples lie in European socialism and greater democracy.

Jean-Claude CLAVEL & Pierre COLLET — L'Europe au fil des jours —

Les jeunes années de la construction européenne (Europe day by day — The early years of European unification) 1948-1978 — Documentation française, 29-31 Quai Voltaire, 75340 Paris Cedex 07 — 404 pages — FF 38

Over more than 20 years, daily decisions in Brussels have built up the EEC as the nucleus of Europe, and it is the history of these decisions that now have such an effect on our daily lives that the authors described in this new work.

There are eight chapters giving day to day coverage of European unity, of the institutional, economic, industrial, agricultural and social life of the European Communities and their relations with the rest of the world.

The decisions are listed in chronological order, there are references in the margin to facilitate selective reading and there is an alphabetical index, all adding up to an easy-to-consult historical dictionary of the process of European unification.

Pierre CROS — La planète du vent fou (Crazy wind across the planet) — Editions Renée Dessagne, Limoges, France — Bfrs 377 — 1979

Europe is not just lofty discussion. It is also the everyday life of the ordinary men and women who live there.

And this in fact is what the author, a common market official of 20 years standing, shows us, although what he describes, with real truculence and great verbal agility, is the life of a small French provincial town... 40 years ago.

It is not a novel. It is a chronical, focussed on the main street of a little town where the crazy wind of memories and dreams blows and childhood is recounted, and embellished, by an adult.

The barber, the priest, the chemist, the government official and the noisy, yelling children, stripped of the historical details, could easily be from the '70s.

This is a far cry from major problems, red tape and big towns where near neighbours are often unknown to each other.

The characters in this, Cros' first book, are those of the small towns and villages of Europe yesterday and today. It is a vivid, lively picture halfway between memory and dream. □

Coffee



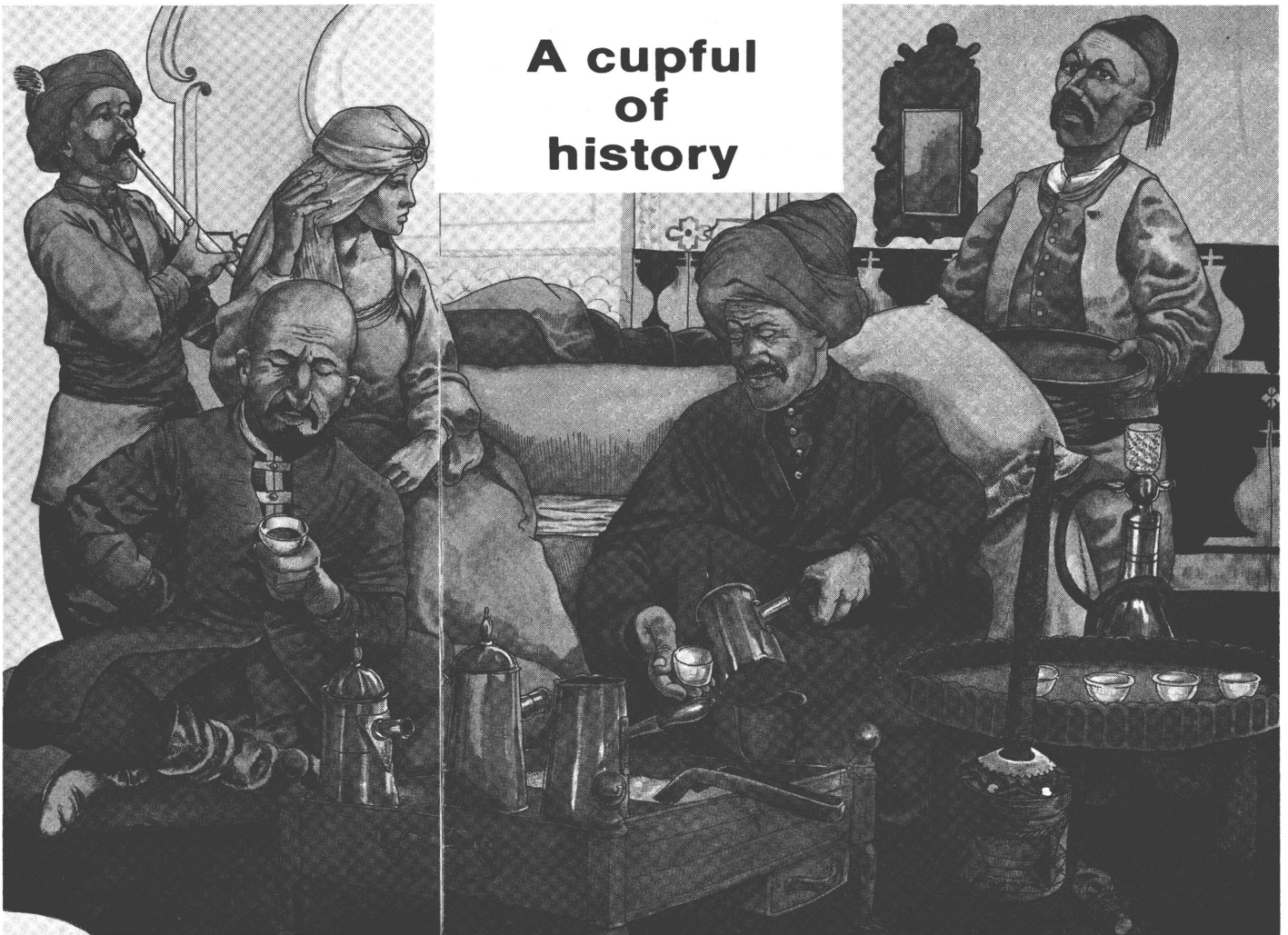
Coffee is drunk almost everywhere, and certainly in every country in the world. It has become the world's most popular drink whether before, during or after meals. It is served at all levels of society and in almost every situation, from the canteens of major international organizations, to small firms, to the small vendor on the corner of an African street, where it is drunk with pastries made from manioc or wheat. As for the coffee break, it has become an institution.

Coffee is a consumers success story. It has even become a strategic commodity bound up with falls of production and international speculation. It has great economic importance, representing 75% of the export receipts of certain countries. More than 20 million people in the

world work directly in coffee growing, its transportation, its processing and selling, without counting all those other sectors of the economy which depend on the sale of coffee. After oil, coffee is, in terms of value, the most important product in world trade.

But how did coffee become a favourite beverage and what is its place in the economies of the ACP states and others, like Brazil, who are major producers?

The dossier in this edition of the *Courier* tries to give some answers and show what the Community is doing to develop coffee production and sales, a product important to the ACP countries and which is covered by Stabex. □



A cupful of history

Arabs revelling in "the wine of Araby"

Arab authorities once tried to prevent others from enjoying coffee by prohibiting the export of the beans

Once upon a time, an Arab holy man was tending a herd of goats on a hillside when he noticed that, after eating a certain plant, the goats became friskier. He made an infusion from the plant and gave it to his monks to keep them awake during their evening devotions. It was coffee.

So the story goes, anyway. Coffee was known in Arabia before the 13th century and is generally considered to have been discovered in the Kaffa province of south-west Ethiopia. The plant is indigenous to Asia and tropical Africa, and although most of it is now produced in the West, it can claim an Eastern origin.

The beverage spread rapidly through Iran and Turkey to Europe, where Italy was the first country to drink coffee, in about 1660. In 1690 the Dutch took coffee plants around the world to Java, and in 1717 the first coffee seedling reached the New World by order of Louis XIV; nearly 80% of the world's coffee trees are now in Latin America and their forebears were those first plants brought by the French to Martinique, from where coffee spread to Guiana and Brazil.

The most popular drink in the world

It is the most popular beverage in the world, drunk by an estimated one third of the world's population. In earlier days, its popularity alarmed the authorities—when coffee houses proved more popular than mosques they were closed in Mecca, wrecked in Cairo and banned by edicts in Constantinople in the early 16th century.

In Europe, where they rapidly became popular social, literary and political gathering places, repression also followed: Charles II of England considered coffee houses to be "seminaries of sedition" and closed 3 000 of them in 1675. Such was the public indignation, however, that they were reopened after a few days.

The culture of coffee

The coffee plant was botanically classified by Linnaeus in 1756 as "coffea arabica", but arabica is only its best-known variety.

The coffea genus has some 40 species, most of which grow wild in the eastern hemisphere.

Up to half of these are grown commercially, but most of the world's crop comes from the arabica, robusta (originally

Illustration by Kevin Maddison for "The Story of Coffee", published by the International Coffee Organization.

from East Africa and the Congo) and, to a lesser extent, liberica varieties.

Coffee grows in a belt some 20° either side of the equator and from sea-level to up to 6000 feet, with the best conditions found at a height of around 4500 feet at an average temperature of 70° F (17° C) and with an average annual rainfall of between 40 and 70 inches.

The wild tree grows up to 30 feet but the cultivated shrubs are pruned down to below a third of that height. They generally take five years to fruit and give their maximum yield from the eighth to the fifteenth year, which may be anything from 1-12 lbs annually.

Few shrubs remain profitable beyond 30 years, but they may bear some fruit for up to 100.

The more aromatic but milder arabica is grown mostly in Central and Southern America and East and West Africa. **Robusta**, as the name implies, is stronger, more resistant to disease and has a higher fruit yield, being better adapted to warmer and more humid climates. It is especially used in soluble coffee preparations.

The world's biggest producer, Brazil, offers the widest variety of coffees, but experiments are continuing on the different species in various parts of the world; arabusta, for instance, a combination of the two main varieties, is beginning to contend for a share of the market.

The caffeine

What makes coffee tick and gets millions of people awake in the mornings is its caffeine content. This varies from nil in the humboltiana variety grown in the Comoros to nearly 3% in the extra-medellin variety from Colombia.

Caffeine mildly stimulates the nervous system and respiratory and digestive functions, is eliminated from the body and seems harmless in modest doses.



An expert examining a coffee tree in Ethiopia

Nonetheless, it belongs to the alkaloid group of organic chemicals, mainly extracted from plants, which includes such dangerous substances as heroin and strychnine, the most bitter-tasting poison known.

Yet the coffee plant has more to offer than caffeine, which also puts the zap into tea, cocoa, maté, guarana and cola-based drinks.

Coffee pulp is used as cattlefeed, the fermented pulp makes a good fertilizer and coffee bean oil goes into soaps, paints and polishes.

Research is going on into maximizing the uses of the plant, now one of the Third World's principal exports. □

BARNEY TRENCH



Edward Lloyd's coffee room opened in 1688—one of the earliest in London

Coffee — second place in North-South trade

In 1975, Brazilian frosts brought spiralling coffee prices. The developed countries, still reeling from the oil crisis, were suddenly awakened to another fact—their dependence on the developing world for their coffee. Although not an indispensable beverage, it is one they found difficult to abandon.

The consumer abruptly discovered that the price of his cup of espresso depended on the vagaries of the climate in the distant province of Parana, in Brazil.

It was not the first time that world prices had rocketed. It had happened in 1953, but since then decreases had been the order of the day, particularly in the late '50s and early '60s, because there were substantial stocks.

For many years now, coffee has been a front runner in the developing countries' trade. In value, it is the second export product, just after oil and before sugar, cotton, copper and iron. In 1976, for example, the producing countries sold \$7 800 million worth of coffee.

The exporting countries in the ICO (International Coffee Organization) cashed up \$12 100 million for their coffee sales in 1977 and \$11 000 million in 1978.

Three main producers

According to an FAO survey, 71 (including 32 ACP) countries in the world produce coffee, but only 43 (of which 24 are ACP states) are exporting members of the ICO. And although coffee grows in all continents except Europe, it fares best in Africa, where it first appeared, and Latin America, where it is most widely cultivated.

Brazil is by far the biggest coffee producer, with about one third of world output. Coffee was introduced there in 1727 and it spread gradually, reaching the Parana, now the biggest growing region, in 1920.

In 1800, Brazil exported its first 13 bags of coffee and by 1881 production was already up to the 6 million bag mark¹. In 1974, it produced 26 960 000 bags, compared to the 48 750 000 bags produced by all the other producers together. Since then the figures have dropped.

They reached their lowest point in 1976 after the frosts of 1975, when only 7 354 000 of a total world yield of 55 989 000 bags were produced. It however increased sharply again in 1977 to 14 734 000 bags and to 19 200 000 in 1978.

So it is not surprising that Brazil is in a key position on the coffee market and that weather reports on coffee growing regions are the subject of particular scrutiny. Hard frosts invariably mean a drop in production in the year or two that follow because of damage to the coffee trees and the attendant problem of supplies and price rises.

Columbia, the world's second largest producer, produced 11 459 000 bags in 1977 and 10 100 000 in 1978. It is the largest producer of the mild coffee, **Arabica**, which is also grown in Brazil.

Robusta, the other variety, is mainly grown in Africa. Ivory Coast is Africa's first and the world's third producer of this variety, with 3 250 000 of a total world production of 17 603 000 bags in 1977 and 4 333 000 of a total 14 872 000 in 1978. Coffee trees grew wild in Africa long before they were cultivated. According to the FAO, coffee plantations really began expanding at the end of World War I and, before this happened, Africa only provided about 1.3% of the world's coffee supply, around 250 000 bags. But between 1961 and 1965, Africa was producing 16 million of the world's 66 million bags, i.e. 24%, every year and it has stayed at this level, producing about one quarter of the world's coffee, ever since.

Two big consumers

"Consumption is the driving force of our industry", said ICO head Beltrao, addressing Brazilian coffee dealers in May 1979. And the main consumers are the developed countries. Coffee is a cash crop *par excellence*, as most of the countries that produce it only drink a tiny percentage of their yield.

This is particularly true of Africa. In 1978, for example, Ivory Coast only consumed 200 000 bag of its exportable production of 4 017 000 bags and Kenya consumed 10 000 of its exportable production of 1 124 000 bags. Brazil and Columbia drink more. In 1978, Brazil consumed 7 000 000 of its exportable production of 12 200 000 bags, while Columbia drank 1 300 000 bags of its 8 800 000.

In 1975, the Community ousted the USA as the world's largest importer of coffee, and the nine countries of the Community now account for 40% of world consumption. In 1976, they imported 23 635 000 bags compared to the USA's 20 897 000 (see table).

Demand then slumped when the consumers reacted against the spiralling costs attendant to the drop in Brazilian production. It has since gone back up, although not yet to 1976 levels.

There should be no confusion between imports and consumption as the main importing countries re-export, in roasted or soluble form, part of what they buy from the producers. An estimated 10% of the EEC¹ imports (green equivalent) is exported or re-exported by Member States in this way.

Arabica, which represents 70% of world production, sells the best. The USA gets most of its supplies from Latin America and the EEC gets 35% of its supplies from the ACP countries, and mainly from Africa. **Arabica** sales represent 63-88% of the market in Italy, BLEU, the Netherlands and Germany, but **Robusta** is to the fore in France (53%) and the UK (55%). While these figures obviously reflect the customer's taste, they also reflect traditional patterns of trade. □

Amadou TRAORE

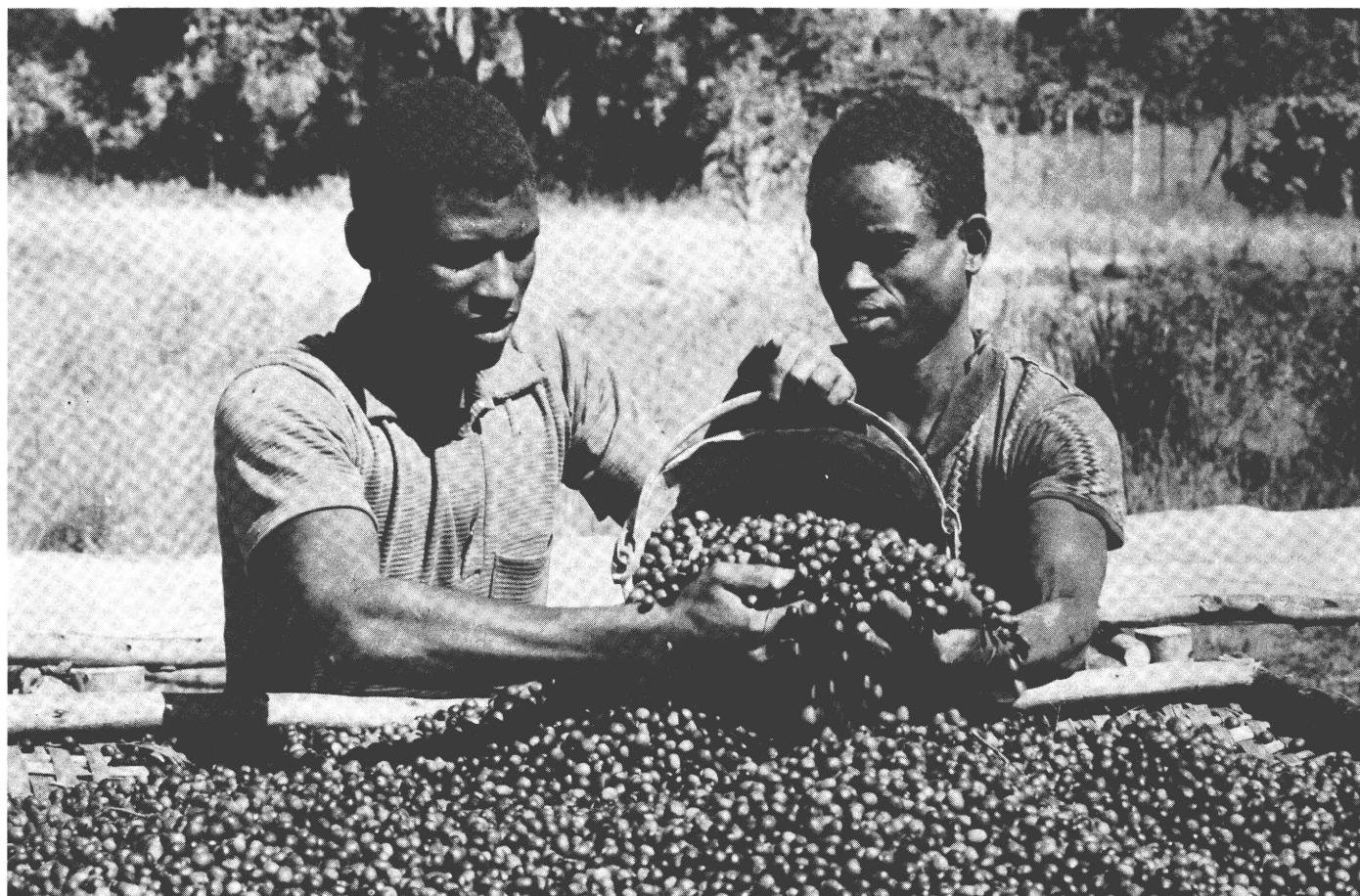
(1) A bag is 60 kgs.

Coffee-producing countries

- | | | |
|-------------------------------|---------------------------|----------------------------------|
| 1 Angola Δ | 22 Guadeloupe | 47 Panama Δ |
| 2 Australia | 23 Guatemala Δ | 48 Papua-New Guinea(*) Δ |
| 3 Benin(*) Δ | 24 Guinea(*) Δ | 49 Paraguay Δ |
| 4 Bolivia Δ | 25 Equatorial Guinea(*) | 50 Peru Δ |
| 5 Brazil Δ | 26 Guyana(*) Δ | 51 Philippines |
| 6 Burundi(*) Δ | 27 Haïti Δ | 52 Polynesia |
| 7 Cambodia | 28 Hawaï | 53 Porto-Rico |
| 8 Cameroon(*) Δ | 29 Honduras Δ | 54 Dominican Republic Δ |
| 9 Cape Verde(*) | 30 India Δ | 55 Réunion |
| 10 Central Africa(*) Δ | 31 Indonesia Δ | 56 Rwanda(*) Δ |
| 11 China | 32 Jamaica(*) Δ | 57 Salvador Δ |
| 12 Colombia Δ | 33 Kenya(*) Δ | 58 Sao Tome & Principe(*) |
| 13 Comoros(*) | 34 Laos | 59 Sierra Leone(*) Δ |
| 14 Congo(*) Δ | 35 Liberia(*) Δ | 60 Sudan(*) |
| 15 Costa Rica Δ | 36 Madagascar(*) Δ | 61 Surinam(*) |
| 16 Ivory Coast(*) Δ | 37 Malaysia | 62 Tanzania(*) Δ |
| 17 Cuba | 38 Malawi(*) Δ | 63 Thailand |
| 18 Ecuador Δ | 39 Martinique | 64 Togo(*) Δ |
| 19 Ethiopia(*) Δ | 40 Mexico Δ | 65 Trinidad & Tobago(*) Δ |
| 20 Gabon(*) Δ | 41 Mozambique | 66 Venezuela Δ |
| 21 Ghana(*) Δ | 42 Nicaragua Δ | 67 Vietnam |
| | 43 Negeria(*) Δ | 68 Yemen |
| | 44 New Caledonia | 69 Zaïre(*) Δ |
| | 45 New Hebrides | 70 Zambia(*) |
| | 46 Uganda(*) Δ | 71 Zimbabwe |

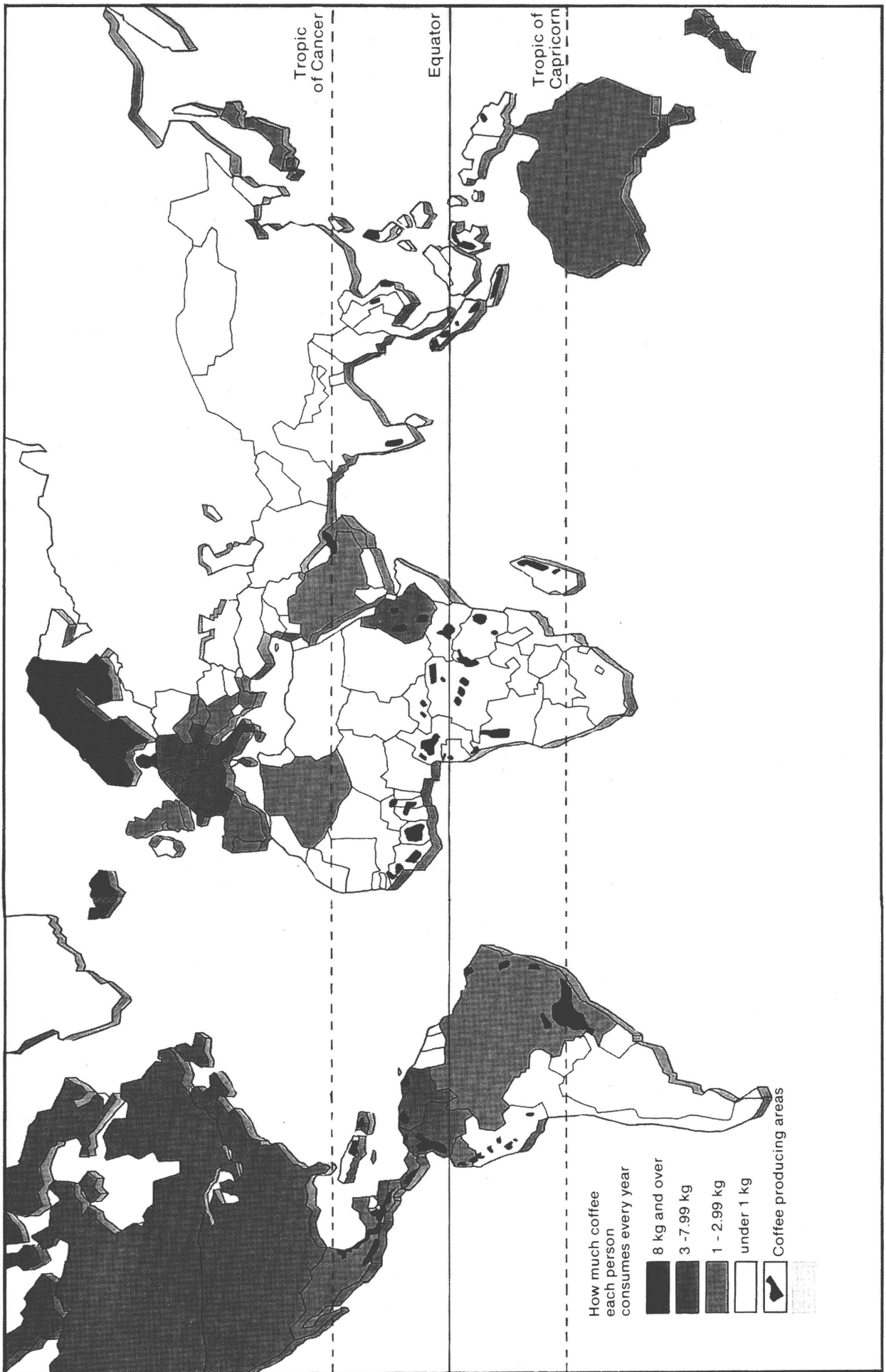
(*) ACP country.

Δ Exporting member of the ICO.



The coffee harvest

Map showing where coffee is grown and which countries buy most coffee



Total production 1973/74 to 1978/79

(000 bags)

Crop year commencing	1 October	1973	1974	1975	1976	1977	1978
	1 April and 1 July	1974	1975	1976	1977	1978	1979
		1	2	3	4	5	6
Total		75 710	73 997	55 989	66 808	71 516	69 869/73 869(1)
	1 October	1973	1974	1975	1976	1977	1978
1 October		35 082	39 905	36 665	39 497	39 157	39 919
Benin (R)		22	48	19	16	15(2)	15(2)
Cameroon (R)		1 553	1 821	1 480	1 306	1 496(1)	1 681
Central African Rep. (R)		131	193	150	185	208	233
Colombia (A)		7 312	8 002	8 600	9 433	11 459(3)	10 100(2)
Costa Rica (A)		1 524	1 442	1 288	1 342	1 576	1 440
El Salvador (A)		2 370	4 526	1 788	2 630	1 800	2 160
Ethiopia (A)		2 558	2 851	2 978	3 215	3 167	3 133
Ghana (R)		58	74	52	70	64	66
Guatemala (A)		2 384	2 403	2 068	2 481	2 341	2 349
Guinea (R)		15	55	18	83	90(1)	90(1)
Honduras (A)		781	1 064	708	651	1 020	1 138
India (A)		1 420	1 580	1 360	1 786	2 000	1 833
Ivory Coast (R)		3 234	3 682	5 257	4 846	3 250	4 333
Jamaica (A)		26	29	34	21	27	21
Kenya (A)		1 244	1 171	1 225	1 699	1 167	1 167
Liberia (R)		68	84	68	166	137	125(1)
Malawi (A)		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Mexico (A)		3 390	4 130	4 084	3 134	3 650	3 800
Nicaragua (A)		683	730	794	851	997	1 073
Nigeria (R)		41	0	125	31	83	65(2)
Panama (A)		105	80	63	63	94	113(1)
Sierra Leone (R)		58	111	57	149	102	136
Togo (R)		237	114	151	176	117	167
Trinidad and Tobago (R)		35	62	46	66	77	77
Uganda (R)		3 266	3 331	2 228	2 643	2 100	2 330
Venezuela (A)		1 053	1 118	922	890	920	1 074
Zaire (R)		1 514	1 204	1 102	1 564	1 200	1 200
	1 April and 1 July	1974	1975	1976	1977	1978	1979
1 April		38 310	31 497	17 119	24 777	29 623	27 000/31 000(1)
Angola (R)		3 451	1 160	1 100	1 112	550	
Bolivia (A)		81	115	105	151	261	
Brazil (A)		26 960	22 444	7 354	14 743(4)	19 200	16 000/20 000(1)
Burundi (A)		479	279	359	285	370	
Ecuador (A)		1 064	1 277	1 845	1 313	1 513	
Indonesia (R)		2 987	3 134	3 137	3 855	3 900	
Madagascar (R)		1 202	1 068	937	1 285	1 417	
Papua New Guinea (A)		537	581	783	651	802	
Paraguay (A)		119	128	34	49	120	
Peru (A)		933	877	928	971	1 050(2)	
Rwanda (A)		497	434	537	362	440	
1 July		2 318	2 595	2 205	2 534	2 736	2 950(1)
Congo (R)		10	28	33	47	54	
Dominican Republic (A)		787	972	836	1 062	750(2)	
Gabon (R)		2	1	7	3	12	
Haiti (A)		589	640	524	554	720	
Tanzania (A)		930	954	805	868	1 200	
Arabicas (A)		57 826	57 827	40 022	49 205	56 644	
Robustas (R)		17 884	16 170	15 967	17 603	14 872	
Brazil		26 960	22 444	7 354	14 743(4)	19 200	16 000/20 000(1)
Others		48 750	51 553	48 635	52 065	52 316	53 869(1)

Note: For the years 1973/1974 to 1976/1977 data are derived from the figures for opening and closing stocks, exports and domestic consumption unless otherwise indicated. For the crop years commencing 1 October 1977 and subsequently, data are those declared by the Member unless otherwise indicated.

(1) Estimated.

(2) USDA estimate (October 1978).

(3) Derived on the basis of reported exports and domestic consumption during 1977/78 verified opening stocks as at 10 October 1977 and reported closing stocks as at 30 September 1978.

(4) Source: Report on the annual verification of stocks in Brazil as at 31 March 1978.

(A) = Arabicas.

(R) = Robustas.

**Imports from all sources: by importing member
July-June 1972/73 to 1977/78**

(000 bags)

Importing Member	July-June					
	1972/73	1973/74	1974/75	1975/76	1976/77	1977/78
Total	58 560	58 887	50 873	60 261	59 068	45 194
USA	24 572	23 849	17 916	23 301	20 897	15 522
EEC	21 222	21 688	20 582	23 471	23 635	19 802
Belgium/Luxembourg	1 342	1 365	1 478	1 551	1 576	1 153
Denmark	1 070	1 091	980	1 124	1 096	810
FR of Germany	5 896	5 471	5 714	6 181	6 958	6 224
France	4 767	4 959	4 806	5 618	5 284	4 801
Ireland	39(1)	37(1)	36(1)	57	55	33
Italy	3 288	3 454	3 286	3 589	3 377	2 959
Netherlands	2 345	2 654	2 418	2 958	2 789	2 240
United Kingdom	2 475	2 657	1 864	2 392	2 500	1 582
Other Members	12 766	13 350	12 375	13 489	14 536	9 870
Australia	403	457	482	453	526	403
Austria	528	502	574	648	629	478
Canada	1 611	1 681	1 496	1 829	1 671	1 457
Cyprus	30	27	19	28	28	22
Finland	958	1 175	976	1 066	1 096	736
Hong Kong	312	447	311	93	422	48
Hungary	521(1)	526(1)	542(1)	587(1)	722(1)	317
Israel	134	162(1)	178(1)	267(1)	198	177(1)
Japan	2 212	1 906	1 760	2 530	2 658	1 670
New Zealand	82	84	113	93	90	71(1)
Norway	686	679	563	728	653	529
Portugal	371(1)	336(1)	313(1)	315	280	152
Spain	1 231	1 600	1 098	1 464	1 638	1 346
Sweden	1 878	1 924	1 766	2 051	1 806	1 130
Switzerland	1 144	1 067	1 098	1 037	1 062	798
Yugoslavia	665(1)	777(1)	1 086(1)	300	1 057	536(1)

(1) Estimated.

Coffee varieties and their importance to ACP economies

H.R. CAMBRONY(*)

The seventies have been years of change for the coffee industry.

Brazil is well on the way to being ousted by Columbia and the countries of central America as the world's biggest producer of Arabica.

Robusta coffee accounts for 25-30% of the world supply and, although troubles in Angola and Uganda put a temporary brake on production, it is becoming a firm favourite with the consumer, helped along by the fashion for instant coffee.

These trends have been triggered off by agro-economic factors, including the gradual development of the industrial sector (a lively competitor on the labour market), diversification (which leads to land being used to the full and encourages crops that can most easily be mechanized), leaf rust, coffee berry disease, bark beetles, etc. (the control of which pushes up production costs considerably) and climatic hazards like frost and drought (which, at their worst, can lay whole regions to waste and which are the main cause of spiralling prices since July 1975). All these exist, to varying degrees, in the ACP coffee-producing countries.

When research agronomists are active in the countries in question, they can, fortunately, provide the answers and bring about a new lease of life. But can they improve the coffee shrubs themselves?

Coffea arabica

This has been known and cultivated longer than all other varieties. It originates on the high plateaux of Abyssinia but it has worked its way across Asia, to India, Ceylon and Java, and reached the Caribbean and Latin America.

Coffea arabica is now grown throughout the tropics. It flourishes in the sort of climatic condition found in its native Ethiopia—annual rainfall of 1500-1800 mm (although the shrubs will tolerate as little as 800-900 mm), a dry season of 4-5 months and an average annual temperature of 20-25° C (with monthly extremes of + 4° C to + 32° C). This is in fact a tropical climate, tempered by altitude, with contrasting



seasons. The shrub does not like the low-lying, hot, humid areas around the equator (its blossoms tend to turn green and decay) and it will only bear fruit properly at this latitude at about 1000 m (in Rwanda, Uganda, Kenya and Colombia) although it can be grown at sea level nearer the Tropics of Cancer and Capricorn (New Caledonia and Cuba). Certain of these varieties can tolerate dryness and cold, but temperature of below 2° C for more than one night are inevitably damaging.

Genetically speaking, *Coffea arabica* is tetraploid (i.e. it has a fourfold chromosome arrangement.) It is self-fertilizing and the fruit takes 6-9 months to ripen.

Arabica is popular on the market because of the size of its beans, its low caffeine content (0.6-1.5%) and the smooth flavour and bitterness it develops in roasting and in the cup. These last two qualities tend to occur when the beans are from coffee bushes grown at high altitude.

The most popular cultivars of Arabica are as follows: *Coffea arabica* L.var.*typica*—is a medium-sized bush between 2 and 3 m high. It has slightly drooping primary branches, few secondary and tertiary branches, bronze-coloured young leaves and bright to dark green, fairly flat adult leaves forming a sharp angle at the base. The flowers are white with serrated bilocular ovaries and a rudimentary calix. The fruit is ovoid.

This variety has been defined as a standard genetic reference model and it has sprung up on plantations under a variety of names, often recalling their geographical origin such as Sumatra, cultivated in Brazil, along with Nacional, Blue Mountain Jamaica and Puerto Rico. Elsewhere it has been propagated as Criollo, Comun, Arabigo and Local Bronze.

In Columbia and Central America, this variety has gradually been supplanted, first in Brazil and Venezuela by Bourbon and then by other commercial varieties derived from the first by simple gene mutation or interspecific hybridization.

Xanthocarpa has yellow-skinned fruits that easily come away from the branches when ripe.

Marogyne is the giant of the species with its widespread and large leaves, fruit and seeds but low productivity has prevented extensive cultivation.

Bourbon has a pair of genetic factors that distinguish it from *typica*. This gives it denser secondary branches with shorter internodes, young green leaves that are broader and have undulating edges and a wider angle at the base, slightly smaller fruit and shorter, more rounded beans.

This variety is Abyssinian in origin, but it is also found in Yemen and on Reunion. It was not introduced into Brazil until fairly late on (1860) but it has given rise to some good selected strains. A yellow fruit type also exists.

The original red fruit variety has given rise (no doubt by crossbreeding with a productive strain of Sumatra) to the cultivar Mundo Novo, a group from which the Campinas institute of agronomy has isolated strains which are very vigorous and highly productive but which ripen later. This cultivar was behind the spectacular development in coffee production in Parana.

Caturra k.m.c., a dwarf variety, is a simple genetic mutation of Bourbon. Very short internodes give a compact

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Arabica, type typica

shrub. It also differs from *typica* in the density of its secondary branches, its broad leaves (with undulating edges and wide-angled base) which are usually green when the buds open. Both fruit and seeds are similar to those of Bourbon.

This is a very amenable variety—which accounts for its having spread so successfully across all Arabica-producing countries. It is called Pacas in Salvador and Villa Sarchi in Costa Rica and it is also the main variety in the Colombian high density cultivation system (10 000-30 000 shrubs to the ha) which, combined with the use of large amounts of manure, has made today's high yields (8-12 t per ha) possible.

A parallel variation of *typica* is represented by the dwarf and semi-dwarf varieties or cultivars Pache, San Ramon and San Bernado.

Other genetic mutations have also yielded strains which are of lesser economic interest at the moment but which could, later on, result in new combinations with the main commercial varieties to meet specific demand.

Examples of this are Laurina (low-caffeine), Columnaris (highly productive in Puerto Rico), Semper florens (a Bourbon mutation flowering several times), Cera (yellow albumen, used as a genetic marker by selectors), Murta, Mokka, etc.

Lastly, hybrids bred from what are recognized as being the best selections have given new hybrids combining useful characteristics of the parent varieties. Catual, for example, is a worthy product of Mundo Novo and Caturra.

However, since *Hemileia vastatrix* (coffee rust) invaded the American continent, geneticists and selectors have focussed their attention on seeking new types of Arabica in Ethiopia and Sudan and national plantations, on assessing their resistance to this serious disease (after quarantine in a neutral zone in cases of inter-continental transport) and on the creation, by isolation and/or crossbreeding, of clones etc. with varying degrees of tolerance to coffee rust, with a view to distributing new commercial varieties likely to reduce the virulence of the various biotypes of the fungus in infected areas and cutting the costs of systematic chemical control.

This programme is being run jointly by a number of internationally respected research institutes (the ICA at Turrialba and the Campinas agronomical institute), with the help of the FAO, the International rust study centre in Portugal, the USDA, French technical assistance (ORSTOM/IFGC) and various coffee research centres in Africa, India and Latin America.

This work, which began 50 years ago, has yielded cultivars (e.g. the old variety Kent and more recent hybrids) that are resistant to a variety of rusts. Crossbreeds of Kent with Ethiopian varieties (Geisha, Dilla Y Alge, Amfillo etc.) were popular in Kenya, Tanzania and Uganda. The most recent research in Ethiopia has produced shrubs that perform better and this, combined with a greater understanding of the relation between host and parasite, has given rise to sound intra- and interspecific cross strains (Icatu, Catimor, Arabusta). These are still being assessed, but it is clear that there will soon be a range of Arabica varieties combining the various possibilities of vertical (absolute) and horizontal resistance.

Even more recently, Ethiopian research has revealed genotypes that are extremely useful in the campaign to produce varieties that are resistant to the coffee berry disease.

Coffea canephora

The replacement of Arabica, which is susceptible to leaf rust and ill-adapted to the low-lying, hot damp regions of the equator, led to Canephora being grown first in Africa at the end of the 19th century and then in Indonesia, where it rapidly grew to fame as Robusta (the well-chosen name that Van Linden, the Belgian horticulturist, used in his catalogues prior to World War I). So it was often under the name of Robusta Java that it returned to colonize the industrial plantations of central and western Africa.

However, coffee shrubs of this kind have long grown in gardens near the great lakes of East Africa and in the zone where it grows naturally, from Uganda to the forest of Ivory Coast and Liberia in the west and down to Angola in the south-west.

In this vast area, where the climate is equatorial to sub-equatorial (average annual temperature 24-26° C with little daily or annual variation—abundant rainfall of around 2 000 mm, spread over 9-10 months—atmospheric humidity almost always near saturation point), there are many different forms of Robusta. It is represented by basic types with local seasonal particularities like:

- the west African Couilou: the bushy, small-leaved Petit Indenié, and Niaouli from the dryer forest/savannah areas (1 100-1 200 mm rainfall p.a.) of Ivory Coast and Benin;
- Robusta, a vigorous, large-leaved tree which grows naturally in the Congo Basin down to the western shores of Lake Victoria;
- Gabonese Couilou, half-way between the previous two.

Interesting ecological variations of the Ugandae type have also emerged, very similar to *Robusta typica*, and in the related *C. Congensis* and *C. de la nana* of the banks of the Oubangui, which are able to resist temporary flooding. These various types (all diploid) are easy to cross and have yielded (sometimes artificially and sometimes naturally) coffee bushes known as *Conuga* (*Congensis* and *Ugandae*) and *Congusta* (*Congensis* and *Robusta*).

Conilon, from Brazil, is in fact Couilou, which was misspelt when the seeds were first imported.

Robusta, the most widely grown species in the world, can be taken as a reference. It is a large, evergreen, usually many-stemmed bush 8-12 m high. The lateral, single branches are widely spread and the leaves are long and broad (20-25 cm × 8-15 cm).

The bush flowers more than five times abundantly and fruitfully, giving large clusters at 11-12 months. The fruit gives beans of varying size that are round and relatively smaller than those of Arabica.

Biologically speaking, Robusta is tougher and more productive than Arabica, less prone to rust and has a chromosome pattern that generates cross fertilization and accounts for the hybrid nature of natural populations.

Commercially speaking, there are often complaints about the small size of the beans, but selection can do a lot to correct this. This variety gives a beverage with an average (neutral) aroma and it is appreciated for its high yield in the production of soluble coffee. Its high (2-4%) caffeine content ensures a stimulating effect.

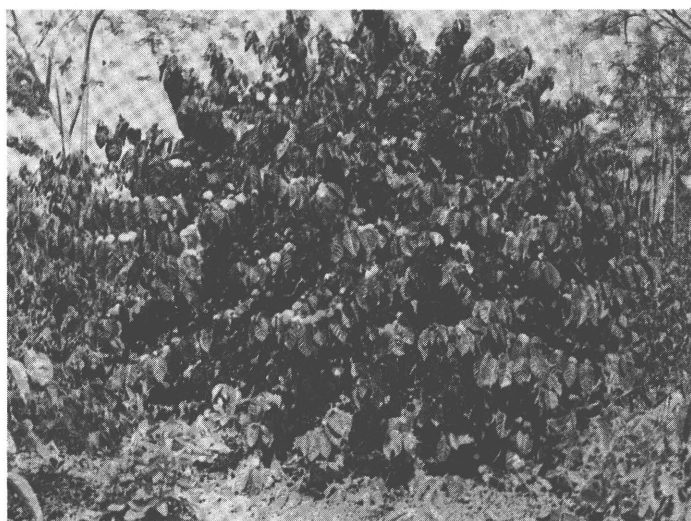
Work on selection being carried out in research centres in Java, Zaire, Ivory Coast, Cameroon, Central Africa, Madagascar, Angola and India has come up with well-adapted, high-yield clones that are organoleptically sound. Generative selection via hybridization is being developed to ensure more economical seed production.

The IFCC's artificial creation of tetraploid *Canephora*, under the action of colchicine, for an interspecific hybridization programme, has engendered a whole family of trees with their own special characteristics—dense branches, thick, strong fluted flowers with curled edges and fewer veins than the parent plant—large, oval leaf-blades often with stringy bases—voluminous flowers—self-sterilization—less fertile first descendents, fructification in 11-12 months—fruit and beans large to very large.

The intercompatibility of the first tetraploids obtained made it possible to create a line of hybrids of which successive generations proved so much more fertile that it is possible to select tetraploid clones in the later stages that are as highly productive as the best of the original diploid clones.

The isolation of natural haploids or the more sophisticated creation of them via tissue culture is a promising way of improvement and could lead to the setting up of seed

Robusta in flower



gardens of homozygous producing high-yield, regular hybrid descendents.

Liberio-excelsoïdes

This term covers large, large-leafed coffee bushes with large fruit (*Pachycoffea*), Liberica Bull, etc. which were grown fairly successfully in the first half of the 20th century as an Arabica substitute. They are still grown on a small scale locally in Suriname (Liberica), Central Africa and Viet Nam (Excelsa), but the processing problem (they bear large fruit yielding only a small amount of marketable coffee which often has a fermented taste) and their extreme sensitivity to tracheomycosis have robbed them of any economic significance on the world market. However, they are a useful addition to research collections as donors of genes for new crossbreeds.

Interspecific hybrids

The idea of crossbreeding to combine the favourable agronomical and technological qualities of the most commonly grown varieties was seized upon early on the experimental stations. This, moreover, is an obligatory method of bringing about generative improvements in self-sterilizing diploids.

It is only recently, with the advance in our basic knowledge of *Coffea* heredity and the techniques of genetic manipulation available to influence it, that selectors have been ambitious enough to want to combine the useful features of similar species and reap maximum benefit from hybrid vigour in the descendents.

In the case of *Coffea*, the introgression sought in the genomes has to do with the commercial aspects of the plant (size of beans, flavour, caffeine content etc.) and with its biological and agronomical qualities (resistance to rust, anthracnosis, bark beetles and worms—adaptation to drought or humid heat in low-lying equatorial areas).

At a first stage, natural hybrids were identified and an attempt was made to use them. In the fifties, more systematic use was made of mitoclastic agents to break through the chromosomal barriers isolating the diploid species and tetraploid Arabica.

In the first case, Dutch agronomists isolated Arla and Kawisari, two poorly-balanced, not very fertile hybrids, from Arabica before World War II.

A similar hybrid (from Arabica and *C. Dewevrei*), found at the Campinas Institute of agronomy, has since been crossed many times with various Arabica/Bourbon and Mundo Novo to produce a whole family of lines which are extremely promising as far as selection for resistance to *Hemileia vastatrix* is concerned.

The Timor hybrid, identified by Portuguese agronomists, is a natural cross between Arabica and *Canephora*. Populations of this type would appear to be tetraploid and thus relatively fertile and its absolute resistance to the known varieties of rust has made it a popular candidate for crossing with various types of Arabica now being developed in Latin America. Catimor (Timor × Caturra), a Brazilian hybrid, used in many recent plantation extension schemes, is a good example of the successful use of a natural interspecific hybrid of this kind.

Arabusta (created by J. Capot at the IFCC) and the Brazilian Icatu belong to the second category of more

elaborate products derived from an artificially tetraploidized *Canephora*.

The former, now being developed at the Soubré study centre in Ivory Coast, is a family of hybrids from which a number of interesting ones have been selected, in the light of productivity and organoleptic qualities, and they can be propagated by cutting. Back crossing with the different parents then yielded varieties that were either strongly *Arabica* or strongly *Canephora* in type.

The improved fertility of tetraploid *Canephora* parents and the ever-increasing diversity of *Arabica* parents means that high-yield varieties meeting increasingly stringent selection criteria can be produced.

Arabusta typica differs from the parent varieties in its exceptional vigour. It is a thick bush with drooping branches. It has oval, slightly acuminate leaves with a rounded or corded base (15-20 cm long and 7-11 cm across) and they are thick, wavy and have shiny upper-sides. The undersides have 9-10 pairs of lateral, raised veins and the stalk is short and tough. The many large, white flowers yield big, almost spherical fruit (up to 2 cm long and 1.8 cm in diameter) with large beans (1.8 cm long and 1.5 cm in diameter) in 11-13 months.

For the genetician, this variety is strongly self-fertilizing and the intercompatibility of the various hybrids is also very good, as it is with the parents (although there tends to be a loss of vigour in backcrossed lines).

For the agronomist, the luxuriance of *Arabusta* poses problems (density, cutting) and means that the shrubs have to be grown in the sun. The speed with which it begins to produce ensures its popularity with the farmers, as does its aptitude for propagation by cutting and its resistance to rust and infestation. It has also displayed a remarkable resistance to drought.

The characteristics which need improving include its relative sensitivity when young to cercosporiosis (in the nursery) and to leaf destroying caterpillars and its mediocre technological yield (15%, as against 20-22% in the case of *Canephora*).

For the coffee manufacturer and the gourmet, the aroma, taste and caffeine content of this variety are midway between those of *Arabica* and *Robusta*, as is to be expected. As a hybrid, it yields good-sized beans which swell (62%) during roasting and there is only a small loss (14.5%).

The intervention of polyploidization agents on triploid (sterile) hybrids of *Arabica* and *Robusta* has also enabled hexaploid lines to be obtained.

Coffee shrubs of this new family are similar to tetraploid *Arabusta* varieties but they differ in their genetic make-up (which is strong in *Arabica* qualities although they have not yet acquired all the advantages of productivity of the best lines of the parent variety that are currently popular) and their relatively weak *Canephora* blood does not give them the resistance they might have to rust or adaptability to low-lying equatorial areas.



A four year old *Arabusta* plant

A joint ORSTOM/IFCC scheme is running interesting research into interspecific hybridization using spontaneous coffee shrubs from Madagascar (*Mascarocoffea*) and their hybrids with cultivated coffee shrubs of varying degrees of ploidy.

The wide, but still incomplete, range of varieties mentioned in the preceding pages shows the diversity of biological, technical and socio-economic environments that selectors have to cope with. It also shows the trend in agricultural fashions and the plant health requirements that the shrubs themselves have to meet if the farmers are to be assured of a fair return for their labours.

This diversity gives a rough idea of the permanent adaptation that the genetician must cater for if the precarious balance between the crop and the environment (that is always threatened, in particular, by reciprocal selection between host and parasite) is always tipped in favour of the producer.

Although agronomists currently favour plantations growing nothing but dwarf varieties for their high-density intensification schemes, tomorrow the need to mechanize harvests or to bring in associated crops may well demand bigger spaces between bushes with differing morphology and cultural reaction.

So the genetic resources available on experimental stations and original sites must be properly listed protected to meet the current and future demand from the rural populations concerned.

The ACP countries (the African ones and Madagascar in particular) have gene stocks that are of enormous value when it comes to adapting to these trends. They constitute a capital which should be put to good use, in a spirit of frank scientific cooperation, for the greater benefit of the coffee-growing fraternity everywhere. □

H.R.C.

Common diseases of the coffee shrub

by Raoul A. MULLER(*)

Only three of the 100 or so species of *Coffea* are exploited commercially. *Coffea arabica*, accounting for four fifths of all the coffee drunk in the world, *Coffea canephora robusta*, accounting for most of the rest, and *Coffea excelsa*, which is still cultivated in some countries but to only an insignificant extent.

As coffee is an important product (more than 3 million tonnes were produced in 1977-78) and one of the main sources of ACP export earnings, it is easy to see how the phenomena that affect coffee growing repercuss on the economies of the countries in question. These phenomena are often climatic, it is true, but the biggest problems are biological—weeds, insects and disease.

This article concentrates on the worst of the fungoid diseases and shows how the effect of these micro-organisms is clearly separate from the effects of the environment. Very few real parasitic diseases warrant a direct attack on the micro-organisms that cause them and in most cases it is possible to right the situation by adjusting the natural or cultural environment and making such measures a normal part of the routine of rational farming. The micro-organisms associated with these diseases are in fact only secondary interference in tissue that has already been weakened and they reveal disorders provoked by the environment.

Real parasitic diseases are rare and extremely serious. As things stand, even if they do not prevent growth, they considerably reduce the point of agriculture because of all the work the farmer has to do to combat them. This is ample justification for all the effort that goes into looking for the best solutions.

We shall now discuss leaf rust, anthracnosis, root rot and tracheomyces and give a brief description of one or two other disorders.

Leaf rust

1. Coffee rust—*Hemileia vastatrix*: This, one of the coffee industry's biggest problems today, put an end to coffee-growing in Ceylon at the end of the last century. It is particularly damaging to *Arabica*. It occurs on all continents, although it was not discovered in Brazil until 1970. It is now spreading fast to the other countries of South America.

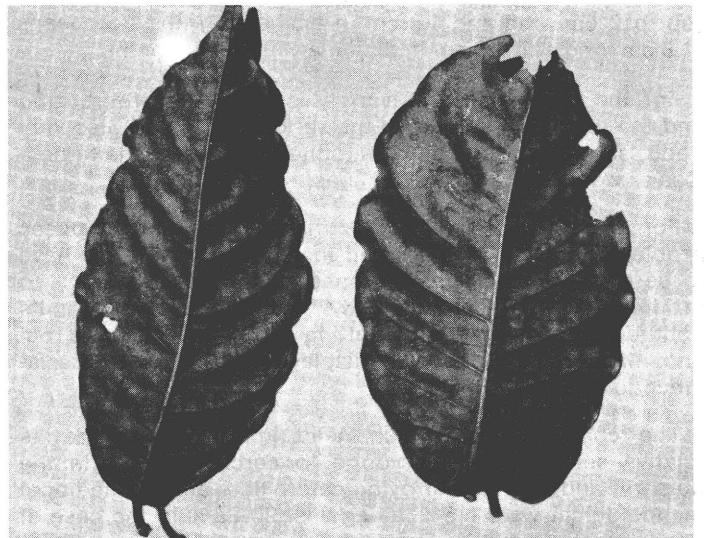
Spots form on the underside of the leaf and powdery, orange-yellow rust pustules appear. Innumerable spores are spread by water, wind and insects and they rapidly contaminate other leaves and trees. They are also extremely resistant and are known to have been blown across the Atlantic.

Rusted leaves drop, gradually weakening the shrub, reducing yield and, in the case of repeated, serious attacks, bringing inproductivity and death.

Preventive treatment with copper-containing fungicide is effective but costly and repeated straying is required because the plants get washed by the rain and the activity of *Hemileia vastatrix*, is, like that of most fungi, linked to the presence of water. At least three (and as many as five in some regions) strayings are needed to be effective. Modern systematic fungicides combine prevention with cure and are a major step forward as they demand fewer sprayings and the farmer has less work to put in. But there is still only a very limited choice of these new products.

The selection of resistant varieties has so far mainly been based on the work of the coffee rust investigation centre (CIFC) in Oeiras, Portugal, which, over the last 30 years, has isolated 30 physiological types of parasite with one or more of the six genes that condition virulence and which, in the case of the coffee shrub, correspond to various combinations of six genes controlling sensitivity.

Hybrids (as yet not fully fixed) with varying degrees of



Comparison between an attack of *Hemileia coffeicola* (left) where the spores are spread and *Hemileia vastatrix* where they are limited

resistance have been produced on the basis of the vertical system of host-parasite relations, using, in particular, the Timor hybrid (resistant to all types) and cultivars of *Robusta*, another source of resistance. They include *Catimor*, *Icatu* and *Arabusta*.

However, there are other methods of selection. Clearly, a horizontal system can also be applied to the relations between the coffee shrub and *Hemileia vastatrix*. Selection on this basis would have the advantage of avoiding new varieties of the pathogen appearing via selective pressure.

This is being studied in Cameroon and by various researchers in Brazil and Columbia as part of a FAO-inspired horizontal resistance programme.

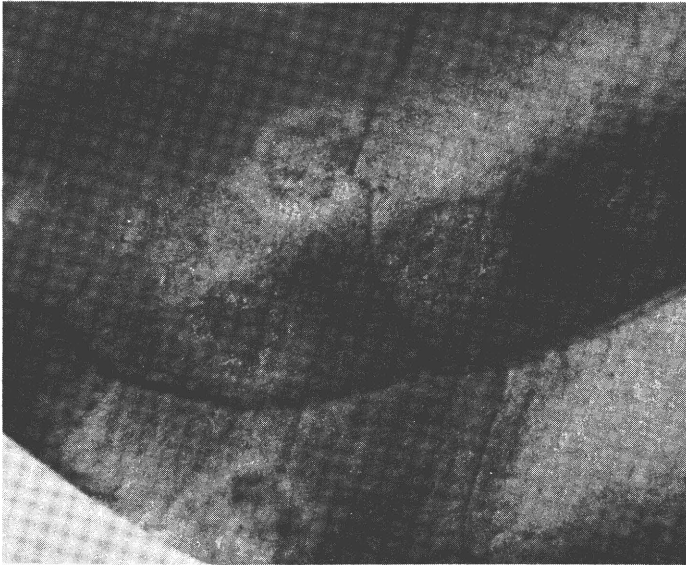
(*) Head of research at ORSTOM and head of the IFCC phytopathological service.

2. *Hemileia coffeicola*:

This is another very similar fungus that also causes leaf rust, but it is less well-known as it is confined to a much smaller area. It was first described on *Coffea arabica* in Cameroon in 1932, has spread gradually and is now found in Gabon, Sao Tomé, Central Africa, Nigeria, Ivory Coast (1976) and Togo (1977).

It attacks both *C. arabica* and *C. robusta* (Cameroon 1954), as well as *C. Excelsa*, *C. de la nana* and various other varieties that occur naturally in the forests of Ivory Coast.

It differs from *Hemileia vastatrix* in its macroscopic characteristics—instead of forming separate spots, its spores spread all over the leaf.



Close up of *Hemileia vastatrix*

It is less of a danger than the previous variety because it is more discrete and defoliates more slowly, but it does, as recent research in Cameroon has shown, bring about profound changes in the metabolism of the leaf, affecting chlorophyll assimilation and mineral nutrition and helping to bring yield down. These studies have shown that the organism is not confined to any particular ecological set-up and is found with equal intensity in very hot, humid *Robusta*-growing areas at sea-level in Cameroon and in *Arabica*-growing areas at altitudes of 1 000-2 000 m. This makes it a serious potential danger for the coffee industry throughout the world.

Most research has been done in Cameroon and direct action via the preventive spraying of chemical fungicide is effective. Copper-containing products can be used, as can captafol, a synthetic fungicide with a stimulating effect on the coffee bush. In Cameroon, three sprayings a month apart, the first shortly after the rains begin, has proved an effective means of combatting the disease.

Note that the host-parasite relations between the bush and *Hemileia coffeicola* and the bush and *Hemileia vastatrix* are different, so selection to combat one will not work against the other—which makes for complications in countries where the two types of rust occur side by side. A large number of *Arabica* cultivars and *Robusta* clones are being studied in Cameroon to determine their resistance to both types of leaf rust.

Anthracnosis

In all the countries where *Arabica* and *Robusta* are grown, the leaves and fruit on deficient branches often display

various pathological symptoms (typically a drying and a blackening of the affected tissues) which are linked to the presence of a fungus, *Colletotrichum coffeanum*. They are usually called anthracnoses. However, there is a basic distinction to be made between anthracnosis of leaves and branches, which affects all cultivated species of coffee, and the coffee berry disease that affects *Coffea arabica*.

(a) Anthracnosis of leaves and branches, which makes the berries dry, affects all species of coffee bush when the natural or cultural environment is not conducive to healthy plant life. The manifestations of the disease range from saprophytism pure to a certain degree of parasitism associated with low pathogenic power.

There are a number of causes of these very widespread disorders:

— a general weakening of the plant when it has not been treated with enough minerals after a period of high yield, which can be rectified with the right sort of manure;

— deterioration of the soil through erosion—which can be beaten by introducing covering plants;

— competition from weeds—to be dealt with in a suitable manner;

— competition from food crops grown alongside the coffee bushes. This is all too often general practice on family smallholdings, but it should be restricted to the two years after planting or cutting back so that the land can be put to profitable use during non-coffee producing years;

— marginal conditions such as the alternation of heat and cold or too great an altitude in the case of *C. arabica*. This can be countered by providing shade.

However, it can sometimes be difficult to determine the cause of anthracnosis of leaf and branch. In this case, it can be put down to inadaptation to the environment although it is never possible to say exactly how the particular combination of climate and soil gives rise to it. Any selection should include such anthracnosis with the criteria used to assess the behaviour of cultivars and clones in a given ecological situation.

In all cases, anthracnosis of this kind, leading to deficient branches and dry berries, can be attenuated by rational agricultural methods and judiciously selecting cultivars and clones for the particular ecological situation.

(b) The coffee berry disease that affects *C. Arabica* is quite different, only being found on perfect specimens of the bush. It is caused by a particular strain, *Colletotrichum coffeanum sensu Hindorf*, a genuine, strongly pathogenic parasite. The disease occurs at altitudes of about 1 500 m and above near the equator and can lead to as much as 80% of the crop being lost. The young green berry is affected by:

scab—small beige patches with tiny black spots, the fructification of *Colletotrichum*. This benign form will slowly dry the berries, causing the fruit to drop once the stem is reached;

an active form—darker patches and bigger, blacker spots rapidly leading to total destruction of the berry, which withers to a small, black, empty bag.

This disease was discovered in Kenya in 1922 and has now spread across Africa to the other *Arabica*-producing countries (Uganda, Tanzania, Zaire, Angola, Cameroon and Ethiopia).

The direct application of fungicide, as a preventive measure, is effective. Copper-containing sprays have to be applied seven or eight times in Cameroon, but captafol, which is more persistent, only needs to be applied five times

and it also stimulates the bush. Systematic benzimidazole fungicides are effective and need not be applied as often as the copper-containing varieties, but they can provoke the emergence of resistant strains of the pathogen. So these products have to be used carefully and, for example, combined with preventive fungicides.

Studies run in Cameroon have shown that the *Arabica* berry is varyingly sensitive and that high sensitivity in the early stages (the first five months of development) is followed by a period of insensitivity. An agricultural method of controlling this has been developed whereby early irrigation brings flowering six or nine weeks before the rains so that the sensitive period falls during the dry season and the berries escape infection. Early irrigation, combined with the three doses of chemicals needed to combat the rust, considerably lengthens the period of flowering, ensures a regular, high level of productivity.

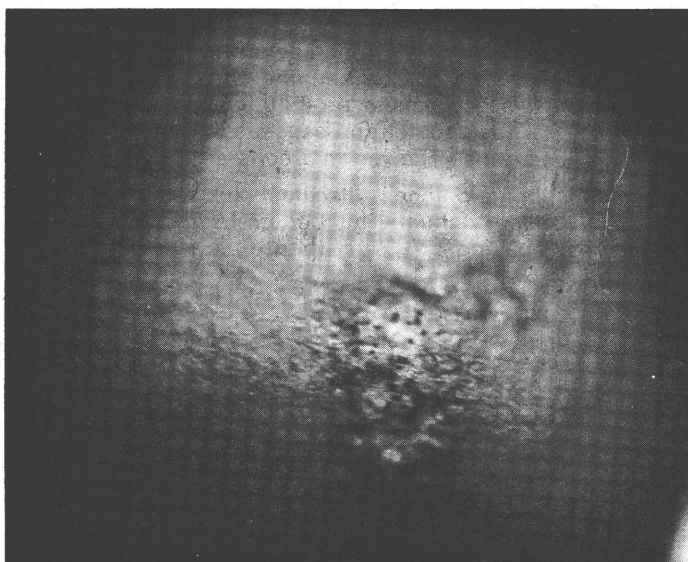
The selection of resistant varieties made a major step forward when the disease appeared in Ethiopia in 1971. This country, the cradle of the diversification of the species, has proved rich in types with strong horizontal resistance.

Root rot

Root rot (i.e. diseases of the roots of ligneous plants) attacks the various cultivated species of *Coffea*. The most common forms are *Leptoporus lignosus* and *Clitocybe elegans*. Decomposition of the roots and tissues at the base of the trunk brings about gradual weakening and ultimately death. Attacks progress by means of rhizomorphs (mycelian strands that go from root to root).

Root rot, which tends to be frequent on recently cleared forest land, is rarely a scourge. But it is difficult to stop it spreading as the methods used to fight it (e.g. uprooting and destroying the affected bushes and digging ditches round the centres of infection) are not very effective.

Fortunately, centres of infection spread slowly, although the rate at which they do so increases when bushes are planted in the shade of very sensitive leguminous plants. A long fallow period should be allowed to ensue before new bushes are planted on the old sites of infection—which can, if they are very small, be treated with methyl bromide.



Tracheomycosis

This disease, due to *Gibberella xylarioides*, was rife in Africa 30 years ago when it led to the growing of *Coffea excelsa* in Cameroon and Central Africa being abandoned.

The vascular system of the trunk and the branches is colonized by the pathogen and this infection causes first partial, then total drying.

This disease has gone from the *Robusta*-growing areas of central and western Africa, but it has been found recently in Ethiopia on *Coffea arabica*. The answer must lie in genetic manipulation. Vigilance is called for as this seems to be a pathogen that can adapt to new species and ecological situations.

Various other diseases

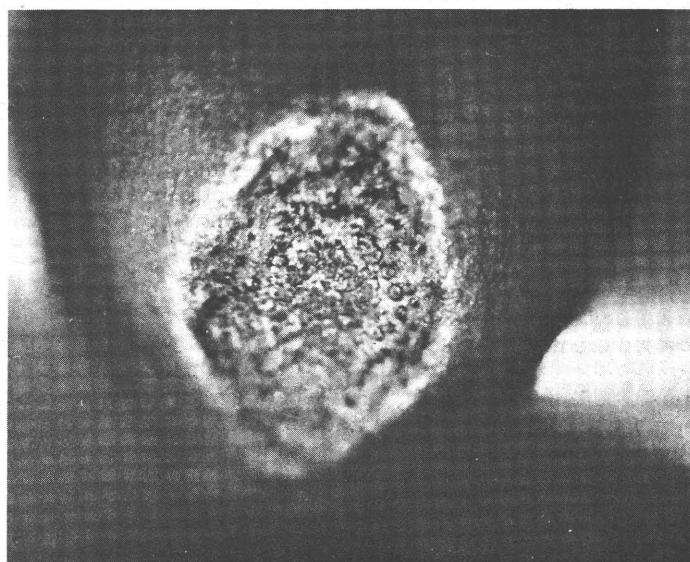
Various other disorders should be mentioned here, although they present far less real or potential danger and are far less widespread than those mentioned above.

Cercospora coffeicola attacks leaves and berries. It can be countered in the same way as anthracnosis of leaf and branch, i.e. by rational agricultural methods that will prevent infection.

Corticium koleroga, *Marasmius scandens*, *Marasmius equicrinis* and *Corticium salmonicolor*, which usually prevail in exaggeratedly humid and very shady areas, all kill leaves, branches and berries. They can be prevented by regulating the shade or dispensing with it entirely wherever it is not absolutely vital.

Care should be taken when transporting vegetable matter from one region or one continent to another not to spread *Fusarium stilboides*, which affects bushes in East Africa, and *Mycena citricolor*, a leaf disease that now only exists in one or two countries of America.

There was no room here for an exhaustive account of the diseases effecting the coffee shrub. However, we have tried to bring out the fundamentals and to suggest guidelines for research into suitable solutions.



Close up of the symptoms of anthracnosis of *Arabica* coffee beans (*Colletotrichum coffeanum sensu Hindorf*) on very young green beans 7 mm long. Left the scab stage. Right the active form



Anthracosis on the leaves of a Robusta shrub meant for cuttings. The branches are losing leaves which are badly marked by the disease

We have stressed the interest of seeking to combat real parasitic disease in ways that involve less work for the grower—for example the use of systematic fungicides that should be developed with a view to reducing the cash and the effort that goes into chemical prevention (which has so far been difficult and costly because of the poor persistence of preventive fungicides). Genetic solutions, as with tracheomyces, for example, are sometimes the only ones possible. They are always the best because they are final—although they are slow and difficult, as selected cultivars must combine organoleptic qualities and high level productivity with resistance to disease.

All means, including genetic ones, must be used to bring about a direct reduction in the time and money needed to combat disease. It is important to realize that the quest for maximum yield is also being carried out with this in view and that a sensitive, highly productive variety that can support the cost of chemical treatment could well be preferable to a resistant variety that does not have the performance.

Maximum yields can be obtained by:

- using cultivars with high productivity or a structure that will yield the highest productivity per unit of surface (like the Catura dwarf variety, which can be planted 10 000 to the ha);
- rational agricultural methods involving such things as fertilizer, cyclical cutting back to optimum size, thorough weeding, keeping associated crops for unproductive years and so on.

These agricultural methods will also help avoid environment-produced diseases, thereby drastically reducing the number of genuine pathological problems. □ R.M.



A family smallholding with Arabica coffee in Cameroon (Bamileke) where the shrubs are small, weak and low in productivity. The plants compete for space with food crops such as maize, plantain and beans to such an extent that the farmer produces a poor coffee crop

The watch-dogs of the International Coffee Agreement

What are the roles of the International Coffee Organization and the International Coffee Council in the international coffee trade? ICO director general Alexandre Beltrão answers the *Courier*.

— The International Coffee Organization administers the International Coffee Agreement, one of the main objectives of which is to further international cooperation between coffee exporting and coffee importing countries in order to achieve a reasonable balance between supply and demand, on a basis which will assure adequate supplies of coffee at fair prices to consumers and markets for coffee at remunerative prices to producers. Under the agreement, a system of export quotas may be introduced to regulate international trade but at present, for reasons which I will explain, the system is not in operation. The International Coffee Council is the highest authority of the ICO and consists of all its 67 member governments. The Council delegates most of its powers for the day-to-day operation of the agreement to a 16 nation executive board (eight exporting and eight importing countries).

► How was the ICO started and how has it developed?

— In the post-war period there was, as you know, a move towards international cooperation in all fields. Commodities were no exception and the United Nations drew up the Havana Charter on ways in which this should be organized. In the case of coffee, the impetus to form an international agreement stemmed from the threat in the late 1950s that prices would collapse in the face of accumulating surpluses and that the economies of many producing countries would be threatened. It is interesting to note that the first negotiation for an agreement took place before many of the African countries had gained their independence and European countries, such as France, Belgium and the United Kingdom, now importing members, had responsibilities on the producer side also in the discussions.

Following a number of short-term agreements between producing countries, the first International Coffee Agreement was signed in 1962 and the ICO set up its headquarters in London in 1963. It came into being at a time when great changes were taking place in the world and this emphasized the need for the flexibility and adaptability which have always characterized its operation. The ICO has operated without interruption in London under four agreements—those of 1962, 1968, 1968 as extended and the present agreement, the International Coffee Agreement 1976, which will remain in force until 30 September 1982. Each of these agreements has been tailored to meet the conditions prevailing during its life.

► What are the main lines of the International Coffee Agreement and how does it work?

— The first two agreements operated at a time when there were large surpluses of coffee. Through the use of export quotas and a system of controls, the operation of these agreements helped prices to remain relatively stable from 1963 to 1972. At the same time, these agreements provided for the promotion of consumption and encouraged countries to restrict production to their needs for export, domestic consumption and stocks and to diversify their agricultural economies.

As a result of a series of climatic disasters and political upsets in a number of producing countries, the supply situation changed significantly and surplus stocks disappeared. The present Agreement is designed to operate in periods of shortage or surplus. It provides for quotas to be introduced and suspended, depending on prevailing price levels. The agreement has established procedures for the distribution of annual and quarterly export quotas among exporting members.

Historical export performance is one of the elements in this calculation; the accumulation of stocks is the other. This involves the physical counting of stocks of coffee in virtually all 43 exporting member countries and the running of a system of certificates of origin, with the voluntary cooperation of all importing members, whereby the exports and imports of coffee between members are checked.

The ICO is the forum for discussions between the governments of exporting and importing countries. Meetings of the International Coffee Council are held once or twice a year and meetings of the executive board about six times a year. The ICO provides a statistical service on all aspects of coffee for its members and for the public. Statistical bulletins are issued each quarter. The ICO conducts regular research into the coffee economy and prepares detailed reports on the supply and demand situation globally, as well as reports on individual exporting and importing countries in cooperation with those countries.

An important section of its work relates to the promotion of the consumption of coffee in importing countries. Under the present International Coffee Agreement, some US \$25 million have been collected by the producing countries in a promotion fund. This money is being spent on generic advertizing campaigns in a number of countries, on promotional publications and public relations activities and on market research.

► Coffee prices have been fluctuating, sometimes wildly, despite the stabilising effects of the ICO and the International Coffee Agreement. Why?

— As I have indicated, the provisions of the agreement for the regulation of the market are not at present in force. If one studies the history of the coffee market in the past 100 years, it will be seen that it invariably reacts strongly to news of frosts in Brazil, which has traditionally supplied about one-third of the world's coffee. Unfortunately the frost in Brazil in 1975 was one of the worst ever registered. Despite the existence of adequate stocks in producing countries (some 35 million bags net) buyers rushed in to build up inventories against the possibility of shortages and there

was a price explosion in 1976 and early 1977. Political difficulties in Angola, which resulted in a fall in its exports, contributed to the price increases, as did speculation. When consumer reaction set in, consumption dropped and prices fell back, by early 1979, to a level not much higher in real terms than those prevailing prior to 1975.

Another frost in Brazil in mid-1979 pushed prices up again, but the reaction was relatively mild compared to that following the 1975 frost and the fluctuations have been moderate. This may be due to the much better understanding of the supply situation due to the information disseminated by the ICO, and also the awareness of both producers and consumers, highlighted in their discussions, that the ultimate purchaser, the drinker of coffee, reacts adversely to sudden changes in price.

► *Can commodity prices be effectively controlled without an international buffer stock? Is there any intention to constitute such a stock for coffee?*

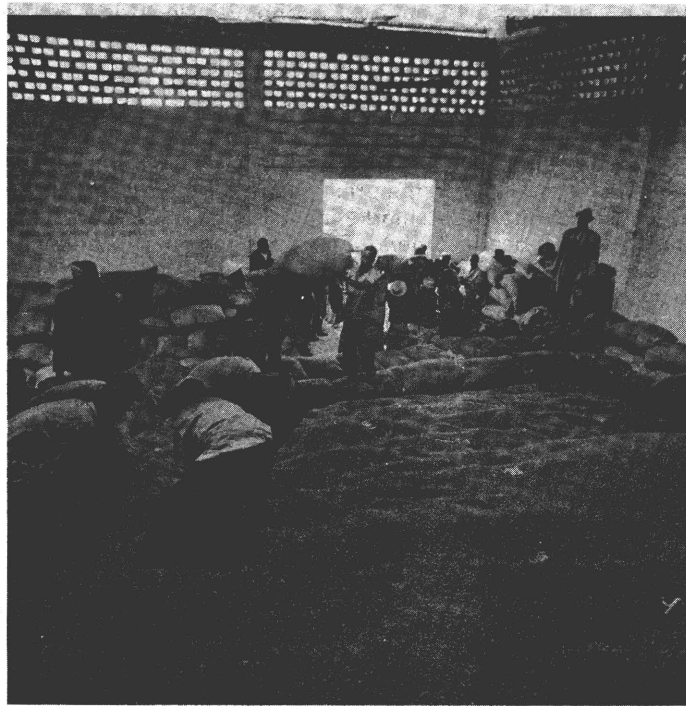
— In my view, the price of coffee can be protected against falls through the system of export quotas. To a limited extent, a quota system can help avoid sharp upward fluctuations. The difficulty comes when there is a prospect of a shortage of coffee. Quotas may be enlarged but if there is expectation of further price increases, hoarding will take place as happened in 1976 and 1977, resulting in additional increases. The International Coffee Agreement seeks to avoid this problem by offering higher export entitlement to those countries with stocks available for export and by allowing the shortfalls in availability in some countries to be added to the quotas of countries with stocks. The possibility of complementing these provisions with other mechanisms, such as the creation of reserve stocks under international control, has been discussed but not agreed upon.

► *The International Coffee Council met in September. What happened at the meeting?*

— Broadly speaking, there was general agreement among producers and consumers that the price levels at which quotas would enter automatically into force under existing provisions—about 77 US cents per pound—were much too low. No agreement was reached on a new price for the introduction of quotas, but it was agreed that the executive board should be called to consider appropriate action if, in broad terms, the composite price of coffee as measured by the ICO on the basis of New York ex-dock prices goes below 170 US cents per pound or above 230 US cents. The price is at present about two dollars. This ensures that the dialogue on prices will continue.

► *What are the basic mechanisms by which the price of coffee is decided and how much influence do the smaller producers have in the decisions?*

— In the first place, it must be understood that the ICO does not set the prices at which coffee is traded in world markets. These prices are determined through normal trading practices. The function of the organization is to set trigger prices for the introduction of quotas and, once quotas are in effect, to set price ranges for the adjustment of quotas. In setting the trigger prices or price ranges, the International Coffee Council (or the executive board) is required to take into consideration the prevailing level and trend of market prices and such economic matters as inflation and changes in exchange rates. Decisions on these matters require a two-thirds majority of the votes of exporting countries and a similar majority of the votes of importing countries. The votes of a country are related to the volume



Workers unloading, weighing and storing coffee in Addis Ababa. The International Coffee Agreement seeks to avoid hoarding by offering higher export entitlements

of coffee it exports or imports. However, decisions of this nature are not usually voted upon. Generally, a consensus emerges from discussions and consultations among producers as a group and consumers as a group, followed by negotiations in the executive board and council.

► *The supply and demand situation for coffee seems fairly stable at present. In which direction will it tend to move over the next coffee year and why?*

— Yes, the supply and demand situation is stable. During the last coffee year, the market has staged a remarkable recovery. Consumption of coffee has recovered from the lows of 1977 and is similar to the levels in the years preceding the frost of 1975. The indications are that world exportable production is virtually the same as consumption and that net stocks in producing countries of some 17 million bags (20% of world consumption), though slightly lower than a year ago, are adequate. If, during the next 12 months, exports and consumption remain at present levels, this would imply very little change in the overall stocks position. From 1981 onwards, recovery of production in Brazil may create extra stocks. If this occurs, cooperation between all members of the ICO may be necessary to support prices at agreed levels.

► *What are the main problems facing coffee growers in the developing countries, especially Africa, and how can they be overcome?*

— Since coffee is a tree crop, it needs four or five years from planting to come into production. As a consequence, growers need guidance and information about the world coffee economy if they are to take the right decisions for the future. High prices, for example, may encourage too much planting and lead to over-production in five years time. There is today much less land available for new planting than in the 1950s, when there was large-scale expansion. Planting coffee, therefore, implies committing an increasing amount of economic resources and mistakes can be costly

to individuals and to national economies. In Africa, where most coffee is grown on small-holdings worked by families, the livelihoods of many people are at stake.

The decision whether or not to plant coffee is complicated too by the fact that there are attractive competitive crops, especially annual ones, which yield quicker returns. Much depends, therefore, on the price policy adopted in a country. Because taxation and marketing systems vary widely, the same world price may generate an expansion of production in one country but not in another. This illustrates the reason why governments and growers need to be fully informed about what is happening in all producing countries. The ICO monitors developments and distributes information. At the same time, it favours a maximum of coordination and cooperation on production policy between all countries concerned.

► *Apart from oil, coffee is the principal export from the developing world to the EEC. Is it still a good industry to invest in, or is it likely to decline in importance?*

— Coffee is a major export crop for a large number of countries. Revenues from coffee exports, which were about US \$4 billion annually in the early 1970s, are now running at an annual rate of \$10-11 bn annually. As a measure of the importance of the amounts referred to, it may be noted that loans by the World Bank in 1978 totalled about \$6 bn. The significance of coffee to individual producing countries may be gauged by the part which earnings from coffee play in total export earnings and by the amount of employment it generates. For at least half a dozen countries, including four in Africa (Burundi, Ethiopia, Rwanda and Uganda), exports of coffee account for over 50% of total earnings. For at least another six countries they account for over 25% of these earnings. It is possible that as countries diversify their economies and move away from dependency on single products, the share of coffee in total export earnings will diminish. However, coffee will clearly continue to be an important source of revenue for many producing countries and make a major contribution to their agricultural development.

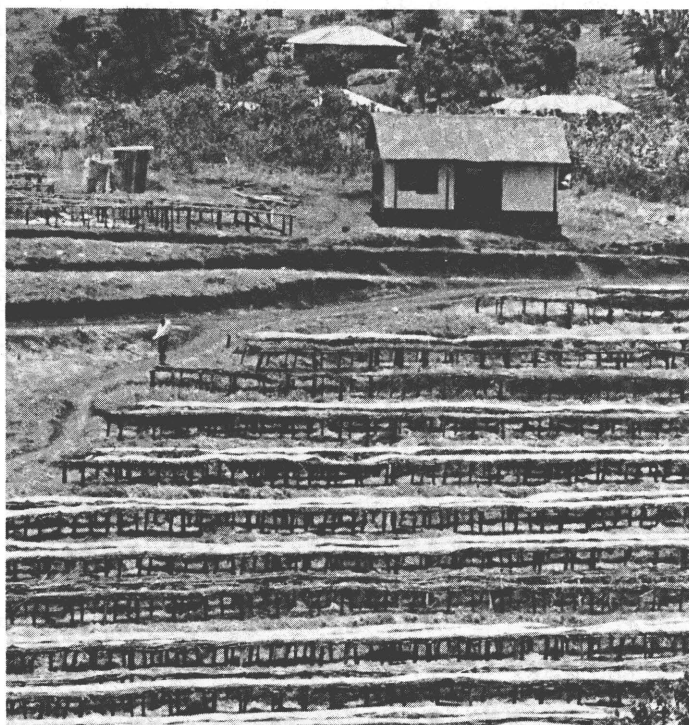
One of the most significant aspects of coffee is the fact that it creates employment for a large number of people. It may be considered more important than oil or minerals in the sense that the labour content in the production of coffee is very high. By creating employment in regions which are usually densely populated, coffee contributes to a better distribution of incomes and to social and economic development. In this way, coffee contributes to diversification. Higher incomes create more demand for food and other products.

At the same time, coffee needs to adapt itself to modern production techniques which are more capital intensive. This has proved possible and production of coffee can be a sound investment in countries at a relatively advanced stage of development. Producers will continue to invest in coffee provided they are satisfied that there will be a market for the product, at reasonable and stable prices, when the seedlings which they are planting begin to bear fruit in four or five years' time. They nevertheless need to be careful and not over-invest. Coffee is relatively inelastic and an over-optimistic view of the future may generate surpluses and low prices.

► *Could the development of experimental varieties of coffee, such as Arabusta, change the present pattern of the world coffee trade?*

— It may be still too early to assess the impact of the variety to which you refer. However, there is clearly-growing interest in many countries to improve the quality of coffee of all types. This implies not only the selection of new genetically improved varieties, but also the introduction of a large number of technical improvements in the production, processing and marketing of coffee. This will require a large measure of cooperation between exporters and importers, producers and consumers. This trend towards improvement in quality is one which could influence the pattern of trade in the future. □

Interview by
BARNEY TRENCH



Coffee trees like these ones in Karatine area of Kenya, need four or five years to come into production

The IACO

The African coffee producing countries have their own international organization, the IACO (Inter-African Coffee Organization). It was set up in 1960 with its headquarters in Abidjan, Ivory Coast, and has 22 members, all of which are also members of the International Coffee Organization (ICO). The aim of the IACO is to study common problems, in particular production, processing and sales, so that there can be a degree of harmonization in production levels and the best possible prices on world markets. Consumption is also crucial and the IACO is concerned with promotion work to increase demand.

In order to improve their marketing techniques and to facilitate the exchange of information, the IACO organizes periodic seminars on training and information.

The general secretariat of the organization, headed by Arega Worku, now plans to tackle more energetically production problems, which have been somewhat neglected in the past. It also plans to improve its contacts with other regional and international organizations. In this respect contacts have been made with the EEC concerning means of improving trade promotion. □

Coffee and the European Community

In 1975, the EEC overtook the USA and became the world's biggest importer of coffee. In 1978, it imported 22.9 million bags (a standard bag is 60 kg), or more than 41% of the world import trade, and was the largest consumer of this commodity. Germany, with 6.9 million bags (green coffee equivalent) is still the biggest coffee drinker in the Community. France is close behind, with 5.4 million, and then come Italy (3.2 million), the Netherlands (2.6 million), the UK (2.1 million), BLEU (1.4 million) and Denmark (1 million), with Ireland, consuming only 50 000 bags, still a long way behind.

Soluble coffee (also in green coffee equivalent) accounts for around 6% of the EEC's total imports, half of which is trade between the member states.

There are different coffee drinking traditions in the Community. The UK, for example, is the biggest consumer of soluble coffee in the Community and Brazil its main supplier.

Over the last three years, the value of Community imports has gone up considerably because of spiralling world prices. The figures for green coffee alone were \$ 3 300 million in 1976, \$ 5 700 million in 1977 and \$ 5 000 million in 1978 (when the US figure was \$ 4 200 million). For comparison, the 1977 figure is the same as that for the Community's imports of all forms of iron and copper ore and represents more than 10% of the value of all crude oil imports that same year.

The Community produces no coffee of its own—35% of its supplies come from the ACP countries, mainly in Africa, and 65% from elsewhere, essentially the countries of Latin America.

More **Arabica** is imported than **Robusta** overall, but varying consumer tastes and established trade patterns have ensured that there are considerable differences between the various member states. Arabica is more popular in Germany, the Netherlands and Italy and Robusta is more popular in France and the UK (53-57% of total).

It is perhaps useful to stress the importance of the markets that deal in commodities. In the Community, it is the coffee-terminal market in London which is the main indicator of world trends in Robusta coffee prices.

The internal situation

The Community pursued its policy of integration so as to create a common market. The last of the tariff barriers between the six original and the three new members were removed on 1 July 1977 and the CCT (common customs tariff) was set up. So there are no customs duties on the expanding trade in essentially roasted and soluble coffee

within the Community. 45% of the member states' total imports of soluble coffee came from other Community countries.

It is also important to remember that articles 85 and 89 of the Treaty of Rome make the EEC Commission responsible for seeing that the rules of competition are adhered to and for preventing any distortion.

After an enquiry and a number of recommendations by the Commission, the Brazilian coffee institute, which has its headquarters in Milan (Italy), agreed to abide by the EEC's rules of competition and gave all member states the opportunity to obtain supplies of green coffee from its Trieste depot, a facility previously reserved for the Italians and the French.

Undeniably, there are still problems with the free movement of goods because of the different tax systems in the member states and the varying rates of VAT. The Commission has investigated the general problem of harmonization of tax systems and it intends to bring all the national systems into line so as to create standard conditions throughout the Community. But the economic situation being what it is, this is still a long way off.

Encouraging advances are being made with harmonizing legislation in the Community to facilitate trade in all forms of coffee. On 27 June 1977, the EEC Council approved(1)



Harvesting of coffee in Cameroon...

(1) OJ L 172, 13 July 1977, n. 77/436/EEC.



... and tasting of this coffee at Cameroon's stand at a Cologne fair

a directive on harmonizing the laws on soluble coffee and chicory extract, with a view to easing trade in these products across the EEC two years after notification.

But there are still differences in national rulings on the composition of products, on substances likely to be used during manufacturing, on packing, labelling and naming which interfere with the free movement of goods by forcing Community manufacturers to vary their production to suit the member state for which it is intended.

The external situation

Joint action is being taken on a number of fronts. The CCT has gradually been cut down since 1959 and quotas have disappeared completely. The CCT originally put a 16% tax on green coffee, but this changed gradually to become 5% on 1 January 1977 after the 7% autonomous tax suspension decision of the EEC during the multilateral negotiations under GATT.

The original CCT tax on non-decaffeinated roasted coffee of 25% has gradually come down to 15% and the tax on coffee extract (soluble coffee) has dropped from 30% to 18%. In the system of generalized preferences offered to the ACP countries, these duties are applied at the reduced rates of 12% (roasted coffee) and 9% (soluble). The latter only applies to a 18 750 t quota, as, in view of the EEC/Brazil trade agreement, account has to be taken of Brazil's exports to the Community.

The Lomé Convention establishes a vast free trade area, plus a tariff preference due to the CCT, for green coffee from the ACP countries.

The Community and the International Coffee Agreement

Article 113 of the Treaty of Rome says that "the common commercial policy shall be based on uniform principles" and article 116 that "member states shall, in respect of all matters of particular interest to the common market, proceed within the framework of international organizations of an economic character only by common action".

This therefore was the basis for the position of the Community and its member states when the International Coffee Agreement was renegotiated in 1968 and extended in 1972 and when the EEC became a member, along with all the member states, of the new agreement which took effect on 1 October 1976 for a six-year period ending on 30 September 1982.

An important legal innovation in the 1968 agreement enabled the Community, as an intergovernmental organization with responsibility under the commodities agreements, to become a member and to apply the provisions along with its member states. It therefore adopted a regulation on import controls at Community frontiers (a system of certificates of origin) so that the International Coffee Organization (ICO) could work out basic quotas for its exporting members with a view to the introduction of export quotas(1).

The regulation that will apply when these export quotas are actually in existence was adopted by the EEC Council recently(2). The aim here is to prevent coffee over and above the export quota (established on the basis of an ICO decision) from coming onto the EEC customs territory.

These two regulations cater for the need to avoid barriers in the coffee trade in the Community and to keep customs formalities down to the strict minimum while also complying with the International Coffee Agreement which aims at preventing slumps in world prices through a mechanism to ensure regular supplies (export quotas and import controls).

However, it is important to realize that with the international market as it has been for the last four years, i.e. with fairly high prices, the machinery of the International Coffee Agreement has not come into play.

At the last ICO session(3) in London in September, a constructive proposal was made, at the Community's instigation, whereby the import and export regulation machinery of the Agreement would be set in motion if the indicative price imposed by the Agreement went down to or below 133.85 US cents per lb(4) during the 1979/80 coffee year. An adaptation of the formula for the two following years was also included.

The producers received the proposal fairly well but, unfortunately, the delegation of one of the major consumers prevented it being acted on and the ICO council had to be content with extending the system for a further year and updating a resolution(5) on convening the executive board of the ICO(6) "to take stock of the situation and look into any measure thought appropriate" if the indicative price varied more than 15% either side of the reference level.

Although the International Coffee Agreement is not really operational today, the Community continues to see it as an instrument of international cooperation with the ACP countries, bearing in mind how important coffee is for the ACP economies. It also sees it as an ideal forum where all the consumer countries can compare and coordinate their attitudes to the complex and ever-evolving problems of the world coffee community. □

Roberto SOLA

(1) EEC Regulation n. 2687/76, Council, 19 October 1976 on the use of certificates of origin (International Coffee Agreement, 1976). OJ L 309.

(2) Decision of the EEC Council, 9 October 1979.

(3) The ICO council meets at least once a year at the end of the coffee year which runs from 1 October to 31 September of the following year.

(4) The current market price is around \$ 2 per lb.

(5) Council Resolution n. 302 which already applied during the 1978/79 coffee year.

(6) The executive board of the ICO comprises eight importing and eight exporting members. The EEC, as such, takes part in discussions on subjects within its scope.

Evaluation of coffee projects in the ACP states

When ACP coffee projects are put forward for Community financing, the Commission pays particular attention to two points that are outside the scope of its general economic and technical assessment. These are the market prospects and the conditions of production, including transport from the plantation and preparation of the coffee.

Difficulties in these two fields, which are of particular importance to this product, could well neutralize all the efforts put into coffee projects, particularly by the producer.

The coffee market

Articles in the specialized press tend to look like weather reports, with frequent mention of depressions, turbulence and loss of altitude, all of which serve to show one thing—that coffee production is closely linked to variations in the weather, and to temperature and rainfall in particular. The Brazilian frosts of 1975(1) and the ensuing market disruption have not been forgotten. Accidents of this type are in fact quite common and coffee prices rise and fall as roughly two-year periods of shortages and rising costs are followed by drops (as things return to normal), often aggravated after a certain time by a period of 5-15 years of surplus and low prices.

A price will often encourage growers to plant more trees but, as there is a four or five year gap before full production, the market may well have returned to normal in the meantime and the new quantities are surplus to demand. This kind of situation can last several years if none of the big producers have problems with the weather, as coffee shrubs go on yielding for 25-30 years and full production continues for 15-20 of them.

But supply and demand are affected by things other than the weather. On the supply side, policy may dictate that part of production be put into or taken out of storage so as to influence prices. And on the demand side, the housewife may (after a brief attempt at storing coffee at home) take a policy decision of her own and cut her consumption, generally by switching to ersatz or synthetic coffee or to chicory or to a different product, such as tea. She may even boycott coffee altogether if prices go too high(2). Millions of micro-economic decisions of this kind, sometimes accompanied or preceded by consumer campaigns, can have a considerable effect on the market, as in fact happened in the USA after the crisis of 1976 and 1977(3), when import price rises, which were passed on to the consumer, were as

(1) **Brazil's production** — 26.96 million bags in 1973/74, 7.35 million in 1975/76 and 21.3 million in 1978/79.

Exportable production: 1973/74: 19.67 million bags; 1975/76: 0.69 million bags; 1978/79: 14.30 million bags.

(2) This is a fairly recent trend—until 1977 the demand for coffee was not considered to be very elastic as compared to prices and incomes.

(3) There was a 5% drop in consumption in 1976 and a 10% drop in 1977.

(4) There were eight years of frost more or less evenly spaced over the 1953-1975 period.

follows (cents per 1b—origin Guatemala—spot New York—prime-washed Arabica):

1975: 65.27 cents;

1976: 143.17 cents;

1977: 240.80 cents.

Roasted coffee retailed as follows:

1975: \$1.30 per 1b;

1976: \$2.01 per 1b;

1977: \$3.52 per 1b.

So far, consumption has always returned to normal once prices begin to drop. This masks a trend—the growth of consumption in the industrialized world is slowing down, partly because people are changing to soft drinks and partly because they are drinking more soluble coffee. This latter trend means a drop in consumption, as fewer beans are needed for the same number of cups since soluble coffee uses less green coffee than normal ground does. However, consumption in the producing countries is increasing fast, which is particularly important as, after oil, coffee is the most widely sold product in the world.

How can project evaluation take proper account of these ill-assorted problems, the most basic of which is outside anyone's control? Seeming chaos in fact masks long-term trends. As far as supply is concerned, for example, the frosts in Brazil, the biggest producer, seem to occur every three years(4) (although the 1978 shortage was nothing like the crisis of 1975), so it would make sense to weather watch in July and August in 1981. On the demand side, the World



Coffee harvest in an EDF-backed plantation in Rwanda

Bank suggests there will be an increase in the level of imports of around 2.7% p.a. in 1979-1990. Bearing in mind supplies and the variable nature of prices and incomes, this should lead to the following rates (US \$ constant at the 1978 level):

1979: 258.7 cents per kg;

1980: 236.3 cents per kg;

1985: 242.2 cents per kg;

1990: 264.9 cents per kg.

Community financing for coffee production

1st EDF: nil

2nd EDF:

Central African Republic

Equipment and assistance for cooperatives 1 191 000 EUA

3rd EDF:

Madagascar

East coast coffee scheme 1 587 000 EUA

Central African Republic

Integrated development programme for the cotton producing area 5 839 000 EUA

Total 3rd EDF 7 426 000 EUA

4th EDF:

Already financed

Central African Republic

Improvements to family coffee-growing concerns 4 600 000 EUA

Ethiopia

Improvements to coffee growing 12 870 000 EUA

Tanzania

Coffee improvement programme 12 677 000 EUA

Malawi

Smallholder coffee development project 2 400 000 EUA

Sub-total 32 547 000 EUA

To be financed

Cameroon

Modernization of family smallholdings in Arabica growing areas 7 690 000 EUA

Liberia

Coffee-cocoa project 2 900 000 EUA

Sub-total 10 590 000 EUA

Total 4th EDF 43 137 000 EUA

Grand total 51 754 000 EUA

STABEX

In accordance with Title II, Chapter I of the Lomé Convention, the Commission granted transfers of a total 14 494 288 EUA to a number of ACP countries whose export earnings from coffee dropped in 1975 and 1978.

Benin received 1 174 883 EUA for 1975, the Central African Republic 353 108 EUA, Ethiopia 9 339 683 EUA and Togo 2 680 324 EUA.

Another transfer, of 946 290 EUA, was made to Togo for 1978.

This is why prudence is called for in coffee projects, particularly as regards new export-oriented plantations, which should only be agreed to where the economic and technical conditions of production are of the very best. It should be easier to obtain Community aid for projects that involve improving relatively recent plantations (by campaigns against disease, cutting back, etc.).

Coffee production

One of the most important aspects of coffee production is labour. A large work force, representing 50-80% of the cost of production, is required for the various agricultural operations (5), particularly in the years before production actually begins. The comparative advantage of higher productivity that industrial plantations, with their hired workers, have long had over the lesser-equipped family holdings is now diminishing under the combined effects of higher wages, in real terms, and inflation.

This trend, plus the fact that coffee may be a worthwhile and in some cases the only means of providing cash income for the small peasant farmer, should lead to a careful examination of projects involving growing coffee on family holdings, which could be grouped round an industrial unit that provided technical support, preferably for them alone.

However, the implications of this cannot be ignored. In particular, the technology of first-stage processing would differ. In an industrial unit, the wet process can be used to disengage the coffee seeds from their coverings. This yields beans of a regular colour and quality and demands very little packing but a minimum of 200 ha of plantation is required to make it worthwhile.

Small planters use the dry process which is easier and fairly cheap and gives results that are acceptable though less good than with the previous method. When the wet process is beyond the planters' financial means, it may be a good idea to provide them with the credit (via a revolving fund, for example) to purchase hulling machines that will give satisfactory results.

Attention must also be paid to other stages in the production/marketing process, i.e. to the transport and grading of the beans, as transport costs may push up prices at the fob stage and poor grading can hamper sales. So these aspects should be gone into thoroughly when projects are being assessed.

So, in addition to the natural conditions (soil, altitude, and climate) that may determine the type of coffee to be used in a project, there are other considerations to bear in mind. Research, for example, is important. It was this that led to the wide-scale introduction of Arabusta in Ivory Coast, which put the country in a very good position as Arabusta is similar to the more expensive Arabica which is difficult to grow in that country.

A variety of research is being carried out into such things as the medical aspects of coffee drinking (at the request of some consumers who prefer decaffeinated coffee) and an attempt is being made to produce coffee that contains no caffeine (6). If this research comes to something, it will open interesting prospects in the ACP countries. □

Gunter GRUNER

(5) For example, here is the work required (days of work per year) for a Robusta plantation producing 1 000 kg per ha: weeding: 48; cutting: 12; trimming: 24; fertilizing: 3; spraying: 7; harvesting: 175. Total: 269.

(6) This means coffee that has no natural caffeine content—not ordinary coffee that has been decaffeinated.

Uses for coffee pulp

When coffee beans have been removed from the fruit, what is left is a wet mess of pulp and, at a later stage, the dry material of the "hull", a fibrous sleeve that protects the beans. Disposing of this waste has always presented a problem, more so for the pulp than for the hulls, which are often used as fuel for the drying process. For years the only use for the pulp was as a fertilizer (not a particularly good one). Now, a research programme initiated in 1971 suggests that coffee waste could be a useful ingredient in animal feed, or, mixed with manure, in the production of biogas and a better fertilizer.

This research is summarized in a recent study, **Coffee Pulp: composition, technology and utilization**, published by the International Development Research Centre (IDRC) of Canada(1).

Coffee pulp contains about the same amount of protein as corn, although its crude fibre content is more than four times as high. The study concludes that "this agricultural by-product has a potential nutritive value similar to that of good quality tropical forages".

However, there is still some way to go before the best methods of treating and using the pulp are proved in practice. One problem is that animals do not seem to care for it very much, perhaps because they find it unpalatable, perhaps because they are upset by the presence of such substances as caffeine, tannin and potassium in the pulp. Experiments have shown that cattle seem happy enough to accept up to 20% of coffee pulp in their diets, and pigs up to 16%.

Nonetheless, the report makes it clear that "it is necessary to conduct studies to identify the factors that interfere

with the consumption and utilization of coffee pulp by the animals, and to develop processing methods and feeding systems that will eliminate or counteract these factors". Further, it says, "there is a need to determine the long-term effects on the productivity of beef and dairy herds".

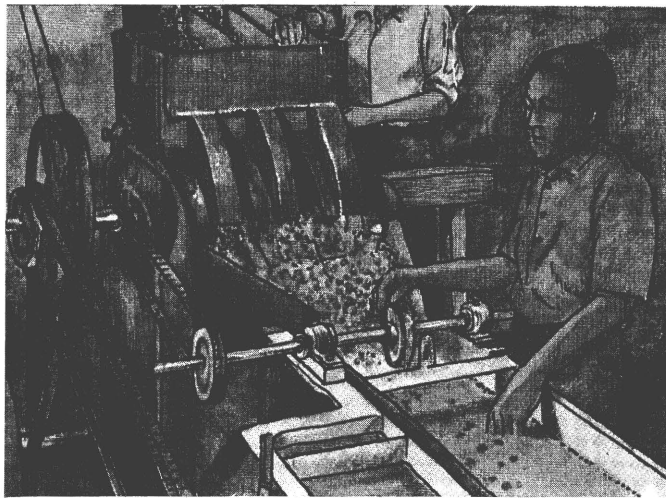
What works in the laboratory is not, of course, bound to succeed in real agricultural conditions. One of the problems is handling the wet pulp, another the cost of the finished pulp product compared with familiar feeds.

But the more encouraging assessments point out that pulp processing need not involve large new investments on the small plantations that are in the majority in the developing countries. Since the coffee harvest takes up to three months, local processing plants would only need to handle small quantities of pulp at a time, spread over this period.

Processing the beans naturally has priority during the harvest period, and facilities may not be available for handling the pulp simultaneously; but, as with other forages, coffee pulp can be ensiled (preserved by partial fermentation), stored and then dried after the beans have been dealt with, which would make further use of drying facilities which would otherwise lie idle.

And even the unpalatable substances that probably need to be extracted from coffee pulp feed could in themselves be saleable products—including caffeine, tannins and soluble sugars for industrial purposes. □ B.T.

(1) Postal address: Box 8500, Ottawa, Canada K1G3H9.



Stages in preparing coffee: drying and processing the beans

Coffee in the economies of two ACP countries

IVORY COAST

The Ivory Coast is the world's biggest producer of Robusta and third biggest coffee producer overall. The 1977 figures (ICO) show production of 3 250 000 bags, which brought in a little over US \$1 000 million, 44.4% of export earnings(1).

One person in three—2 300 000 in all—is supported by the coffee business in the Ivory Coast.

The government has been diversifying production for many years, but "brown gold" is still the mainstay of the economy. It is grown throughout the southern half of the country, mainly by small-holders who usually grow other crops at the same time.

Most plantations are no bigger than two to five hectares; this small-scale approach has meant low yields, of the order of 300 kg per hectare as compared with up to 4 000 kg/ha on well-run Brazilian estates.

The yields could clearly be greatly improved, but the problem, a familiar one, is that the cost of introducing better plants, fertilizers and insecticides is often beyond the means of the small producers.

Coffee prices are fixed on international markets according to supply and demand. In the Ivory Coast, a farm prices support mechanism is operated by the Caisse de Stabilisation et de Soutien des Prix des Produits Agricoles (CSSPPA), which serves as an intermediary between the producers and the international market.

This system gives a guaranteed price to the growers despite fluctuations in world coffee prices. The advantage is not only protection in times of falling prices but also the encouragement this protection affords the growers to stay in the coffee business despite lower prices.

On the other hand, higher prices are to some extent screened off from the growers.

Perhaps the main advantage to the growers is that they have a guaranteed sale whatever happens. The middlemen are obliged to buy all the coffee available.

The difference between world prices and CSSPPA prices is used as a basis for calculating taxes or grants to discourage or encourage exports of coffee.

The CSSPPA not only looks after marketing but also aims to raise the quality of the coffee by giving loans or grants for the growers to buy the necessary inputs.

Further, a good chunk of its profits goes into general development in the Ivory Coast, in the form of contributions



Coffee bush in flower

to a special investment and equipment budget, the BSIE, which reached CFAF 50 000 m in 1976-77.

It is no accident that the CSSPPA headquarters is in the same building (the Maison du Planteur) as the Ministry of Agriculture.

The French Coffee and Cocoa Institute (IFCC) has been working for the Ivory Coast for many years on problems of disease and the protection of the coffee harvest. Its research has also led to the creation of Arabusta coffee, a hybrid between Robusta and Arabica.

Arabusta has a caffeine content somewhere between those of its two parents. It is being grown experimentally, with a production target of 20 000 t in 1990.

This new variety has to make a place for itself on the market, but its promoters are confident. □

(1) Source: Central Bank of West African States.

KENYA

Since coffee was first planted in Kenya early in this century, it has played a role of increasing importance in the economic development of the country and has assumed much social and political significance(1).

Up to the Second World War, the main development was in the areas formerly known as the "scheduled territories". Thereafter there was planned development of smallholdings in other areas.

The coffee grown is Arabica and is classified in the Colombian Milds group. The crop year runs from 1 October to 30 September.

The Gross Domestic Product (GDP) of Kenya was estimated at K£1.181 million (US\$3,188 million) in 1975 of which coffee contributed K£35.3 million) or 3 per cent.

In the context of the monetarized sector of the agricultural economy, coffee assumes a greater significance. The share of coffee in marketed agricultural production between 1972 and 1975 averaged close to 25 % annually.

As a consequence of the rise in prices in 1976 and 1977 the importance of coffee in the agricultural sector in the economy as a whole has increased.

Coffee also occupies an important position in external trade. The share of coffee in total annual export earnings has been consistently more than 14 percent since 1972.

The share was 27 percent in 1976 and in 1977 even higher. In 1977 proceeds from exports of coffee amounted to US \$481, more than five times the amount in 1975.

The increase in the value of exports of coffee in 1976 contributed towards the halving of the deficit in the balance of external trade from K £124.6 million (US \$300 million) in 1975 to K £61.8 millions (US \$ 149 million) in 1976. This improvement occurred despite a 12 % increase in the value of imports in 1976.

The importance of coffee in the economy is also reflected in the employment statistics. In 1970, of a total agricultural labour force of 3.5 million, about one million were employed directly in the coffee sector in full or part-time employment.

Organization and marketing

The marketing structure is centralised through the Coffee Board of Kenya (CBK) which controls the planting of coffee by a licensing system, takes delivery of all coffee produced and sells it for export by auction.

Its main intermediate agent is the Kenya Planters Cooperative Union (KPCU) which receives parchment coffee from the estates and from smallholders through the local cooperative societies for hulling, grading and cleaning.

Smallholders are paid by the cooperative societies from payments made by the CBK to the KPCU and by the KPCU to the cooperative federations. Estates are paid directly by the KPCU.

Growers receive advances for their coffee every two or three months.

Final prices are calculated at the close of each crop year when, after the deduction of various marketing costs, taxes and commissions by the CBK, KPCU, the cooperative federations and the local cooperative societies, the balance is paid to the growers.

All final processing and grading takes place in Nairobi where facilities exist for storage throughout the year.

Auctions are normally held every week in Nairobi at which sales are made to private exporters. A complex system of grading by appearance and cup taste is carried out and samples are sent to buyers all over the world before the coffee is auctioned. The participation of the CBK in the marketing process ceases after the auction.

The share of Kenya in total world exportable production of coffee in 1974/75 was just under 2%. However, Kenya is an important supplier to certain countries including the Federal Republic of Germany. □



AFRIQUE PHOTO — Clavreul

Arabica is the main variety grown in Kenya

(1) Excerpts from ICO publication EB 1601/78(E).

Appropriate technology

Solar desalination for irrigation

Only some 10% of the world's land resources are used to cultivate crops. One of the reasons for this is that nearly a third of the land surface is desert; and yet abandoned towns, dried-up wells and historical accounts testify that large parts of the deserts were once fertile and populous. They need not be lost forever. There are nutritious soils in the seemingly dead sand dunes. What must be done is to get the water cycle working again, to re-establish the water supply.

New techniques in water engineering are available and Swedish solar energy researchers are showing that the costs need not be unreasonable. Aapo Sääsk, an economic scientist, and Orvar Elmqvist, a research engineer, are working on a water desalinator using solar energy, an "LTE system" (1), designed on completely new principles. An experimental model at the Royal Institute of Technology in Stockholm has demonstrated that desalinated water can be obtained at not more than a third of the normal present-day cost. Prototype development is now being financed by the Swedish Board for Technological Development.

Their basic formula is as follows: **sea + sun + desert = water + trees + crops.**

The world supply of water

It is expected that water consumption throughout the world will total 6 000 km³ or approx. 23% of the existing fresh-water resources before the year 2000. However, the accessible water resources are very unevenly distributed over the earth, with regions of more or less pronounced shortage and excess.

Unfortunately, the greatest excess of water occurs in arctic or sub-arctic regions where temperatures render conditions unsuitable for sizeable concentrations of people, whilst the shor-

tages are more common in the very regions where suitable temperatures prevail.

As population is sure to increase for a time in the hottest regions, where fresh water is already being heavily exploited or in short supply, the exploitation of resources will be appreciably above the average total consumption of 23%.

Irrigation based on either nuclear power or solar energy seems to be the only economically sound alternative. The latter seems particularly attractive, as countries with heavy demands for irrigation also experience the most intensive solar radiation.

A number of new techniques have recently been developed for this purpose, designated by the generic term WHD (waste heat desalination). The LTE system is one such technique. LTE—low-temperature evaporation—is suitable both for very large-scale production of fresh water and for small plants for villages. The basic principle is to make use of solar energy for

increasing water temperature. The water is then made to evaporate and condensed by natural cooling, effected either by deep-sea water or by low night temperatures.

The LTE system uses cheap materials for very large vertical evaporating surfaces, in a compact design which can operate in relatively low temperature differentials—down to approx. 15 °C. Production is directly proportional to the consumption of solar energy and is thus higher during hot dry seasons, when water requirements are greatest. There is no surplus capacity.

A prototype to be tested in 1980 is now in preparation. Mr Elmqvist hopes that the first plant will be ready in 1982.

Afforestation and climate

In the heyday of the Roman Empire, the deserts of North Africa were its granaries. Drilling for sub-soil water can help reclaim the desert, but in the long term a natural water cycle must be re-established. And that means planting trees. Drilling for water in the sub-soil yields only short-term benefits which often lead to the region drying even further. There are deterrent examples of this from the USA, whilst there is evidence (from Italy, for instance) that selective re-afforestation produces undreamt improvements in climate. Dry springs forgotten for centuries flow



The labour of drawing water from the desert

Can solar power do it instead?

(1) LTE: Low temperature evaporation.

again when the water cycle has started to work normally, assisted by the trees.

Excavating canals from rivers, constructing dams in mountains and storing rainwater have enabled the People's Republic of China to reclaim almost a million hectares of desert and plant crops.

What should those countries do which consist mostly of desert or semi-desert, and lack China's huge population? It could be said that they need not cultivate more than the population require, but that would be to deny them the asset which the potential area of cultivation represents. In the long run, the only natural water reserves which can be considered for supplying shortages are the world's seas, which for human purposes are inexhaustible. And remarkably enough, a third of the littoral is adjacent to areas of pronounced water shortage.

Even in the Sahara, where the central inland regions are some 2 000 km from the coast, desalinated sea-water could be piped in. The first step is to reclaim the coastal strips, then to work inland making water transport a part of local infrastructures on the way.

All known ways of purifying sea water are relatively energy-expensive. The quantities of water required to bring the barren regions gradually back to life are so huge that the conventional sources of energy now in use are insufficient. Existing desalination undertakings are therefore limited to small units meeting local urban needs and are of no world-wide significance.

Calculations show, however, that the costs of exploiting the huge reserves of natural water with new energy techniques on a large scale need not be unreasonable.

Experience shows that after reclamation has reached a certain minimum level, the water cycle gradually begins to work again. Thus the need for supplied water gradually falls, and the surplus can be used to push reclamation further inland. By direct action on the soil and with the equally effective assistance of natural factors, we can "indirectly" achieve a control of the water cycle in the long term which is impossible by direct action.

There are many other methods of supplying water to areas of shortage. Russia is considering the diversion of the great Siberian rivers to the south. The USA and Saudi Arabia have even examined the idea of making large nuclear-powered units tow ice in plastic bags from the Arctic. But already minor advances which have been made by damming rivers or diverting their waters, tapping surface or underground lakes, etc. have had very unwelcome environmental consequences.



Solar-powered pump in Mexico

The sun can not only draw the water but purify it as well

The desalination of sea-water using solar energy has no such environmental disadvantages. It is just one way of imitating nature.

A closer look at costs

Desalinated salt water from existing plants costs around US \$ 1 per m³. More recent low-temperature plant, which has not as yet been fully tested, operates at approx. 60 cents per m³. Now that development is under way, it is likely that the costs may be reduced further to perhaps 20 cents per m³.

Up to now desalination plants have produced water primarily for domestic consumption, where its relatively high production cost has not been a critical factor so much as the cost of distribution. For vegetables, desalinated water is cheap enough already. Water could cost up to US \$7 before the intensive production of vegetables for export to industrialized countries becomes unprofitable. However, water for the home market in the countries concerned must cost considerably less.

Any reclamation of desert regions must start with afforestation, however, and even if reclamation need not always be profitable in the short term it must be accepted that it cannot generally start until it is fully clear at what water cost afforestation really becomes profitable.

In an extreme desert region, the rainfall is only 0-100 mm per annum (compared with up to 700 mm in large parts of Sweden, for instance) and the evaporation is high, very often over 2 000 mm per annum. It is therefore necessary, especially at the outset, to irrigate the roots of each newly-planted tree.

Such techniques are well-known today and were so in more primitive forms for thousands of years.

For maximum growth, the tree must have around 40 m³ water per m³ of pulp produced.

At around \$ 12 per m³, international pulp prices are very low at present, and the present cost of water per tree with the WHD technique is altogether too high (around \$ 30 per m³ of pulp produced). Even at lower water cost the price of pulp production becomes so high that the only option is to sell on the local market.

However, the calculation for food-producing trees is better. In desert climates, the best food-producing trees yield 25-50 tons of fruit per hectare per annum with normal care. Even at a water cost of 60 cents per m³ for a harvest of 40 tons, the cost of water is only 5-10 cents per kilo of fruit.

And the best prospects of all are for a combination of food-producing trees and other crops, for instance vegetables. As already pointed out, the present high cost of water at \$ 1 per m³ is no barrier to profitability.

So the irrigation of deserts is now a question not of profitability but of obtaining finance; and that, unfortunately, is subject to the economic decision-makers' common fear of entering new fields and exploiting new technology. □

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Appropriate technology

PATAC: self-help housing in Brazil

by Robert MISTER(*)

In the north-east of Brazil it is hard to believe that this is the land of economic miracles. For here, more than 36 million people, 30% of all Brazilians, live in a state of frightening poverty. This region of nine states comprising 18% of Brazil's 8.5 million sq. km is divided into two main areas.

The Sertao, or interior, is a sterile and parched land prone to droughts from which thousands flee to the refuge of the city. The coastal area, however, has plenty of rain.

Throughout both areas the same pattern of large landed estates inherited from the Portuguese colonists more than 250 years ago is fixed. Today some three-quarters of the land belongs to a scant 2% of the landholders. Consequently, the vast majority of people are farm labourers, share-croppers, or squatters.

In the coastal area the great plantations of sugar and cocoa have been so intensively cultivated that the land has suffered.

Here the cities of Recife, Fortaleza and Brazil's first capital, Salvador, have become virtual dumping grounds for the wretched and bitter peasants from the countryside.

Migration to the cities has created vast slums where people live in shacks made of scavenged materials and drink polluted water.

Many are unemployed, they have no money and have no experience in organizing themselves to press for a better deal.

The PATAC

In Campina Grande, a city 100 miles inland from Recife, the Programa de Aplicacao de Tecnica Adaptada nas

Comunidades (PATAC) has been attempting to use appropriate technology to alleviate some of the poverty and appalling living conditions.

Its work is based on the use of appropriate technology devices as instruments of social and community education and it brings together many of the poorest community groups to use appropriate technology as a means of improving their lives without depending on outside financial help. The PATAC team is led by Brother Urbano and has been supported by Oxfam since 1973.

Brother Urbano compared the Redemptorist Fathers' castle-convent with the local mud and wattle housing common to north-east Brazil. Since then he has been experimenting with new construction techniques for a popular housing system, along with other technologies appropriate to the area.

Several ideas were tried and rejected as impractical before the first model of a block-making machine was developed in 1973.

In 1974 when the north-east was badly hit by floods and thousands of poor dwellings in low-lying areas were destroyed, the number of machines in use increased rapidly in response to the urgent need for housing in the flood reconstruction programme.

Since then the programme has broadened to include needy areas not directly affected by floods and today about 45 machines are being used by poor communities in north-east Brazil.

During a visit to the Amazon region of Brazil, Brother Urbano saw some very simple borehole drilling equipment and hand-pumps made from standard plastic pipe fittings and brought this equipment back to his workshop in Campina Grande.

During the drought in the Sertao in 1976, the well-drilling equipment was introduced to rural areas in the state of Bahia.

The work of PATAC's engineering staff is complemented by that of a small educational team whose job is to visit the communities which request the loan of a machine, discuss with them the many problems of initiating a house building or borehole drilling programme and provide guidelines for community action.

The range of appropriate technologies has further expanded to include a new model of the block-making machine, a system for constructing a



A house constructed from PATAC blocks nearing completion

(*) Oxfam disasters officer.

curved roof, a windpump and new crops for farmers.

All these devices are designed or modified in Campina Grande by Brother Urbano and a team of three on the educational side and 10 on the technical and practical side. Urbano and the team correlate ideas which are gathered from many sources, including Oxfam which, for example, has offered suggestions on the new block machine and windpump. All new concepts or ideas are then tested on the basis of whether they answer the expressed needs of the people and whether they are suitable for use in educational work.

Application of the technology

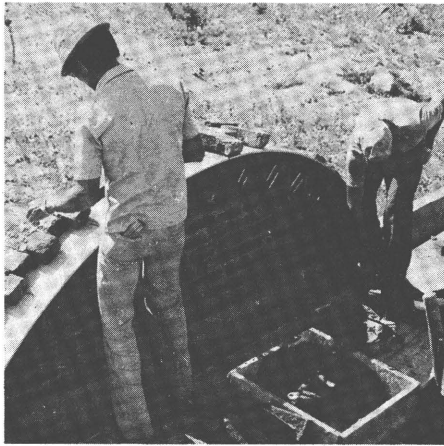
In the application of appropriate technology educational work plays an important part and takes two forms: the practical, in which families learn how to use the device and apply new techniques in building, bricklaying, tile making, tile laying, well drilling, the use of irrigation or the use of a windpump; and the social, in which families learn and practise how to help each other, work together, make group decisions, and solve individual and group problems. They learn to recognise the strength of collective effort and discover how to apply this new knowledge.

The decisions to be made and the problems to be solved, as with the practical aspects which have to be learnt, vary considerably from the simple (division of duties, type of sand, etc.) to the more complicated (documents, land ownership disputes, house design, type of roof, etc.).

As the technical and practical members of the team tackle the design and manufacture of the devices, the educationalists of the team make sure that the educational aspect of the project is given due weight. The temptation of some project administrators to do things for the people needs to be questioned; the people must also reflect on this so that they can themselves determine the duties of their administrators and suggest relevant lines of action.

Behind the block-making machine is the very simple idea of families making the blocks for building their own houses, and paying for the materials used by making more blocks than they need and selling the extra blocks.

A family can produce about 1 000 blocks per day, and the average number needed to build a house is 2 000. In five days a family might make 5 000 blocks, of which 3 000 can be sold to



Work starting on a curved roof at the PATAC site in Campina Grande

pay for the materials used and for the cost of operating the machine. If they need money to pay for rafters, tiles, cement, etc., they continue to make extra blocks for sale so that they can buy these materials too.

This is not just a process for making blocks. It is a way in which people can join together to help each other, as well as themselves, and is an ideal educational device. It brings ownership of a solid brick house within the reach of people who have never even dreamed of the possibility. It demands group participation; the ideal number of operators is between four and eight. It is simple to use, and can call on the vast fund of unemployed and under-employed women and children. For the first time these small community groups are able to take the initiative in improving substantially their housing conditions.

Since the first machine was produced several problems have arisen because of the huge increases in the prices of transport, cement and sand. Furthermore, the need for the relatively expensive small wooden frames has exceeded the original calculations. For these reasons the block-machine has been redesigned.

The new machine will produce a block of the same outside dimensions, but with larger holes—this reduces the volume of material by 30% and gives corresponding benefits in sand and cement savings. Cement content is raised slightly to give a similar maximum loading capacity, and this also improves the appearance of the block which in turn makes it more saleable. The new machine is also designed to function without the small wooden block frame, giving a further considerable saving. The gradual introduction of the new machine through substitution (35% of the old machine's components are utilized) is significantly improving the flow of blocks and

speeding up the process of house building.

The curved roof

A curved roof has been designed to further reduce the cost of house construction. The cost of roofing materials has been increasing whilst lower profit margins for the families have decreased even further their ability to "earn" their roof from brick production. This new roof will not only be technically better than other forms of roofing, but will cost about half as much. To construct the roof several steel-framed arches are set on the house, and wooden lathes set on these are covered with paper to provide the surface on which bricks are laid.

The common house brick, which is locally produced all over north-east Brazil, is laid on the arch, which is moved along to support each row of bricks as it is laid. The arch saves on wood and tiles, both of which are now becoming expensive. The outside of the arch is rendered and then painted with cement. The roof is still at an experimental stage and the next step will be to use the roof on a house of soil cement blocks.

Water supply

A hand-operated well drill forms the basis of the water supply work. Four men can sink a six inch diameter well to a depth of about 60 feet, through any ground surface except rock. For small groups in town suburbs, or in villages, a hand-operated pump is usually best. For a direct or trickle feed irrigation system the windmill powered pump will be used. One eight-bladed windmill is being tested and initial results show that it will be suitable in the agreste (semi-arid) region, although some improvements have yet to be made.

A canvas sail type of windmill has also been made for the interior sertao (arid) regions which experience lower wind speeds. As the wind direction does not change much, this windmill has been constructed with a fixed direction rotor which greatly simplifies construction. The structure is of light steel tubing and steel strip, both of which are readily available.

Community use of PATAC's technology

PATAC's appropriate technology devices are being used in 54 communities in north-east Brazil. Each device is the responsibility of a community

group or organization rather than an individual or family. The approach of each of these groups may differ but each will attempt to use the technical input to stimulate independence and initiative within the community to find solutions to the problems affecting their daily lives. It encourages small groups to think, reach decisions and act for themselves rather than depend

on external assistance indefinitely which creates paternalistic ties that are difficult to break.

Oxfam's experience has shown that the most successful uses of technology by the poorest have been within a programme of popular education that encourages small groups to think, reach decisions and act for themselves.

The devices developed by PATAc and their approach to using them have enabled small groups in north-east Brazil to do just this. Not only has PATAc been able to assist people to gain better living conditions but it has encouraged them to be more confident to develop better relationships, self-determination and the ability to manage their own future. □ R.M.

The block-making machine

The original PATAc block-making machine is a small, relatively inexpensive piece of equipment which can be used by unskilled people for work within a self-help type of organization. It differs from other block-making machines, such as the Cinva Ram, in the following respects:

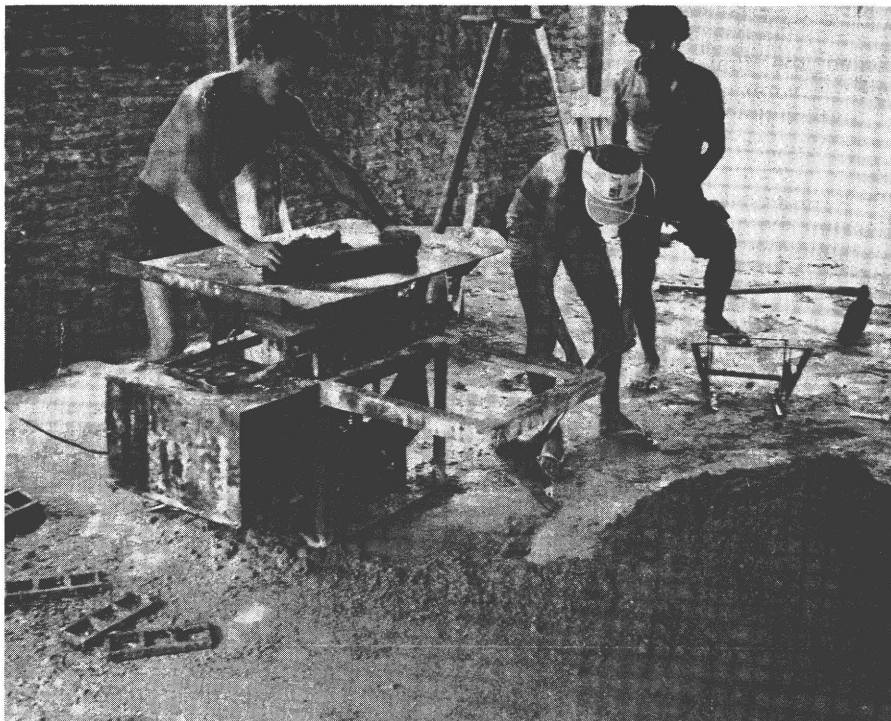
- It uses vibration, not pressure, to consolidate the mixture in the mould.
- It is quicker in operation than machines of comparable cost and complexity—it makes three blocks simultaneously and unskilled people with one machine can make 1000 blocks per day.
- It makes hollow blocks which are very economical in the use of materials.
- The blocks are made from a mixture of clean, coarse sand with some clay soil and about 5% cement.
- Because the blocks are hollow and light, they are made to the maximum size a bricklayer can handle in order to speed construction.

Manufacture of the blocks is started by tipping the cement/sand mix onto a vibratory table and into the moulds for the blocks. The electric motor is then switched on, vibration begins, and as the mix is consolidated, more is heaped in.

After a short time (20-30 seconds), vibration is stopped and a large handle is pulled downwards, raising the completed blocks out of the moulds.

The blocks on their special wooden frames are lifted off the machine and cured. A large number of the frames are therefore kept so that further blocks can be made while the others cure.

The blocks measure 17 cm × 10 cm × 26 cm. There are three voids inside each block which are closed off at one end and open at the other. The cross section of these voids measures 6 cm × 6 cm and the sides of the block are 2 cm thick. □



PATAc block-making machine in action

Oxfam

Oxfam, the UK's largest Third World development agency, was founded in 1942, at the height of World War II, when the citizens of Oxford and its university broke the British naval blockade (with the permission of the British War Cabinet) to forward relief parcels and blankets to the suffering women and children of occupied Greece.

The "Oxford Committee for Famine Relief", as it was first called, has since grown into an international organization offering relief and development services in some 85 Third World countries, across 1800 different projects.

Oxfam employs 550 members of staff and earns £10 million annually. Last year it drew £195 660 from the Community's co-financing scheme, but its main sources of income lie with the British and Irish public. Oxfam is the seventh largest shopkeeper in the United Kingdom, with 600 shops retailing donated gifts, mainly of clothing, which generate 40% of its income.

These shops are staffed by over 20 000 unpaid volunteers and are used by some 3 million customers.

Oxfam is Europe's largest importer of Third World handicrafts and whilst their operation contributes to the charity's income it creates, more importantly, employment opportunities in Third World countries on which depend the livelihood of some 10 000 people. Regular giving is the tradition in Oxfam and over a quarter of a million people do this on a sustained basis.

Support groups have formed also in Denmark, Italy, Germany, France and Ireland within the Community, whilst Belgium has created its own autonomous Oxfam agency—as have America, Canada, Quebec and Australia. □

London's Africa Centre

Not only Africans are tired of seeing their countries presented in the West merely in terms of politics and economics, which in turn are so often reduced to stories of violence and poverty. African cultures and societies are increasingly the subjects of study and discussion in the industrialized countries, and one of the meeting-places responsible for this is the Africa Centre in London.

The Centre was opened in 1964, while independence was still sweeping through the Third World, as a focus for African life in London and as a source of information about "Africa in all its diversity", to quote the director of the Africa Centre, Dr Alastair Niven.

A spectrum of activities

"There is a very active African life in London and I like to think a good deal of it is focussed on the Africa Centre", Dr Niven said. "We have over 60 000 visitors a year, most of them African, and they are of all kinds. Our activities are equally varied. At the official level, government visitors and the diplomatic corps use the Centre to give talks or entertain people in our restaurant; and then we have a full schedule of artistic and educational activities. We have at least 60 talks a year on aspects of current affairs and as many again on other things concerning Africa, given by distinguished and informed people. We arrange schools conferences. There's a busy programme of music, drama, literature and exhibitions, and many activities in which people participate more directly—dance classes, 'national' evenings, language classes and so on."

Seeing West African and English students together learning Swahili, an East African language, and a notice for a Greek play to be presented by a multi-racial group from Birmingham gives some idea of the spectrum of activities the Africa Centre has managed to put together. It has none of the sterilized atmosphere that tends to accompany institutes launched with pious intentions, although this was more or less literally its case—the premises were acquired thanks to a Catholic cardinal's will. "It was a Christian initiative, but it was immediately

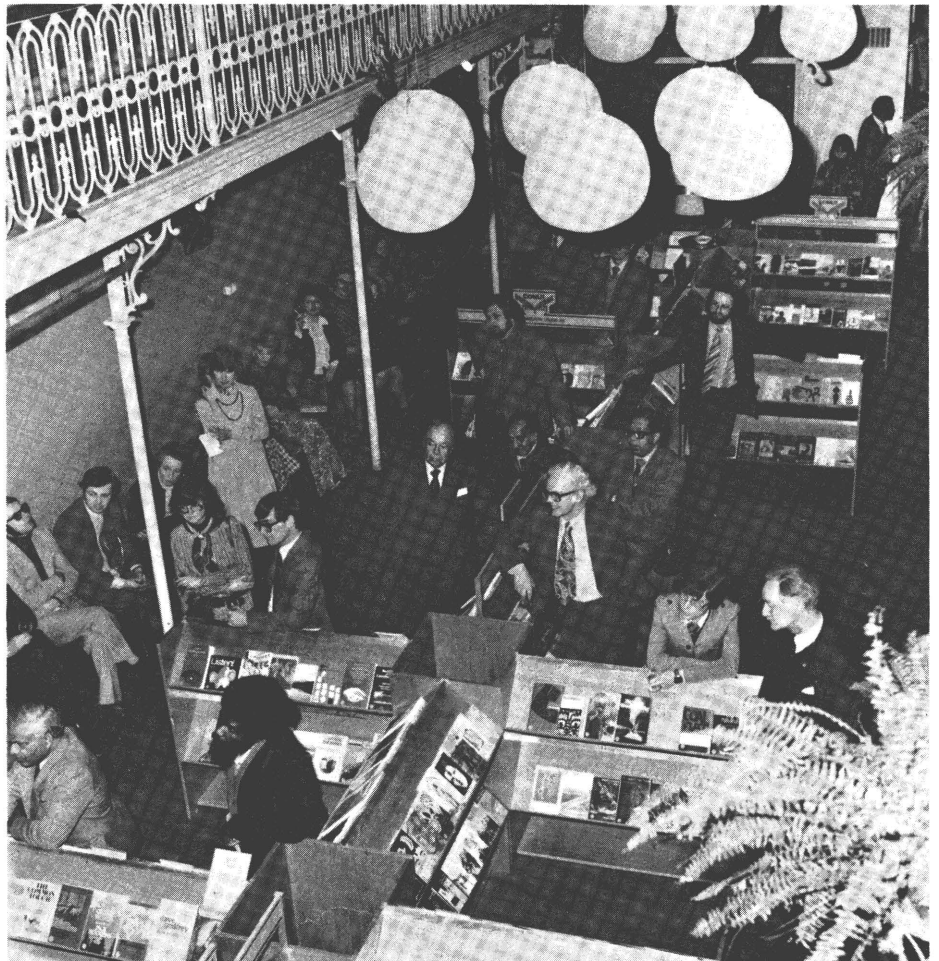
felt that to make the Centre denominational would detract from its purpose," Dr Niven explained.

Money and politics

The fact that the Africa Centre owns its own premises, in the agreeable Covent Garden market area where artistic life is as much on display as the fruit and vegetables, has been "tremendously important". It is funded "very badly", in Dr Niven's frank opinion, and being able to let parts of the building at central London rates has helped make ends meet, although at the cost of reducing its potential use. Otherwise, the Africa Centre derives an income from its Calabash restaurant, membership subscriptions, trusts, charities and the EEC. The British government contributes a small amount, a kind of 'tied' aid in that it is specifically for development education and the establishment of a resource centre.

"The African governments give moral and practical support, but not much money. This is perhaps understandable if they feel we can surely find funds, being in a developed country, but there is nothing quite like this place and I feel they ought to give a bit more," Dr Niven said.

The authorities can scarcely consider the Africa Centre a hotbed of sedition. Apart from the embassies' evident willingness to use it educationally and socially, the Centre clearly manages to keep politics in perspective. "We are apolitical, which doesn't mean we ignore politics—far from it—but we are very careful not to take sides with any particular political grouping on any particular political issue. I think we'd lose a lot of our credibility if we did. An event like the Zimbabwe (Rhodesia) talks finds an echo here, in that the participants on both sides visit the Centre socially, but in this case we felt we'd wait until the negotiations were over before asking someone to come and give an assessment. We do genuinely try to be objective, except in



Book exhibition at the Africa Centre

extreme cases—clearly we could never be seen to be giving a sympathetic platform to apartheid," De Niven said.

Three-way introductions

The Africa Centre informs Europeans about African life, helps Africans explore the cultures and societies of their own continent, and also has an implicit role in community relations in Britain.

At a recent Africa Centre conference, for instance, schools from many parts of Britain—including those with no black communities—showed great interest in obtaining material to teach their pupils something of African and of Caribbean cultures.

"The African community here is generally well-educated and less permanent than, for instance, the larger Caribbean community. Not nearly so many Africans live in London with a view to becoming British citizens. There are, nonetheless, plenty who are stuck here and unhappy; this is more often due to personal circumstances than any great cultural difficulty, but I would not want to underestimate the radical element who criticize certain things in British society. At the Africa Centre we've got to be sympathetic to everyone and understand their difficulties," Dr Niven pointed out.

So 38, King Street, WC2 is a friendly address with a successful social and cultural formula, offering a platform not only to speakers and performers with established reputations but also to those with none.

"I think it is very important that there should be a place in London where young artists get an opportunity to present themselves for the first time, because it's not easy for them, especially if they're from the Third World, to break into the rather enclosed London scene," Dr Niven said.

Meeting of minds

But to what extent does this really add up to a meeting of black and white cultures, other than for those who are already converted? Do those young artists break into the London scene?

"Well, there's still a long way to go," Dr Niven admits. "The African shows which impresarios are willing to put on in European capitals tend to make a lot of concessions to European vulgarity. Last year we presented the Tanzanian National Dance Troupe, which is very authentic, and I'm sure the public would have raved if it had been in the

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Poster from a photographic exhibition at the Africa Centre

West End. Instead, they get things like 'Ipi Tombi'. The African cinema is booming, in patches, and we have put on some well-received films at the Africa Centre, but they had little critical coverage or public interest. And yet the best of foreign culture is usually successful in Western capitals".

This is the law of the box-office. But it does not extend to the intellectual frontiers, and Dr Niven is more optimistic about the scholars and critics who are crossing the white/black border.

"It is difficult to attempt a full critical evaluation of African art and literature without knowing it at first hand. Without an adequate knowledge of the environment, one runs the risk of being unintentionally patronizing or simply wrong, for instance through ignorance of a body of religious belief pertaining to a particular text or work of art. The African theatre, for instance, has evolved in a quite different way from the proscenium arch tradition of the West, which makes the European critic's task difficult. Nonetheless, I think being an objective outsider is valuable, provided one makes a conscientious attempt to understand; I don't think it is impossible for Europeans to comment on African culture—or rather, cul-

tures, because they are very different—just as I would welcome more criticism in the other direction.

"And progress is being made. Whereas 20 years ago most criticism of African literature tended to be by Europeans, who interpreted it almost entirely in the light of European literature, there has now been a healthy division into different schools of thought. To simplify, there are those who are still Eurocentric; the opposite camp, who would exclude all interpretation not founded in terms of Africa itself; and a middle ground, occupied by some major figures such as Soyinka, who feel there can be a fusion of cultures.

"Of course, there are objections to Senghor by people who feel his 'negritude' concept of cultural fusion is old hat and rather sentimental. I personally disagree and think he's a great poet. But there is another way to occupy the middle ground, and that is to believe that art transcends particular environments while remaining rooted in them. There are now some excellent and profound critical approaches to African culture being pursued by both Africans and Europeans. And I hope the Africa Centre has a part to play in this process," Dr Niven said. □ B.T.

Some champions before the Moscow games

In spite of competition from the Mexico University games in early September, the third Van Damme Memorial still attracted a galaxy of international athletics stars to Brussels. Outside the Olympics and the European championships, there are only a few international athletics meetings (London, Zürich, Nice... and Brussels) that Olympic champions and world record-holders are willing to attend. The enthusiasm of the 40 000-strong Belgian crowd in the Heysel stadium took athletes on their first European tour by surprise and enchanted those who were receiving such a warm welcome for the second or third time.

The high spot of this third Memorial meeting was when Englishman Steve Ovett (the bad boy, the press call him) tried to beat the world 1 500 m record of 31'32"1 of his compatriot, Sebastian Coe, who was injured and had to be content with watching from the stand. Two thousandths of a second was all that was between the Memorial meeting and that world record. Ovett's 3'32"102 was rounded up to 3'32"11, giving an official time of 3'32"2. Just a little bit more...

The meeting was a chance for the *Courier* to meet a number of ACP champions and talk about their form and their hopes for the Olympics in the run up to Moscow.

We interviewed one up-and-coming and three famous athletes at the track-side while excited crowds cheered the events going on around them.

Hasely Crawford — uncertainty

Hasely Crawford (see *Courier* No 52) had his share of bad luck in 1979. Six months with his foot in plaster and a leg injury at the Pan American Games plus the problems of the National athletics association in Trinidad and Tobago meant that, both physically and mentally, the conditions in which the 100 m Olympic gold medalist has been training have been far from ideal. He is not on peak form and uncertainty about his ticket to Moscow is a worry.

He abandoned last year's idea of training in Cuba and has gone back to his old coach, Wilton Jackson, who was partly responsible for the Olympic gold. With 10"27 in the 100 metres (10'06 at Montreal) and 20"39 in the 200 metres, Hasely Crawford will have to fight to keep his place with the Moscow finalists.

Don Quarrie — looking to the future

For the Caribbean's other Olympic gold medallist, 28 year-old Jamaican Don Quarrie (he won the 200 m in Montreal in 19'81), Moscow is not the be all and end all. He intends running until 1981 so that after the Olympic Games he can gradually pick up the threads of a normal life. He has no intention of becoming a coach and instead will be using his M.A. in public administration to get a job. He hopes his sporting reputation will help him here, but "after that it will be up to me to use my ability to get on in my new career".

Quarrie began at 14. He went to California where, as well as a good climate, he found better training facilities and more high level competitions than back home. Since 1975 he has been coached by Leo Davis and he is often in the company of the Memorial 200 m winner, 26 year-old James Gilkes, from Guyana, who, with a personal best of 20"14, is one of the Caribbean's most promising sprinters.

1979 was not a peak year for Quarrie and he has to work hard this winter and next spring, but who knows, he may get down under 20 seconds in Moscow.

Age should not be a problem, as most sprinters are nearing 30 and he will have established a routine, gained experience and had a maximum of training. In fact barely a week after the Belgian meeting, Italian Pietro Mennea got down to 19'72 in the 200 m in Mexico. This new world record will perhaps help Mennea, the eternal student, to get over his disappointment of the Olympics where Don Quarrie won his gold.

James Maina Boi — impromptu star

James Maina Boi, who was born in Belingua (Kenya) in 1954, ran his first competition race in 1973. When he heard that there was a race in the capital, he went "up to the big city", donned his borrowed and tatty spikes and won. Thus began the career of the African 800 m champion. Although, as he says, this African championship was fairly easy, he made a name for himself. In 1979, he ran the 800 m in Zurich in 1'44"3 and won the 800 m for Africa in the world athletics cup in Montreal in



Three Caribbean sprinters (l. to r.): Hasely Crawford (Trinidad and Tobago) and Don Quarrie, respectively 100 m and 200 m winners at the Montreal Olympics, with James Gilkes (Guyana)

Yolanda Quarrie — the champion's wife

Rarely do we get a glimpse of the family life of an athlete. But pretty Yolanda Quarrie, Don Quarrie's charming wife, was at the stadium in Brussels and agreed to tell us something about the daily life of an Olympic champion.

When she met Don in 1972, she had no idea he was such a high-powered athlete and although she had been practising sports herself at high school, it was only with the idea of keeping fit. Like her husband, Yolanda has a master's degree in public administration from the University of South California.

Don trains every day from three or four in the afternoon to eight or half past at night, so Yolanda soon had to get used to living the life of a champion's wife, although most of the couple's social life is spent with people from outside the world of sport.

Since 1976, Yolanda has been leaving their Montebello (California) home to accompany her husband to meetings outside the United States.

Don goes to Jamaica regularly, she said, although they haven't yet decided where they will settle once he retires from sport. "He doesn't like travelling much abroad and we don't do much sightseeing at all. It's far too tiring for an athlete."



Don and Yolanda Quarrie

Yolanda went to the Montreal Olympic Games, but did not stay in the Olympic village with Don as this might have "spoiled his concentration... It is difficult to get to see him during the Games because of all the security precautions and there are only a few passes to the village". The couple are now discussing whether she should go with him to Moscow. "Obviously there'll be problems of where to stay, getting used to the food and coping with the language—a question of atmosphere really. I think that Don has mixed feelings about the Games being held in Moscow from this point of view."

Yolanda is one hundred per cent confident about her husband's prospects in sport. "I think he is getting better as he gets older and, anyway, I think the sprinters at Moscow will be relatively not-so-young this time."

Yolanda's view is that a peaceful family life is essential for an athlete to avoid any extra stress that would interfere with his concentration. □

August, ahead of famous athletes like James Robinson (USA) and Willy Wulbeck (Germany). In Brussels, he lived up to his new reputation, finishing first, ahead of Mike Boit, the compatriot he sees as an example.

Boi is a natural. He has no coach and trains himself in Kenya, where he can be with his wife and child. "I feel better at home where I can train in my own way without a coach who might want to correct my style..." He left the

army in 1978 to work a small farm and to follow his own programme of training. "If the Moscow Olympics go well for me, maybe I shall go to the USA to train", he said. James, who never ceases to amaze the crowds with his final sprint, is certainly in his element training for the Olympics at home.

Mike Boit — back to Kenya

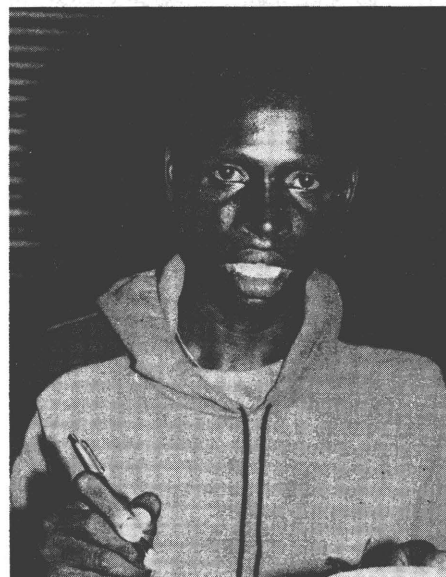
Mike Boit, who won the 800 m at the Memorial meeting in 1977 but was

absent last year, will be 31 in Moscow and is worried about the time element. "I'm not worried about my age as such but I'm afraid of not having enough time to get ready for Moscow. And I'm also worried about injuries upsetting my programme." This veteran of Kenyan athletics is optimistic about his country's future chances and he gave us news of some of his compatriots who hit the headlines and have scarcely been heard of since. Samson Kimobwa, for example, the ex-10 000 m record-holder, has a serious hip injury that stops him from training. Four times record-holder Henry Rono, often unexpectedly absent from international competitions and sometimes disappointing when he does appear, still has enormous potential.

"The trouble is that the public expects a new record every time he runs, but when you run as often as he does, not like Miruts Yifter for example, of course it's impossible. And don't forget that the Olympics are in 1980 so there is no need to go all out at this stage."

These four, and other ACP athletes like Gilkes, Yifter (Ethiopia), Henry and Kiprotich Rono, Atuti, Cheruiyot and other Kenyans, El Kashif (Sudan) and many relatively unknown sportsmen, will be going to Moscow hoping for a bronze, silver or even a gold medal. □

R.D.B.



The current African 800 m champion, James Maina Boi (left), and the former title-holder at this distance, Mike Boit, both of Kenya

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BOOKS

Paolo LOGLI — **Terzo Mondo e Sviluppo Economico (Third World and economic development)** — Florence, Italy — Le Monnier — 118 pages — Lit 2 200 — 1978

The book opens with a long essay on the economic problems that the countries of the Third World have had to cope with since gaining political independence.

This independence has not ensured them economic development, for reasons connected with both domestic and international affairs.

Growth of national product generally goes hand in hand with an accentuation of the relative poverty of the greater part of the population and of town country disparity.

The often unfamiliar effect of commercial and financial relations with the industrialized countries, be their economies free market or collectivist, has not changed.

But awareness of these problems and the changes in the relative positions of the countries producing energy and one or two raw materials at last give us hope that the internal and external economic policies of the Third World countries will become more effective.

This initial essay is followed by a copious anthology of extracts from works that go further into the various themes and give often differing and sometimes contradictory interpretations.

Each section of the anthology is prefaced by an introduction that makes for easier reading and suggests ideas for critical, reasoned assessment, particularly where there is a likelihood of an over-simplified approach.

In the section on internal economic policy, the author has selected contributions by J.M. Albertini and A.O. Hirschman (on imbalance), T. dos Santos (the development models crisis), McNamara (World Bank views on equity), etc. In the part on international economic policy, there are writings by H.G. Johnson and J. Myrdal (protectionism); T. Mende (aid), P. Jalée (the pillage of the Third World) and C. Vaitos (multinationals), plus documents from the UN, extracts from a papal (Paul VI) encyclical, works of the Clubs of Dakar and of Rome and by pro-self-reliance economists, etc.

It also shows how the Lomé Convention can, from certain points of view, be considered as a first step along the path to new relations between North and South.

Before the bibliography at the end of the book, there is a chronological table where the tormented history of the early decades of Third World independence, from Bandung to the North-South dialogue, are plotted against major world events.

The author, an official of the EEC Commission, has tried to avoid obscurity, as his book is specially designed for secondary school pupils and teachers and first year university students and lecturers in Italy.

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Marcel SORET — **Histoire du Congo Brazzaville** — Collection Mondes d'Outre-Mer — Berger-Levrault — 237 pages — FF 98 — 1978

The Congo republic, with its 340 000 km² of land and its 1 200 000 people (1977), officially entered history on 15 August 1960. But the country was inhabited right back in prehistoric times, even if the Bantu peoples who live there now only came fairly recently, after a thousand-year journey from the distant, dying Sahara.

Kingdoms were formed. There was the kingdom of Loango on the coast and the Makoko theocracy on the plateaux in the interior.

Then came the slave trade, when the Vili from Loango went far into the interior seeking slaves, with the help, among others, of the Teke of Makoko.

But although the slave trade was cleverly organized, it overturned the country's economy and caused the lingering death of the Loango kingdom when, in the early 19th century, it was outlawed.

Disintegration was accelerated by the effect of disagreements among the sultans of the Sahel and a chain reaction brought about a violent conflict among the dozens of Congolese tribes which had so far led a peaceful existence between the kingdoms.

The need for coastal bases from which to seek out slave traders was the starting point of French colonization (which, in the Congo, was mainly the work of Brazza) and three-quarters of a century of it prepared the country for its entry into the modern world.

On independence, finally established in 1960, the conservative government of Abbé Youlou was in power. But undermined by nepotism and tribalism, it had to make way for a new team, under the banner of scientific socialism, on 15 August 1963.

This regime, in turn, had great difficulty in resisting subversion and, in 1973, Marien Ngouabi righted the situation and gave Congolese socialism the opportunity to show its originality and vitality.

This work is worth reading for two reasons. First, it is the one and only book to present a synthesis of this sort and set the Congo in its rightful place in the international context.

But, most important, the author has an intimate knowledge of the country he is writing about, as he has spent 30 years (15 of them in the Congo itself) studying it and helping it develop.

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Jean-Claude COLLI — **Les Energies nouvelles (New forms of energy)** — Editions Fayard, 75 rue des Saints-Pères, 75006 Paris — 287 pages — 1979

The energy which was the power behind the industrial explosion that began in the 18th century will be gone, or in very short supply, within the next hundred years.

It will only have taken us three centuries to burn what nature took billions of years to accumulate.

But energy is all around us. There is geothermal energy underfoot, solar energy overhead, active particles in the heart of matter and living cells in vegetation.

The world we live in is one gigantic system of non-stop reaction and it is up to us to capitalize on it.

Jean-Claude Colli, France's man in charge of new forms of energy since 1975 and quality of life since 1978, shows us round the new world of energy, one that can be ours tomorrow when we have learned to use it.

"We must no longer take something away from nature. We must strive, carefully and enthusiastically, to work with nature. This contract with our environment is our only hope today and for as long as we live."

It is a book about the future. It is true, but it is essential reading today.

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John COONEY — *EEC in Crisis* — Dublin University Press — 236 pages — £1.95 — 1979

This book is yet another classic example of the complementarity of Journalism to History.

Consisting of a collection of articles from his Monday Diary column in the Irish Times between 1976 and 1978 and primarily directed to the Irish public, John Cooney has remarkably produced a book that not only gives greater insight into the mechanisms of the EEC but also shows traces of how three new member states, Ireland, Britain and Denmark adapted to the Community in their various ways.

EEC in Crisis is a portrayal both of a Community united in its approach towards common problems and a Community with conflicting national interests as epitomised in one heading "Shoot-out at the EEC Corral" in allusion to a western film of some sort featuring rapacious gangsters.

Faced with a decline in its traditional industries (steel, shipbuilding and textiles), depressing rates of inflation and unemployment and an energy crisis that is seemingly here to stay, the Community has succeeded at least in the past two years in adopting a common front in its economic relation with the outside world — a major departure from the dangerous tendency of unilateral actions as witnessed in 1973 when in the wake of Arab oil embargo members resorted to measures to conserve their own stocks.

Behind this solidarity however is a Community where clashes of interests is the order of the day. Witness British dissatisfaction with the Common Agricultural Policy (for which Ireland has special interest) demand for butter subsidy for British housewives, devaluation of the green pound, reduction of Britain's contribution to the EEC's budget, not to mention Irish and British demand for exclusive 50 miles fishing zones, an issue that subsequently landed Ireland in the dock at the Luxembourg Court. Other member states have one declared interest or another and the battlegrounds are often drawn at the meetings of the Council of Ministers where the outcome can be as sweet as it can be bitter. These battles for greater share of the Community's cake are obviously governed by political considerations at home but the author notes in some of the articles that they risk transforming the Community into a simple "trading bloc", a far cry from the stated objective of full economic integration. That member states have learnt to accept defeat

gracefully however is perhaps a source of strength for the Community.

Within the period covered by the articles, it is possible to learn a good deal about the history of the EEC and follow with interest the progress of an idea from birth, through the debating stages until it becomes a reality. An example is the creation of the European Monetary System (EMS).

Adorned with journalistic witticisms, *EEC in Crisis* makes a captivating reading and is certainly a book the would grace any library.

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OECD — *Interfutures — Final report: facing the future* — 425 pages — 2 rue André-Pascal, 75775 Paris Cedex 16 — £8.90 — 1979

The problems and prospects of long-term world development are analysed in a report to member governments of the Organization for Economic Co-operation and Development. The report by the Interfutures Project, an international research team, headed by Professor Jacques Lesourne, will be published in September 1979 under the title, "Facing the Future: Mastering the Probable and Managing the Unpredictable". The Interfutures Project was launched three years ago on the initiative of the Japanese government and carried out within the OECD framework. It attempts to provide an independent assessment of the problems which the advanced industrial societies will face in the long term both in their own development and in their relations with developing countries, focussing on four main issues:

- Physical scarcities of raw materials over the next quarter century are a less important limit to growth than political and socio-economic constraints;
- The long-term prospects for growth and employment in the OECD area are conditioned by the need and opportunities for structural adjustment;
- The approaches for improved North-South relations need to take account of emerging common interests as well as differing prospects of developing countries;
- Expanded international co-operation will be necessary to overcome the problems arising from growing global interdependence and rapid change over the next two decades.

The report presents possible developments, opportunities and constraints up to the year 2000 and beyond for such fields as population, energy, raw materials, environment and technology. It draws on specific studies on possible development strategies of

Third World countries, long-term prospects for various industrial sectors such as steel, electronics, shipbuilding and engineering. These have been linked to other Interfutures studies on the main elements contributing to structural change in OECD countries, and on global and partial scenarios designed to depict future possibilities.

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Tim INSKIPP and Sue WELLS — *International Trade in Wildlife* — Earthscan Publication — 10 Percy Street, London W1P — 104 pages, £2 — 1979

Ever seen or heard of mammal or birds called quagga, settler's sea cow, West Indian monk seal, the Falkland wolf, the sea mink or the passenger pigeon? If you haven't, you won't, because they are extinct — wiped out by man's greed and lack of concern for his world.

This booklet *International Trade in Wildlife* just released by Earthscan publications could not have come at a better time, just weeks after the Rome airport incident in which over three-quarters of animals being imported from South Africa to Italy died before reaching their destination. In the drama that followed more died and only a few in very poor conditions finally arrived at the Emir of Dubai's private zoo, where they were granted a home. Wasn't the emotion also reminiscent of that engendered by the news of the killings in Rwanda by poachers of the 'film star' Digit, the gorilla? Despite all the legislation enacted from as far back as 1825 by governments all over the world, traffic in wildlife is on the increase and both the developing world, the greatest source, and rich nations, the importers, stand condemned.

International Trade in Wildlife traces the history of this tragedy, actions by some countries and concerned collective measures taken so far under the auspices of the International Union for Conservation of Nature and Natural Resources (IUNC).

The establishment of the Washington Convention on International Trade in Endangered Species of Wild Fauna and Flora (CITES) was perhaps the greatest step forward in the search for a balance between human needs and conservation: 51 countries are now parties to the convention, but the booklet notes that "some Third World countries do not yet have the necessary scientific advice to accede to and administer the convention. Several European countries have still not ratified or acceded probably because of commercial pressures".

It goes on, moreover, to examine the case of each species and one does not help feeling that in spite of the sad note, here, after all, is a repository of animal names and species to keep handy.

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Hilaire BABASSANA — **Travail Forcé, Expropriation et Formation du Salarier en Afrique Noire (Forced labour, expropriation and the training of employees in black Africa)** — Editions Presses Universitaires de Grenoble — 255 pages — 1978

With the new approach to social science, the various aspects of underdevelopment have been discussed in many studies and works on stunted growth, malnutrition, the analysis and denunciation of the activity of the main colonial countries (via the bodies they set up, i.e. the army and the colonial administration) and the colonial companies that have now turned into multinationals.

However, we have yet to grasp the real process of first colonial and then imperial domination and how, for example, expropriation led to forced labour and forced labour to the training of employees, as a national form of capitalist production.

The author sets out to explain this by providing an economic history of central Africa, using all the documents available (administrative reports on the creation of the Congo-Ocean railway, etc.) to stimulate his own thinking about African economic and social design.

From portage, which opened the way for exploitation of the peasant farmer, through traditional structures and the introduction and spread of epidemics, up to forced labour in each region to build the railway across Congo to the sea, Hilaire Babassana (doctor of economics and assistant lecturer at the Marien Ngouabi University of Brazzaville) gives us his version of the pillage of human and material resources in Africa—for which there has been no cultural or economic compensation.

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Christian CASTERAN & Jean-Pierre LANGELLIER — **L'Afrique déboussolée (Africa lost)** — Editions Plon, 8, rue Garancière, 75006 Paris — 1978 — FF 50 (Bfrs 367)

Last year, 18 years after René Dumont's *L'Afrique Noire est mal partie*, a book which provoked a great deal of written comment in the newly independent states of Africa, another, equally memorable work in which Christian

Casteran and Jean-Pierre Langellier, two great journalists, analyzed the political and economic situation in Africa, was published.

L'Afrique déboussolée is to the African economy what *L'Afrique Noire est mal partie* was to agriculture.

What is it about? It covers questions like what was the point of independence and who reaped the benefit and why have the countries of Africa not, as the authors see it, instituted a political framework and set up an economy to serve the majority over the past 20 years?

"The euphoric illusions and intoxicating slogans have given way to lucid disenchantment", say the authors. Africa has lost its way and is seeking the right path.

And who is responsible for the disenchantment? As the authors see it, the old colonial powers are most to blame.

And the west in general is at fault for preventing Africa from developing politically by maintaining the same order as before independence by means of local intermediaries and by using development aid as a means to do so.

In eight, evocatively titled chapters (From sleep to awakening — A fatherland and some models — The diplomacy of the jaguar — Khaki rule — The colonial heritage — Southern Africa — The sins of the west — A delicate puzzle — Guides and heroes), the authors diagnose the troubles that have made "Africa, after Asia, the battlefield for the rivalries of the great powers".

The error of the west, they say, is to have taken the east-west ideological conflict to Africa and to imagine that communism is the sole threat to the continent.

So the errors of the west in Angola and the recurrent crises in Zaire and elsewhere are only a logical continuation of a failure to analyse Africa's situation as it really was.

As the former US Ambassador to the UN Andrew Young said, American action in Africa cannot be on an economic basis like the safeguarding of east-west relations and détente between the two blocs.

The Africans, he said, are profoundly nationalistic and communism is not a danger to them.

And the authors of this book also say that, if Europe and the USA want to avoid another catastrophic error for the future of relations between them and Africa, "the west must first put a stop to that other major scandal called apartheid.

"It must choose between the oppressor and the oppressed. Adopting a morally unacceptable and politically wrong wait-and-see attitude is tantamount to complicity.

"The continuing existence of the arrogant white man's bastion in the south is a serious impediment to any policy of cooperation between Africa and the west.

"It is, as is well known in Moscow, the surest factor of destabilization in that part of the world, where the furious desire to put several million people into categories perpetuates racialism, the most humiliating form of domination".

If governing is taking care of the future, then, says this book, African and, above all, western, leaders must apply this political conception in relations between the west and Africa, particularly as regards the ultimate aim of development aid and of apartheid.

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Marina and David OTTAWAY — **"Ethiopia, Empire in Revolution"** — Africana Publishing Cy, 30 Irving Place, USA — New York/N.Y. 10003 — 250 pages — 1979

The Ethiopian revolution is considered the first great revolution to take place in black Africa. The momentum for social and political change, which had been steadily increasing in the last years of Haile Sélassié's rule, gathered unexpected speed as a series of military protests broke out in early 1974 and suddenly erupted into a national groundswell of revolt. Joined by students, workers, bureaucrats, teachers and other discontented forces in Addis Ababa, the capital city, the military forced the government to concede to one demand after another.

Though cabinets were changed, salaries raised and political reforms promised (through never really delivered), the aged and now feeble emperor proved unable to respond effectively to the situation. He was deposed in September, and the ancien régime collapsed.

Marina and David Ottaway, correspondents for the Washington Post, lived through the revolutionary events in Ethiopia until their expulsion by the Provisional Military Government in mid-1977.

Their contacts with government and military circles in Addis Ababa and their travels throughout the countryside to investigate provincial conditions gave them an unusual and particularly valuable point from which to observe these developments.

They carefully chronicle the unfolding of events, both among discontented troops and the urban citizenry in Addis.

They trace the evolution of the government's socialist ideology, the harsh application of nationalization decrees and sweeping social and economic reforms, and the resistance the government encountered from obstinate minorities and corporate groups.

As the revolution continued, revolts erupted on the right, among feudal remnants, and on the left, among political idealists.

As the empire was rocked by ideological concerns, the country's major ethnic groups—Gallas, Somalis, Afars, Tigreans and not the least, Eritreans, whose war of liberation began in 1962—strengthened their separatist drives against the government in Addis Ababa.

Social tensions in the countryside, where secondary and university students were sent to instruct the peasantry in the ways of socialism, and in the cities, where political organizations of bewildering ideological strains engaged in bitter factional disputes and assassinations, persuaded many observers to believe the revolution would consume itself.

The Ottaways provide rich details on these fascinating events and give clues to the survival of the first "great revolution" in black Africa.

The Ottaway's first book was Algeria: "The Politics of a Socialist Revolution". David Ottaway is currently stationed in Lusaka, Zambia; Marina Ottaway teaches at the University of Zambia.

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Christian ZUBER — **Vivre pour les animaux (Living for animals)** — Edi-

tions Robert Laffont — 334 pages — 1978

Here is something for all lovers of nature and wildlife. A few years ago in an interview with the *Courier*, Christian Zuber spoke out against the shameful trade in animals in Africa and elsewhere. In this book, with candour and with talent, he describes how he found his vocation and he describes some of the most outstanding events of the journeys he has made in the service of nature.

On 28 October 1951, at 10.20 a.m., Christian Zuber fell under a train. From his hospital bed he swore that, if he ever recovered, he would change his way of life and travel the world.

Since then, this Alsatian of Swiss origin has been round the world seven times, taken thousands of photographs and broadcast more than 100 TV programmes, including the famous "Caméra au poing" series.

In this book, for the first time, Zuber tells of his calling and of his incredible adventures fighting for animals.

He has been an insurance agent and he has worked for the ministry of education. He has taken photos in Morocco, been a docker in Rotterdam, a tank driver and a jazz guitarist.

And he has picked up a TV camera and became a great reporter. His first trip took him to the Galapagos where, penniless and alone, he lived like Robinson Crusoe for eight months.

But not even solitude, being attacked by a shark and suffering from a generalized infection ("death held out its hand") were enough to quench his thirst for adventure and he went on to visit Africa, India, Borneo, Madagascar, the Seychelles, Tahiti and New Caledonia, filming 42 countries, with the protection of nature his constant passion.

"I put my faith in meeting people", he says. And to Zuber it is just as important to meet an Amazonian Indian or a Polynesian fisherman as Albert Schweitzer, André Malraux or Indira Gandhi.

"I have always had a lucky star", he says, recounting charging elephants and a spitting cobra (three days of blindness), a chase by tigers and an encounter with orang-utangs. The

book is a romance of nature and wildlife.

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Alain PELLET — **Le Droit International du Développement (International Development Law)** — Que sais-je? — PUF — Paris — 128 pages — FF 10 — 1978

The world has long been divided into the haves and the have-nots—the developed countries on one side and the underdeveloped, or developing ones, on the other. Independence gave the developing countries the legitimate aspiration to be equal with the developed countries which have always been dominant.

They thought that, as colonialism had in theory gone from most parts of the world, the ever-widening gap between nations must be due to their economic disparity.

So international development law has emerged, essentially the work of the international organizations, the countries themselves and certain "private economic operators", the transnationals or multinationals.

What is international development law? This is what the author sets out to tell us, in a 126-page booklet, in the light of sovereignty and non-interference as the UN and the new countries see them.

There are two concepts of sovereignty: one, an out of hand condemnation of any intervention in a country or its political, economic or cultural affairs; the other a positive notion, that of every nation's right to decide on its own future and its own political, economic and social systems.

The principle, the "basis for the rights to decolonization and to development", is accepted.

International development law thus stems from the dual principle of independence and sovereignty which the UN recognizes as the right of every nation.

This is why it takes a practical view of the state, while international law in general takes an abstract one. But the author thinks that, although international development law makes a clear distinction between those who are developed and those who are not, "the problem is to see how the different countries are classified".

The criteria, essentially, "are not objective", as they are based on the Western system which is the only one on offer. Thus, the author feels, international development law remains prey to the influence of the industrialized countries and the multinational firms.

Alain Pellet has set himself no easy task, but the book provides real insight into the legal bases of development.

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Under the supervision of Jacques Bourrinet — **Le dialogue Euro-Arabe (The Euro-Arab Dialogue)** — Centre d'études et de recherches internationales et communautaires — Université d'Aix-Marseille III — Economica, 49, rue Héricart, 75015 Paris — 372 pages — Bfrs 453

The Euro-Arab dialogue began in the autumn of 1973 with the aim of institutionalized political, economic, cultural and social cooperation between the two regional groups.

After centuries of domination and decades of confrontation, it is difficult to get the full measure of an event of this importance.

A real dialogue at this level is something quite new. It is not just a discussion between two sides, a dialogue. It is something more, ideas evolving along a path full of difficulty.

Each side recognizes the other as a partner, demanding neither compromise nor a semblance of unity, but aiming for gradual changes in both.

Dialogue differs from polemics in that it seeks a transcending result. It is against integration—which excludes a mutual change within the framework of a change of ideas and it admits that pluralism may be necessary. So dialogue is difficult and there is always a great temptation to abandon it for a less subtle approach.

For many observers, the Euro-Arab dialogue, tributary of the world geopolitical situation and dogged from the outset by assumptions and misunderstandings that a long period of gestation has done nothing to clear up, is a sterile non-event.

But, beyond the partial communications that break down cultural units, is there no room for mutual transformation born of an exchange of goods, services—and meanings? This is how the Euro-Arab dialogue should be seen.

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The Arab countries have resources and enough negotiating power to establish specific relations with the EEC that would meet their development needs. Such relations are also vital to the EEC.

So an intercommunity development agreement based on the economic interdependence of Europeans and Arabs can be envisaged and reciprocity in the large region thus created will forge closer links than those that traditional cooperation between countries of unequal development.

The Euro-Arab intercommunity development model calls for dynamic, coherent economic policies in each regional unit.

The present shortcomings of and the barriers to economic integration in the EEC and among the Arab states are putting off the day when the model can be used. And they are spoiling its chances.

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John GRIBBIN — **Climate and Mankind** — Earthscan, 10 Percy Street, London W18 0DR — 56 pages — £2.25 — 1979

The Sahel drought, the severe 1976-78 winters in North America and the recent devastating Caribbean hurricanes are reminders that all mankind's ingenuity cannot persuade nature to

treat this planet more carefully—nor perhaps, vice versa.

A small global change in temperature could cause vast changes in living conditions, with repercussions way beyond the control of international cooperation as it stands at present. And there is evidence that the world's temperature is changing.

The trouble is, no one can be certain whether the world is getting warmer or cooler, or what effects this will have either way. Much more attention has been given to the subject in the 1970s, culminating in the World Climate Conference convened in Geneva by the World Meteorological Organization last February.

This conference called for full use to be made of our present knowledge of the climate, for that knowledge to be significantly increased and, most important, for mankind to stop playing around with the earth until potentially adverse man-made climatic changes can be foreseen and prevented.

This Earthscan booklet does scan the earth, from about 25 miles up, and provides an admirably clear, concise and readable overview of the subject. The different opinions are conscientiously attributed to the various top world weathermen whose theories are currently front-runners, and the scientific background is sensibly explained for the layman.

The political aspects for the moment come down to one question: has any country the right to affect the climate in other countries. Examples of actions which may do this are Brazil's clearance of the Amazon forest and Russia's schemes to direct fresh water away from the Arctic.

Mr Gribbin introduces the issues impartially and knows when to stop. The booklet seems expensive but it covers a lot of ground in 56 pages.

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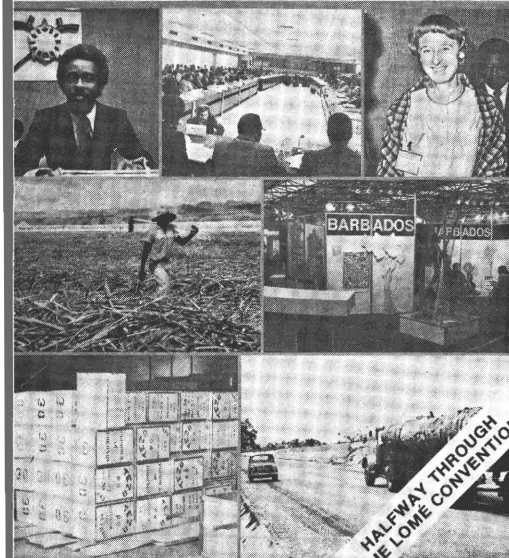
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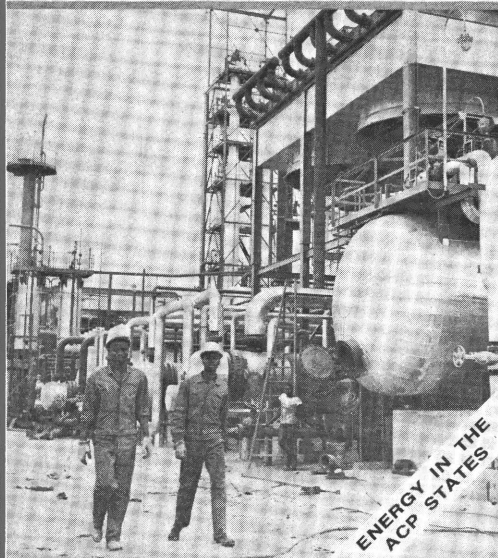
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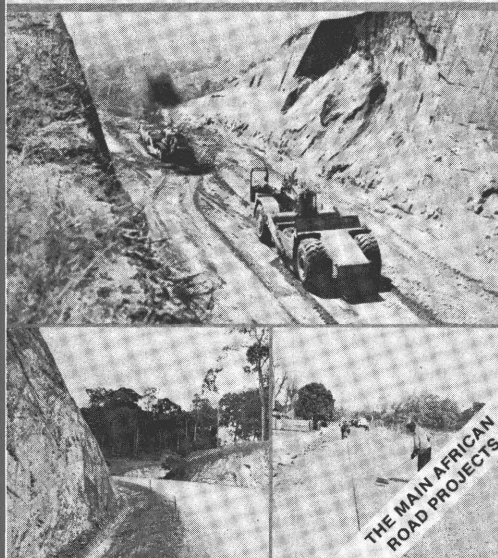
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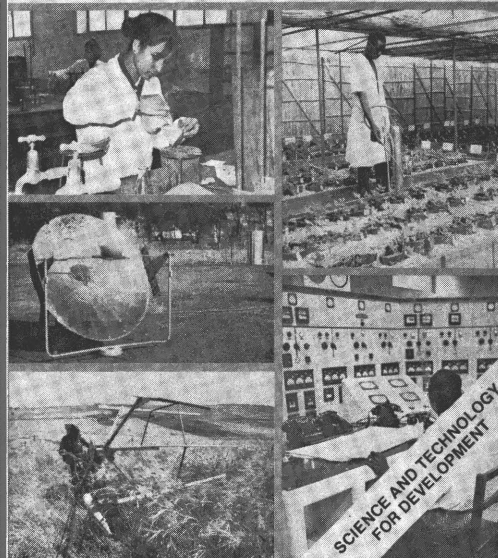
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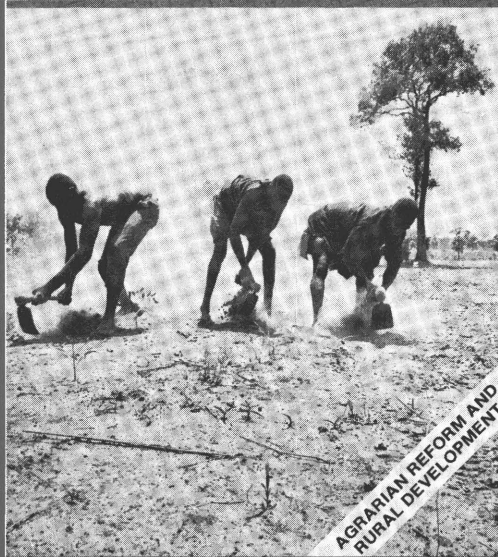
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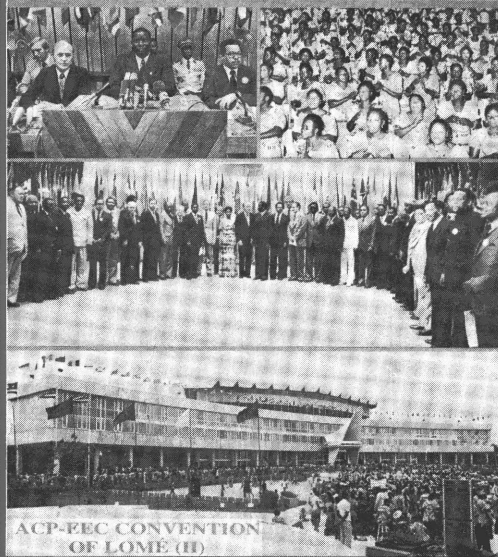
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