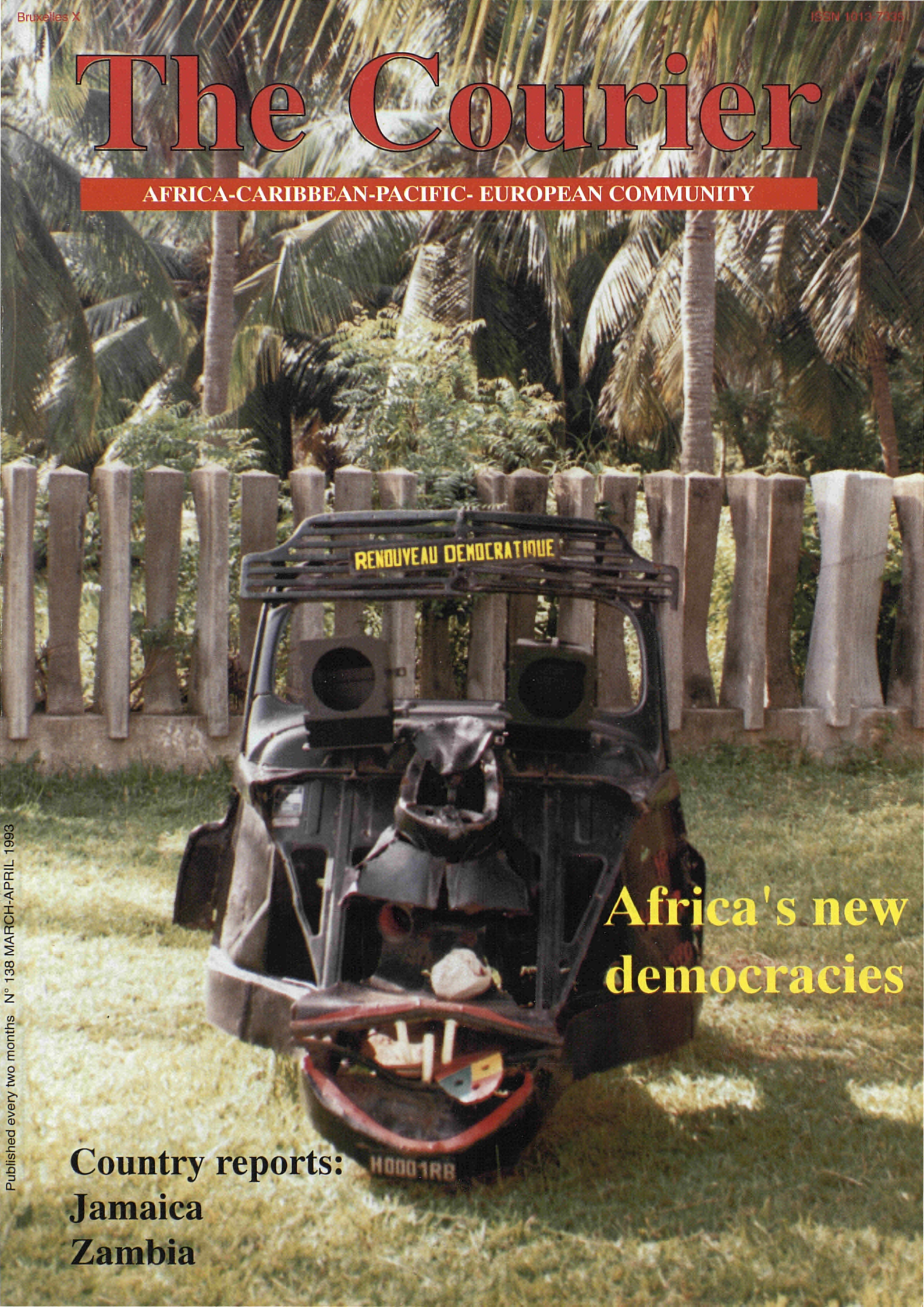


The Courier

AFRICA-CARIBBEAN-PACIFIC- EUROPEAN COMMUNITY



**Africa's new
democracies**

**Country reports:
Jamaica
Zambia**

THE EUROPEAN COMMUNITY

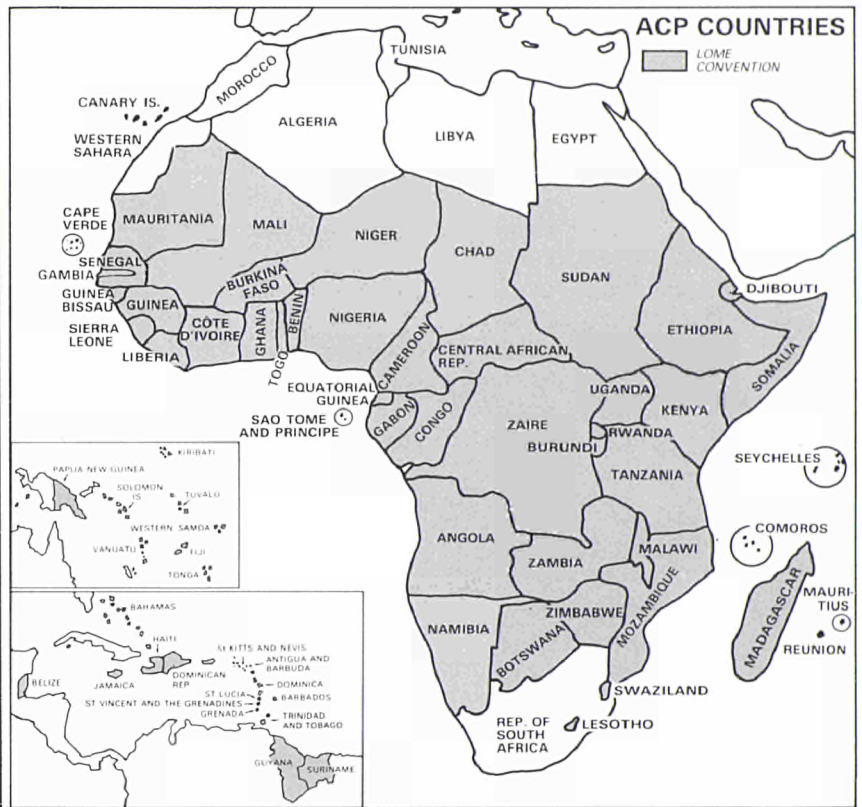
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BENIN	HAITI	SIERRA LEONE
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GABON	ST. KITTS AND NEVIS	



FRANCE

(Territorial collectivities)

Mayotte
 St Pierre and Miquelon

(Overseas territories)

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 French Polynesia
 French Southern and Antarctic Territories
 Wallis and Futuna Islands

NETHERLANDS

(Overseas countries)

Netherlands Antilles
 (Bonaire, Curaçao, St Martin, Saba, St Eustache)
 Aruba

DENMARK

(Country having special relations with Denmark)
 Greenland

UNITED KINGDOM

(Overseas countries and territories)

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 British Antarctic Territory
 British Indian Ocean Territory
 British Virgin Islands
 Cayman Islands
 Falkland Islands
 Southern Sandwich Islands and dependencies
 Montserrat
 Pitcairn Island
 St Helena and dependencies
 Turks and Caicos Islands

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

The *Courier* uses maps from a variety of sources. Their use does not imply recognition of any particular boundaries nor prejudice the status of any state or territory.

Cover page: *Has the engine of the new democratic order broken down, as suggested in this work by a Beninois sculptor?*
 (Photo The Courier)

MEETING POINT: Alpha Konaré

How is democracy faring in Mali, two years after the bloody events which precipitated the fall of the country's 23-year old dictatorship? What problems face the new regime elected by the people? *The Courier* put these questions to Alpha Oumar Konaré, the man whom the Malians chose as their leader in April 1992. **Pages 2 to 4.**



COUNTRY REPORTS



JAMAICA: The limited damage sustained in Jamaica's recent earthquake — a relatively rare event on the island which happened to coincide with *The Courier's* visit — revealed that the buildings have good foundations. But what of the country's economic and social foundations? Jamaica has seen some hard times in the recent past and it still faces a number of formidable challenges. However, there are signs that the 'green shoots' of recovery are beginning to emerge as the country adapts to a new, liberal economic environment. **Pages 9 to 30.**

ZAMBIA: A year and a half ago Zambia joined the club of new democracies in Africa when years of one-party rule ended after free elections. The international community has rallied behind the new government, whose head, President Frederick Chiluba, talks to *The Courier* about his vision of a political and economic system in which all Zambians have a part to play. As a rigorous economic reform programme is applied, ordinary people are being asked to make difficult sacrifices, but the country looks forward to setting up a successful free-market economy. **Pages 31 to 54.**



DOSSIER: Africa's new democracies

As, one after another — and with varying degrees of commitment — the countries of Africa embark on the path of democracy, doubts are beginning to set in. People are increasingly asking whether the process can succeed and are even beginning to question whether the Western democratic model is a suitable one for Africa. **Pages 62 to 88.**

The Courier

AFRICA-CARIBBEAN-PACIFIC - EUROPEAN COMMUNITY

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ALPHA KONARE

President of Mali

'You need time to learn about democracy'

It took three days of bloodshed and revolt for the people to overturn a dictatorship of 23 years. It took a national conference two weeks to give vent to all the pent-up frustration and adopt the basic texts of a State to be governed by the rule of law. It took 15 months of transition to organise the elections. And, when the elections were over, a soldier handed over power to a civilian, as if it were the most normal thing in the world. Those, briefly, are the facts of the Malian move to democracy which arouses so much admiration and envy in countries such as Zaire and Togo, where the democratic process has ground to a halt.

It is two years since the fall of the Moussa Traoré régime and a few weeks since the former leader was sentenced to death for his part in the killings in March 1991. Where is the young democracy now? Mali's new President, Alpha Oumar Konaré, answered The Courier's question in a consciously didactic style, betraying the fact that, not so long ago, he was teaching history in the classroom.



► *Mr President, the elections have taken place as planned, and the institutions are there. Does this mean that the people have really understood what democracy is all about?*

— Mali was able to hold multi-party elections for the first time in 1991 and they were run in an orderly manner too, it should be pointed out. Everyone involved in politics knew that we had to be able to take the country into a democratic process without trouble of any kind. The institutions, the President of the Republic, the Government and the National Assembly, are there now and we won't have to wait long for the rest, the Constitutional Court that is to say, whose job is partly being done at the moment by the Supreme Court, the Economic and Social Council and the High Council of the local authorities. The people felt the wind of change for the first time when they voted in these elections because it was the first time since independence that they had had the opportunity to choose for themselves. One of the main things our people wanted after the events of March 1991 was to be able to choose, to be able to say no if they wanted to. That is their greatest achievement, but they still

have to be educated in the ways of democracy, because there has been a single-party system for years. That is why we said that, after the elections and whatever our score, the management of the country had to be based on an agreement on the essential issues. Democracy needs time. It would be wrong to say that everyone who voted for us has been won over to democracy or is in fact a democrat, so there is an effort to be made to educate our people in the ways of democracy.

► *Is this absence of a democratic tradition the reason behind the anarchic behaviour at the moment: in other words, people tending to confuse democracy with a licence to do whatever they like?*

— It's a difficult situation and we must show some understanding, because after 25 years of single-party culture, it is a rude awakening when the authority of the State is seriously undermined and claims are made on all sides. Ironically enough, just when you hear that there is supposed to be free private enterprise and less State involvement, people from every walk of life are expecting the State to meet their demands and to do so at once. We aren't

going to complain about them wanting their rights, but it is important to understand the situation the country is in and realise just what sort of effort the nation must make to achieve practical solutions. Those who really fought for democracy are also those who must set the bounds to stop any slide towards anarchy — even if this means taking time to educate people for democracy and taking time to listen to them and discuss.

► *Since you took over from a regime which, as everyone knows, ended up ordering repression, isn't your room for manoeuvre rather limited?*

— Yes it is, which makes our situation difficult. The greatest danger is the temptation to set up a repressive, authoritarian State. But there is another choice — that of having confidence in the democrats, making them realise how complex the situation is and asking them, who alone made the change of system possible, to set about taking the democratic process further. Democrats must understand that it is not overthrowing a regime or organising elections that makes the system last. Now is the time for the real democratic reflex to appear in an

ability to listen and in an ability to discuss things — and in the major choice we made to concentrate on setting up elections. Because if you take power and don't have elections, there is nothing to stop you giving in to every temptation, including that of believing that the course of events can always be changed by taking to the streets. At that rate, you'd never have a regime. If pressure from the street can put paid to those who got the power because of all the problems, they can do the same to the new arrivals. That is why we need a lot of tolerance and open-mindedness in our present situation.

'You achieve nothing permanent without vigilance'

▶ *Yet politicians are forever saying that the Malians will never again agree to live in a dictatorship — which could mean that democracy is here to stay?*

— It means that there is a clear awareness of the need for democracy, although you know as well as I do that, in many countries, democracy can easily backslide. It also means — and I am quite sure about this — that we can't just do what we like in the Republic of Mali without someone objecting any more. Those days are over... although that is not to say that we won't have a completely retrograde regime tomorrow. You achieve nothing permanent without vigilance, particularly freedom.

▶ *Talking recently about the press, you said that it was the educated writing for the educated. Isn't it much the same with democracy in Africa, particularly Mali?*

— It is for all those reasons that I said that we needed time to learn democracy. Our democratic foundations will never be consolidated without the large-scale involvement of people in rural areas. They will be fragile as long as the literacy rate in the Republic of Mali is so low. Learning to read and write is an act of freedom. It is a *sine qua non* of greater involvement in the democratic management of affairs. The situation in this country is dramatic. We fought for democratic change, but fewer and fewer people are getting a proper schooling and that is a very serious blow to democracy. I agree with you that guaranteeing the democratic process means improving and extending the basic system of education. More men,

women, children and old people must be able to read and write — and that is where the democrats come in. They must not believe that a minority can do what it wants, by itself, for long, because hostile forces may turn the very people who need democracy most against it.

▶ *There is one thing you haven't mentioned and that is the need to get rapid results on the economic front, so that people can see a proper improvement in their standard of living.*

— That's absolutely right, and, basically, I think, that will be decisive. Freedom is vital. Democracy is a key to development with solidarity, justice and fairness, but, if things stay as they are, with poverty mounting and justice lacking, the whole lot will topple. This month, I admit, the first Government of the Third Republic has been playing fireman, putting out lots of fires which it didn't light at a time when there are arsonists about. And there are genuine problems for which we have to find rapid answers, with the help of the people.

▶ *Is there one special area where you hope to make rapid progress to have something tangible to show?*

— Yes there is. We must put a very clear spotlight on the changeover to stringent management and the repression of fraud. There are also guarantees we could give the rural areas — we could provide access to credit, ensure better marketing of production and offer what it needs in the way of facilities to form associations and get its point of view across. What we have to do, in fact, and very soon, is change the way the country is administered. That is part of development too and it means going for regional integration and for decentralisation to involve the people more. You know as well as I do that people in the rural areas had the burden of the poll tax to bear. We have stopped that, but there is the whole burden of a petty, meddlesome and corrupt administration to bear too and it can't just be changed by decree. The people have to feel involved because they are able to take part and have some control over those who administer them.

▶ *But there is a fine dividing line there too, because the people could feel that they don't need any discipline.*

— That is the whole problem. In the misguided views of some, democracy is *laissez-aller* and *laissez-faire*, whereas, as we see it, it is the beginning of shouldering responsibility.

▶ *Have your development partners realised that the new democratic regime needs to get rapid economic results? And does the aid channelled into Mali reflect this?*

— I believe that our development partners have understood that the key to the country's future is the democratic process and that we need economic results if we are to strengthen it. They are already very sensitive to what we say. I think we shall be seeing changes in behaviour, even when it comes to the sort of solutions our partners put forward. Some of the solutions, to our mind, are not right and it should be possible for alternative solutions which come from us to be taken into account when it comes to, say, the process of privatisation and voluntary retirement and the education policy and employment for young people.

For example, we all agree that basic education should be provided for all. But approaches may differ. The solutions proposed so far have not led to any progress, even with the structural adjustment programmes, for it has been more a case of day-to-day management than proper medium- and long-term development options. In other words, choices are made as to how funds should be spent, but they don't really help the country's development and that is disastrous.

'It takes economic results to strengthen the democratic process'

▶ *Mr Love, the new head of the DAC,¹ claims it is dangerous for new democracies to be over-dependent on foreign aid because it limits their room for manoeuvre.*

— We agree with him, which is why problems may arise with people thinking that the State has money, that the State is rich. But the State of Mali is extremely poor. You cannot set a democratic process on its way unless it is founded on a national drive and on the nation's ability to suggest alternative solutions. That is undeniable. However much good-

¹ Development Assistance Committee (OECD)



'Democracy is a key to development with solidarity, justice and fairness'

will the partners may have, at home is where it all has to start.

► *At the beginning of our talk, you insisted on the institutional framework, didn't you? Edgard Pisani, whom I think you know well, said just recently that the new democracies in Africa did not have the resources to run the institutions they were setting up. In fact he gave Mali as an example and said he was worried about it.*

— There are real financial problems attached to setting up some institutions, and it would be silly to try to hide the fact. In most cases, we need a lot of foreign money to organise our elections and all democrats have to see very clearly what is involved. If tomorrow, say, you had early elections in a country in the throes of a democratic process, you would need to know who was going to pay for them. It's a question we all have to answer. For if the people you ask decline to finance your elections when you want them to, your democracy will have been taken hostage. That is why we have to do our utmost to get the extraordinary opportunity before us today under control. There is no doubt that institutions cost money, which is why you have to know how to run them with a high degree of national responsibility. I am convinced that one day, once these institutions are in place and the internal discussion among democrats develops, we will find various ways of surmounting their 'teething' troubles.

► *The big problem in Africa's new democracies is that they have to run political and economic reforms at the same time. Have you come up with a recipe for this in your seven months in power?*

— It's a dilemma and no mistake. There is no magic formula. Our way of settling all the questions people may be

wondering about is to aim for the broadest possible basis of democrats and patriots, who can pool their resources, think together and put forward alternative policies. It involves making sure that there is unrestricted room for self-expression and freedom of enterprise. If we were to move over to a single-party system now, obviously we would very soon be saying good-bye to every possibility of finding answers to these questions. However, if there is room for more self-expression and freedom of enterprise as every day goes by, and more and more people go in for them, obviously there will be fewer problems.

'We must allow for a certain number of mistakes if we are to progress'

► *But how can the opposition do its duty and criticise a government in which it is involved? And how can you encourage the emergence of leaders to ensure the alternation without which there is no true democracy?*

— That is something all democrats are careful about. You can be part of the majority without agreeing with it. In this country, political activists have to take responsibility for their ideas — this is something else we have achieved. No-one can claim he is forced to be a minister or a director under the present system. It's not true. If you don't agree with something or you don't like it, you can resign. That is another right which 26 March gave us and the people must take it seriously. When differences are basic and fundamental, there are conclusions to be drawn. But when the differences can be handled through debate, you have to know how to do it that way. Of course,

there is the whole problem of majorities and oppositions. We live in a country where everyone has been affected by the single-party culture and the majority has to understand that, in a democracy, the minority has rights too. That is the strength of the system. The opposition also has to allow the majority to govern and to be judged by its results. You cannot be in opposition and govern at one and the same time. As things are in our countries at the moment, the majority and the opposition have to get together to identify the basic problems demanding a national effort and for which there are not hundreds of solutions, and put them into practice without resorting to demagoguery. Otherwise, everyone will be faced with these questions in exactly the same way. The new democracy we are building will not be built by the majority in power alone. The majority and the opposition together will light the path to Mali's new democracy. That is what will guarantee that the principle of alternate governments is applied tomorrow. I am in this office today and the greatest thing I can achieve is free elections at the end of my five-year term of office. It doesn't matter if I win or lose. The essential thing is for the process to continue. The great thing for the democrats today is not to have different teams succeeding each other at unspecified intervals. It is to have the present team carrying on right to the end of its term of office and organising free elections.

► *Alternation is the big test of whether democracy has taken root here, isn't it?*

— Yes it is — alternation or periodic elections in the same peaceful conditions as we had a few months back. That is vital, because there are huge problems in all the countries in the region at the moment. If we are to avoid our countries breaking down and splitting along ethnic, regional or religious lines, the democrats have to realise just what their responsibilities involve. They have started a process and they must do all they can to keep it going. They must not think in terms of the victors and the vanquished, or nurture personal resentments. While the process is under way, everything should work. We all have to admit that there is a want of professionalism and the taint of the single-party system in some of our positions and I should go so far as to say that we should allow ourselves a certain number of mistakes if we are to progress. ◯ Interview by Amadou TRAORE



Veterinary services in Africa

The EDF approach

by Jan MULDER *

Since the start of the European Development Fund in the early 1960s, considerable importance has been attached to the financing of rural development projects in Africa. The main emphasis has been on increased agricultural production, of which animal production is an integral part.

At the beginning of the 1980s, a division was created within the EC Commission with the job of evaluating in a systematic way, the various projects which had been the subject of EDF financing.

As regards animal production projects, the conclusions of the evaluation which was undertaken were set out in a document produced in 1984 entitled: 'Basic Principles of Livestock Development'. This contained numerous recommendations, amongst which were:

- Sectoral policy concerning the development of livestock resources should be focused on the livestock producer and his family with particular attention being paid to the role of women.
- The scale of financial resources to be allocated to such efforts must be in reasonable proportion to the livestock sector's potential and its current contribution to national wealth.
- Every possible effort should be made to promote and encourage private initiatives of all kinds in the provision of the goods and services — such as drugs, animal feed, credit and marketing of livestock products — which are needed by the livestock producer.
- It is essential to formulate and implement a pricing policy for inputs and livestock products alike.

It was around the same time that the EDF was confronted with numerous demands to finance a vaccination campaign against rinderpest. In fact, one of the earliest EDF interventions in the development of African animal resources had been in this area, when the Community participated in the financing of

'Joint Programme 15'. Together with other donors, a vaccination campaign had been financed in several African countries over a period of about 15 years. Indeed, the programme envisaged the eradication of rinderpest in Africa and it almost succeeded. It was thought, when donor financing stopped towards the end of the 1970s, that rinderpest was under control, if not eradicated, but in the event, it was too early to claim victory.

During the early 1980s, it was clear that rinderpest outbreaks were occurring on a large scale in various African countries. What was the reason for the recurrence of this disease, despite the massive financial investments which had been made in the earlier campaign?

Several explanations were advanced although it was clear that these were not all applicable in the same way to each of the countries concerned. These included:

- The fact that the allocation of government budgets to agriculture and, in particular, to livestock development, had not reflected the importance of this sector's contribution to the national economy.

- The practice whereby all veterinary graduates were automatically recruited to the state veterinary service, the major part of whose budget was utilised for salary payments rather than operations in the field.

- The policy of almost all governments of carrying out vaccination campaigns free of charge and of subsidising to a large extent, other forms of veterinary intervention.

It was, therefore, concluded that the essential point was not to provide funds for a specific campaign against a specific animal disease, but rather to establish a policy directed at finding additional or alternative financing for the veterinary services. And it was not just these services that needed attention. There was also the question of better financing for livestock services, bearing in mind the object of increasing animal production in Africa to meet the needs of an expanding population. The problems of adequate nutrition and the overgrazing associated with

it required no less attention than those arising from the outbreak of contagious animal diseases.

The Organisation of African Unity (OAU) and, in particular, its Inter-African Bureau of Animal Production proved to be an interested partner in the development of new policies which envisaged the establishment of better livestock services for farmers.

In 1986, a Financing Agreement was concluded between the OAU and the Commission of the EC. The agreement set out two approaches:

- Those countries which were confronted at that time with outbreaks of rinderpest would be assisted immediately in stemming the spread of the disease.

- For all other countries, financing agreements for the purpose of rendering livestock services more effective would only be concluded after the successful conclusion of a policy dialogue aimed at making more adequate finance available for those working in such services.

The Financing Agreement set out five options for achieving the latter. These options, and subsequent experience with them may be summarised as follows:

Direct payment for services rendered. This policy aims at a situation whereby farmers contribute to all services provided by the government. The degree of government subsidy can vary but should, in the course of a project period, be adapted.

This approach is now almost universally accepted in Africa, as far as the provision of drugs and non-compulsory vaccinations is concerned, although the degree of subsidy varies from country to country.

Proceeds from the sale of drugs and vaccines are put into a revolving fund. Sometimes, however, the operation of these funds is problematic. In certain countries, inflation is high and prices are not adapted accordingly, while the time which elapses between purchase and sale of new drugs can sometimes be too long.

The purchase of new drugs and vaccines may also pose difficulties as not all African currencies are easily convertible into those currencies that are required for buying new inputs. In addition, there is sometimes the problem that drug importing is the exclusive responsibility of a state company which is saddled with old debts, although a solution to this could be

* Adviser, DG VIII (Development), EC Commission. This is an abridged version of a speech given by the author to a group of African veterinarians at a recent conference in Côte d'Ivoire.

found in encouraging the establishment of private companies. EDF financing can be used for both purposes.

There are, however, countries that prefer to continue with the provision of services which are subsidised or free of charge. The latter is sometimes the case with compulsory vaccination campaigns. If the budgetary resources of the government are insufficient, it cannot simply be left to the donor to fund these subsidies on a permanent basis. Instead, a system could be developed in line with the other 'dialogue points' from the OAU-EC Financing Agreement.

Direct or indirect taxation for services rendered. In several countries, taxes levied on the livestock sector already exist. For various reasons, however, the sums collected are not put back into the sector itself. There are good reasons for adhering to the principle of a consolidated fund (unified finance) for government budgets. However, in some countries and under certain conditions, it should be possible to introduce specific taxes and levies to be used to finance specific actions. For example, it might be possible to form a livestock development fund. If such a fund were set up at national level, it could suffer from the same problems as those which characterise existing revolving funds (for example, complex administrative procedures). A better approach might be to establish these funds at regional or even district level, in order to simplify procedures. It is important, after all, to ensure that where a farmer is paying special taxes, he can see the benefit in the form of better services. And when special funds are developed at a local level, the next step, as outlined in the 'dialogue point' of the Financing Agreement which follows, is a small one.

Development of farmers' associations, pastoral associations or cooperatives. Instead of the Government being responsible for the provision of veterinary or other services, farmers themselves could be encouraged to organise the provision of these services. An obvious precondition is that the law must permit the formation of such associations and cooperatives. The law must also regulate the conditions under which these organisations can be formed and should protect their members.

Despite the fact that African cooperatives already have a long history, the EDF

has only limited experience of encouraging the organisation of livestock services in this way. Elsewhere, the picture is somewhat different. By way of example, the responsibility for maintenance of watering points constructed in dry areas has increasingly been laid on the shoulders of the users.

EDF funds can be used to provide better veterinary infrastructure for the benefit of members of societies who, in turn, are obliged to recruit qualified personnel for veterinary and extension services.

This is one step in the direction of privatisation. The 'dialogue point' which follows suggests moving towards this goal in a more general way.



An EDF financed cattle vaccination centre in Niger

Privatisation of the veterinary profession. Of all the 'dialogue points', this is the one that has attracted the most attention. There is considerable enthusiasm for it. The establishment of the system in practice, however, has proved to be a long and cumbersome process, although the prospects in some regions are still thought to be good. There is, after all, no reason to believe that in Africa, contrary to the situation elsewhere in the world, it is impossible for private veterinarians to earn a living in rural areas.

Experience has shown that a number of conditions are helpful in starting a privatisation programme. In the first

place, it is necessary to have a national professional organisation with powers to decide who should be allowed to set themselves up in veterinary practice and to regulate their activity. It is the profession itself that must control the quality of the services it provides. Secondly, the legislative framework must exist to allow private veterinarians to operate. There must also be an assurance from the government that there is not unfair competition from their own services which are often subsidised.

The role of the donor is in the provision of credit. It can form a fund which guarantees the loans that banks provide to selected veterinarians and could also consider giving premiums to encourage veterinarians to leave government service and establish themselves. The donor might also give loans for associated activities in recognition of the fact that, at the outset, it might not be possible to generate sufficient income solely from the practice or from veterinary pharmacy.

Of course, it is also essential for the development of private practice that the market generates an income for farmers which is sufficient to allow them to pay for the services they receive. The OAU-EC Financing Agreement recognises this in the last 'dialogue point'.

Imposing a special levy on imports of animal products which distort the local market. This point addresses the problems which arise from the dumping of animal products on African markets. A levy should prevent this from happening. Ideally, the proceeds of such a levy should be used to finance services provided by the government but the principle of 'unified finance' prevents this in most countries.

*
* *

In the preparation of EDF interventions in the livestock sector, all of the above 'dialogue points' need to be considered, but it should be recognised that there is no solution which is universally applicable. Solutions will always have to be adapted to the specific conditions of the country or region or perhaps even the individual location concerned. The European Commission has an open approach on this which is aimed at finding the best system in each case. ○ J.M.

Community combats AIDS in the ACP countries

by Achim KRATZ *

Silence, discovery, mobilisation and consolidation. These are the four stages of the AIDS control campaign so far, says the World Health Organisation (WHO).

The first of them, which began in the mid-1970s, was the time of the 'silent pandemic' during which HIV took hold in almost every continent, with barely anyone noticing.

In 1981, a description of AIDS signalled the end of this era of silence during which the human immuno-deficiency

virus and its methods of transmission had been identified.

In phase three, which began in 1986, the human resources to run the campaign were mobilised first of all in the form of emergency aid and then as medium-term structured aid.

Yet another phase, consolidation, has just begun in which emergency aid is giving way to longer-term activities which are more structured, better thought-out and better coordinated, both nationally and internationally. The Commission's

programme is being reorganised to reflect the urgency of operations and there is long-term planning and a drive to ensure that all the national partners in the different sectors concerned take an active part in the national programmes.

This means that specific AIDS control schemes have to be better coordinated and integrated in the EC's development aid programmes, particularly with the health components of the national indicative programmes and the counterpart funds (mainly accruing from the structural adjustment programmes).

* In charge of the anti-AIDS programme at the European Commission.

Aims

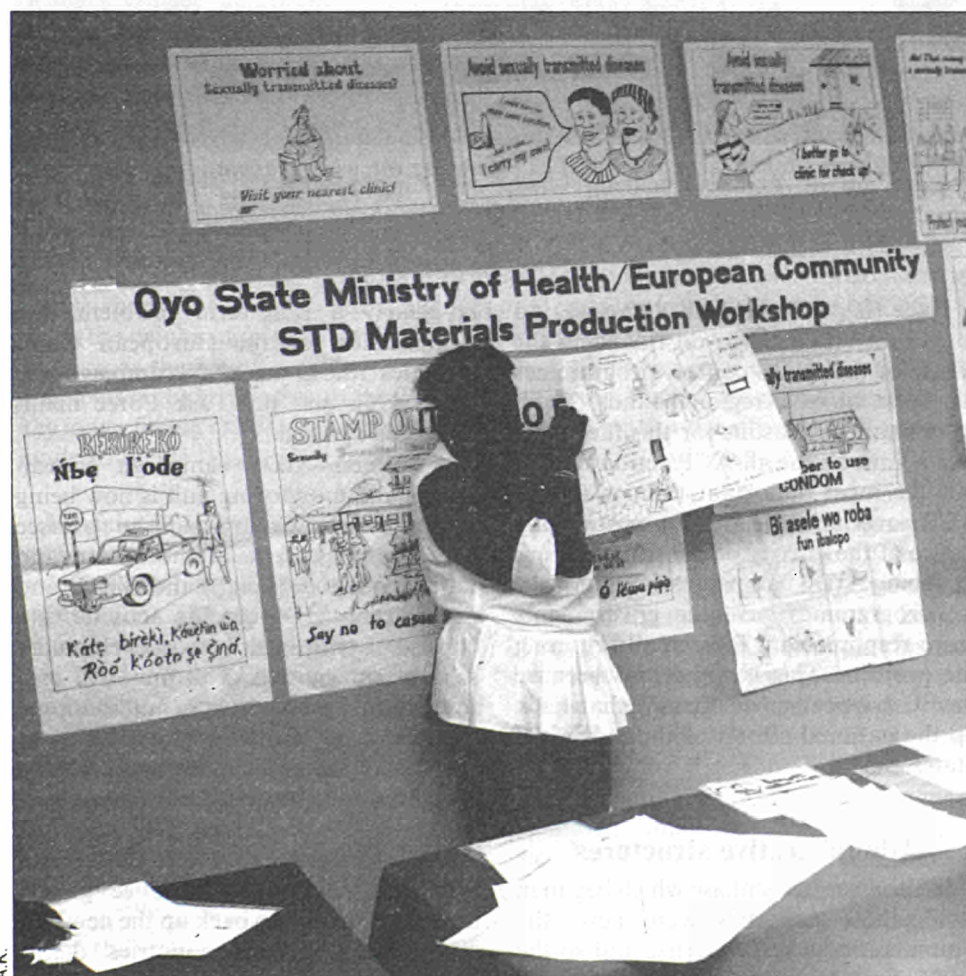
The prime aim, now and in the coming years, is to prevent the sexual, intravenous and perinatal transmission of AIDS.

Prevention is undeniably the most important aspect of international strategy, because it is the only way of limiting the human consequences and social and economic cost of HIV infection. But it is, alas, highly unlikely that any efficient, affordable vaccine will be available by the end of the century, so yet another job in the coming years is to reduce the individual, social and economic impact of the advancing pandemic.

EC priority is on completing and consolidating the ongoing operations and making plans to extend them if this is called for. There are two important criteria for new AIDS control projects. Firstly they must be part of health schemes which the countries are running with EC cooperation and, secondly they must be part of national AIDS control campaigns — which all ACPs now have.

Lomé financing

The Commission aims to spend at least ECU 50 million of Lomé IV funds on AIDS, of which at least ECU 30m is to



Information and educational material produced in Oyo State, Nigeria, is displayed at an EC-Nigeria seminar on methods of fighting AIDS and other sexually transmissible diseases



The fight against AIDS involves targeting high risk groups as well as informing the wider population

come from the ACP States' national indicative programmes and ECU 20m from the regional funds for all ACPs. This is new, because the ECU 39m of the previous Convention were entirely financed from the regional monies, a decision which the Commission took at the beginning of the AIDS programme, in 1987, for two main reasons.

First of all, it was vital to get over the political and psychological hesitations about the programme in the ACP countries, since some of them even refused to admit that there was any trace of the pandemic on their territories. The addition of regional funds to the national programmes was enough of a financial incentive to overcome this.

Secondly, the AIDS operation was something entirely new, and uniform design and action were vital from the outset to ensure that the right strategy could be developed, on the basis of experience gained.

Once this was achieved, there was no longer any need to go on financing the whole of the AIDS control programmes from the all-ACP regional funds. There were financial reasons for this (i.e. there was a limit on the all-ACP action funds), but the most important thing was that ACP government leaders were now fully aware of the gravity of the situation and financing AIDS campaigns from indicative programmes gave the governments more responsibility for actually running the projects. This is important because the EC drive can never do more than back up the national efforts of the individual States.

Administrative structures

In the emergency phase which began in 1987, these activities were new, the Commission lacked expertise and so the AIDS Task Force was set up outside to identify, define and set up specific AIDS control operations. Given the advance of the pandemic and the fact that the disease

is clearly a long-term problem, the Commission of the European Communities' role in the AIDS campaign was stepped up and the Task Force maintained as it stood.

A special AIDS campaign coordination and monitoring unit is now being set up in the Commission to oversee coordination with the Member States and other funders (especially the WHO) and ensure that AIDS-specific activities are consistent with health and development schemes in general. The unit will represent the Commission in international meetings and conferences on the pandemic and establish contact with research institutes, consultants and specialised NGOs.

On 1 January, the AIDS Task Force became a technical assistance group, based in Brussels, to back up the new unit and help the ACP countries define national and/or regional AIDS control policies and prepare and help run specific projects to be submitted for Commission financing. ○

A.K.

JAMAICA

Harnessing the winds of change



The earthquake which struck Jamaica during *The Courier's* recent visit in connection with this Country Report was a jolt in more than merely the literal sense. Mercifully, casualties were light and damage was limited but the event brought sharply into focus the capacity of mother nature to thwart humanity in its quest for development, prosperity and progress.

In fact, seismic disturbances do not appear particularly high on the scale of development challenges facing this Caribbean island country. Devastating earthquakes are rare and, as those who experienced the terrible effects of Hurricane Gilbert in 1988 will testify, tropical storms pose a much more serious threat. And, of course, there are the man-made challenges or at least those in which mankind is not so much the helpless spectator as the central participant. There is no shortage of these in Jamaica as the country strives to come to grips with a range of economic and social problems in the last decade of the 20th century. In this Report, we examine some of the key issues facing this friendly 'island in the sun' and look at the efforts which are being made to tackle them.

It is fair to say that Jamaica's economic performance, in the thirty years since independence, has not lived entirely up to expectations. During the first decade, the island's traditional dependence on sugar and banana production was reduced as the bauxite sector continued to grow and new investments were made in cement and clothing manufacture. Growth was not spectacular, however, and the high birth rate tended to offset these gains. Government finances were shaky and unemployment remained persistently high.

In the 1970s, these economic difficulties were exacerbated by the first 'oil shock'. Jamaica relies heavily on imports for its energy needs and the crisis was reflected in foreign exchange shortages,

further increases in unemployment and general economic stagnation. The People's National Party (PNP), which had defeated the incumbent Jamaica Labour Party (JLP) in 1972, also chose this time to pursue a more active socialist agenda. Some important social reforms were introduced but the economic situation continued to deteriorate. There was a flight of capital from the island and many qualified Jamaicans also left. The vitally needed stability, which local businesses require for expansion and outside investors demand before they will commit funds to new ventures, was also noticeably absent. Indeed, political polarisation, reflected in widespread violence at election times, appeared to threaten the democratic fabric of the country.

The 1980s saw a return to JLP rule and, as the decade progressed, a significant decline in political tensions. The new government introduced a programme of economic liberalisation with a series of structural adjustment measures supported by the IMF and the World Bank. However, the problems proved to be more intractable than the government had hoped and, although there were some signs of progress, not all the targets were met. Modest economic growth was recorded in 1987 but Hurricane Gilbert delivered a major setback the following year, causing serious damage to infrastructure.

Jamaica's balance of payments deficit — aggravated in the early 1980s by an investment policy which drew in capital imports — was financed through overseas borrowings and, as a result, the debt servicing burden grew alarmingly. By the end of 1990, the situation had recovered somewhat but the country's foreign debt still amounted to some US\$4.6 billion, or almost US\$2000 for every Jamaican.

On the political front, the pendulum swung once again with the election of the People's National Party in 1989. By this time, however, the winds of change elsewhere in the world were already sweeping away the monoliths of centrally-planned economies. The PNP had recognised this and, in adapting to the new situation, had abandoned many of the elements of its previous 'socialist' programmes. As a result, there was no policy 'U-turn' and the new administration continued with a broadly liberal economic strategy and a stringent policy as regards public finances.

When *The Courier* last reported on Jamaica in 1988, we concluded that 'the recovery is still fragile and, given the openness of the economy, it remains vulnerable'. A number of things have changed since then, but in essence, the same conclusion remains valid today. In overall terms, the Jamaican economy has been expanding slowly over the last five years although GDP per capita actually fell slightly in 1991 as the population increase outstripped economic growth. (Population grew by 0.9% in 1991, a figure which is well below the ACP average). In the same year, the balance of payments deficit fell to US\$132 million, a significant improvement on the US\$340 million deficit of the previous year.

The unemployment figures continued to make for depressing reading. Whilst

A potted history: 1494-1962

As nations in the post-Communist world move increasingly in the direction of a single, 'free-market', economic model, and global telecommunications networks beam the same messages to all the continents, there are many who regret the apparent 'homogenisation' of human society, and what appears to be the decline in cultural diversity as the 'global village' takes shape. For such people, Jamaica should provide at least some encouragement. This is not because it is a society which has successfully resisted outside interference — indeed the sad fate of the original Arawak Indians illustrates the opposite phenomenon — but because, from a recent history dominated by external influences, it has carved out something which is new and distinctly Jamaican.

Europe's first contact with Jamaica was in 1494 when Christopher Columbus made a landfall during his second voyage of exploration to the Americas. Colonisation by Spain began in the early 1500s and the Arawak inhabitants died out shortly afterwards — victims of ill-treatment, slavery and also European diseases to which they had little or no immunity. The Spanish brought in the first African slaves to replace them, introducing in the process, a new and ultimately central component in the ethnic make-up of the island. The Spanish colonists devoted themselves mainly to agriculture and were responsible for introducing the banana, one of the two crops which would subsequently form the basis of so much of the island's wealth.

Spanish rule lasted until 1655, although other European powers and pirate ships staged raids from time to time in the intervening period. The island's capture by an English expeditionary force sent by Oliver Cromwell was something of a historical accident. The original plan had been to seize Spain's main base at Santo Domingo but the attack failed and lightly-defended Jamaica was then chosen in the attempt to salvage something from the hitherto ill-fated operation. In 1658 Spain tried unsuccessfully to wrest the island back and in 1670, the Treaty of Madrid saw Jamaica formally ceded to the now restored British Crown.

Although British rule was to last for three centuries, the story of Jamaica during that period is far from uneventful. Many of the tales that are told about Sir Henry Morgan, buccaneer turned colonial governor, are undoubtedly apocryphal, but his bold, and it must be said brutal, forays from his base in Jamaica against Spanish settlements in the Caribbean clearly helped to alter the balance of (European) power in the region.

Nor were the French idle during this period. They mounted an unsuccessful invasion attempt at the end of the 1600s and whenever France and Britain were at war — which they were for much of the 18th and early 19th centuries — naval battles were fought in the Caribbean.

In Jamaica itself, the most significant event was the introduction of sugar during the

second half of the 17th century. Always a strategically important location for military reasons, the island now became a source of enormous wealth in its own right and, as such, one of Britain's most important overseas possessions. Sugar was also the basis for fundamental demographic change as additional slaves were brought from Africa in large numbers to harvest the crops on the burgeoning estates and plantations.

The story of slavery is clearly a shameful one and the terrible treatment meted out to the captives, with many dying in appalling conditions before the slave ships even reached their destinations, compounded that shame. Slave revolts were not uncommon despite the harsh treatment of those who rose against established authority. However, the influence of the institution of slavery on the history of Jamaica and the Caribbean more generally can hardly be disputed. It explains, somewhat self-evidently, the current ethnic make-up of the West Indies and the presence of African elements in culture and language. It must have influenced political thinking in a society which places great emphasis on freedom of expression, the value of education and the protection of workers' rights (although 'free-market imperatives' may now be eroding the last of these). And it may help to explain the strong cultural identity which Jamaica enjoys today. Slavery, of course, involved the suppression of identity — based on the family, village hierarchies, customs, language and so on — but the creative responses of successive generations have given the island a new, and some might say even stronger, cultural foundation.

Slavery ended in the first half of the 19th century but emancipation did not immediately improve the lot of the plantation workers. Indeed, the sugar industry went rapidly into decline, leaving large numbers of impoverished labourers to scratch a living as best they could. In 1865 there was a rebellion, prompted by the desperate economic plight of the poorer sections of the population, and this was brutally suppressed by the then colonial governor.

It was not, in fact, until the period between the two world wars that Jamaican political consciousness truly crystallised. Once again, it was an economic crisis — this time the Great Depression — which provided the catalyst, and within a short space of time Jamaica had two active and highly organised trade unions, each with its associated political party. These organisations under the leadership of Jamaica's two undisputed founding fathers — Alexander Bustamante and Norman Manley — were highly effective in pressing for reforms, the principal one being the 1944 Constitution which introduced a new legislature elected by universal adult suffrage. The end of the colonial era was now in sight and, after a failed attempt to establish a West Indies Federation in 1958, the country moved to full independence in 1962. ◯

the official rate declined from almost 26% in 1985 to under 16% in 1991, the trend is now back in the other direction. There are various reasons for this — government austerity measures, cuts in the manpower of newly privatised or commercialised undertakings and the more general problem of confidence which tends to inhibit private-sector investment during periods of economic uncertainty. In the new free market environment, it is the same private sector which must be relied on to re-establish a falling jobless curve and there are some early signs that confidence is growing. It is something of a paradox that, despite the high level of unemployment, the island also suffers from a skills shortage.

Efforts to reduce budgetary imbalances have been stepped up by the government in recent times, with a range of expenditure cuts — including politically sensitive subsidies — and tax changes. *Dr Omar Davies*, who is Director-General of Jamaica's Planning Institute explained some of these changes to *The Courier*. Acknowledging the fragility of the country's revenue base, he spoke of the heavy burden which had been placed on income-tax payers and stressed the government's aim of spreading the burden more widely. In pursuit of this, a new General Consumption Tax (GCT) was introduced in 1991. This is a value-added tax which is currently being levied at 10% and, while it may not have been popular among ordinary voters, it certainly shows that the government is serious in its determination to put the national finances on a sounder footing.

One of the biggest problems facing the authorities in the budgetary field is the size of the public debt burden. In 1991-92, more than J\$10 billion out of a total



The Courier

Dr Omar Davies, Director-General of the Planning Institute
'Revenue base is fragile'

recurrent expenditure of J\$17.4 billion had to be set aside for debt servicing.

Of course, government expenditure cuts inevitably involve pain for those affected. *O.D. Ramtallie*, who is Minister of Construction, admitted that the recent austerity measures had had a negative impact on his department's budget and the result was a curtailment — hopefully only temporary — in road and construction programmes. Grass-roots discontent was reflected in a series of public-sector strikes during 1992.

Measures to commercialise or privatise a range of state-owned entities have also been undertaken. The National Water Commission, which is responsible for the country's water and sewerage systems, is one such body which has been forced to adapt to the new economic environment. *Claude Stewart*, who is the new President of the Commission, explained the plans to restructure the state-owned utility in order to make it more commercially viable and responsive to its customers. (There are no plans to privatise.) The service is being decentralised and, although there has been a reduction in staffing levels from 5000 in 1989 to fewer than half that number at the end of 1992, Mr Stewart is confident that the service can be placed on a sounder footing, with improved maintenance and more efficient collection of charges. Overseas funders are active in this sector in the provision of new infrastructure.

Currency turmoil

GDP, the balance of payments, unemployment and the government budget are all important issues but in 1992, the economic news was dominated by what was happening in the currency markets. The story of the Jamaican dollar's fall and rise is a dramatic and fascinating one which would not be out of place in a Jeffrey Archer novel.

During the latter half of the 1980s, the dollar was held stable — at what was probably an artificially high rate of roughly 5.5 to the US dollar. As pressures built up, the government chose initially to devalue and then to liberalise the currency trading system, allowing the dollar to float. In September 1991, all remaining controls were removed and within a short space of time the Jamaican dollar had plummeted to a rate of almost 30 to the US dollar. The story of how *Butch Stewart*, a local tourism entrepreneur, 'came to the rescue' is recounted in the box article on the next page. It is a tale

which will doubtless enter Jamaican folklore, but suffice it to say here that the rate bounced back to J\$22.20:US\$1 where it subsequently stabilised.

In an economy which is highly dependent on imports, the tribulations of the currency have inevitably had an impact on inflation. This reached 80.2% in 1991, having been at a modest 8.5% only three years previously. The rate fell equally rapidly during the latter half of 1992 as the 'one-off' effects of the dollar's fall worked through the system. In November 1992, year-on-year inflation stood at 39.4% and the annualised rate for the fiscal year (beginning in April) was down to 17.3%.



O.D. Ramtallie, Minister of Construction
'Programmes curtailed'



Claude Stewart, President of the National Water Commission
'Adapting to the new environment'

For a private sector view of recent economic events, *The Courier* turned to *Dennis Lalor* who is Chairman and Chief Executive Officer of the ICWI Group, one of the Caribbean's leading financial conglomerates. In an upbeat assessment, Mr Lalor described the decision to liberalise the currency, as 'possibly the most important decision since emancipation'. He believed that the Jamaican dollar had been overvalued for far too long and the new rate was now very tempting for exporters — although he did

acknowledge the importance of the *Butch Stewart* initiative in stabilising a situation which had threatened to get out of hand because of the activities of the speculators.

Mr Lalor also praised the liberalisation of import controls. In the past, import licences were needed for more than 1000 items, but most of these had now been removed, making it far easier for companies to obtain inputs from overseas.

While he was enthusiastic about recent liberalisation measures, Mr Lalor recognised what he called 'the continuing fragility of the economy'. The most important element in strengthening the position was a continuing atmosphere of stability and a genuine 'spirit of cooperation'. As he wryly concluded, 'you catch more flies with honey than with vinegar'.

It certainly appears that the macro-economic indicators are nudging in a positive direction, but a sustained recovery depends — more than ever before in the new economic environment — on the extent to which the private sector seizes the opportunities which have been presented to it.

Notwithstanding the successful economic diversification mentioned earlier, Jamaica, in common with many other small countries, has nevertheless tended to rely for its prosperity on a relatively narrow range of economic activities. A slump in one vital sector, which may be accommodated with greater ease in a larger economy, can therefore have serious ramifications. Although the island is clearly less vulnerable than some of its smaller Caricom partners, there are still three main sectors whose performance can have a big impact on the wider economy.

In financial terms, the most important of these is nowadays the **tourist** sector (which is discussed in more detail in a separate article later in this Report). Tourism has seen sustained growth over the last decade and this has been reflected in new hotel investments creating additional employment and in the successful expansion of a variety of ancillary activities. Although the tourist 'product' is not something that can be quoted on the world's commodity markets, it is evidently susceptible to external events whether it is war in the Persian Gulf or a recession in the United States. There is not much that Jamaica can do to influence such events, but local tourism entrepreneurs can and do work hard to

'The man who saved the dollar'

When, in 1992, the recently floated Jamaican dollar was plummeting on the foreign exchanges, there were many people who were beginning to wonder whether it — and by extension the national economy — might in fact have been holed below the waterline.

The dollar, which had been traded at around 14 to the US dollar prior to the collapse (and which not long previously had stood at the rate of J\$5.5 to US\$1) had lost more than half of its value. The currency liberalisation, intended to free businesses from the restrictions which had hampered their ability to invest and grow, was threatening instead to provoke an inflationary spiral, destroying business and consumer confidence in the process.



Gordon 'Butch' Stewart

Step forward Gordon 'Butch' Stewart, Jamaican patriot and businessman extraordinaire. In an initiative which must be almost unique in the cut-throat world of free-market capitalism, he announced that he would purchase US\$1 million in Jamaican dollars every week at the rate of 25:1, at a time when the market rate was nearer 30:1. In short, he was

prepared to 'lose' almost five million Jamaican dollars a week in a gamble designed to stabilise his country's currency. As a wealthy entrepreneur whose business interests are principally in the hotel sector, Stewart clearly has access to substantial amounts of hard currency, but he was still taking a big risk, because, rich though he may be, he alone could not pull the dollar back from the brink. What was needed was a bandwagon effect with sufficient momentum to overwhelm the currency speculators. And this is precisely what happened.

Other entrepreneurs joined the crusade — cynics suggest they were shamed into doing so but their motives were probably more mixed. Stewart himself claimed to be acting out of 'enlightened self-interest', pointing out that if the dollar's decline could not be arrested, there was a danger of social upheaval, which could seriously damage the tourist trade. It seems reasonable to assume that the business people who came in to support the initiative were motivated by a similar desire for stability.

Nor did the campaign stop there. Battle was joined by a popular talk-show host who urged ordinary Jamaicans to cash in their US dollars — at the lower rate. Queues rapidly formed



at the banks as thousands of people came forward with their small denominations of US notes while Jamaicans abroad joined in by sending American dollars in the post to their relatives. In theory, these people could have got a higher rate, but who would dare ask for one in such a charged patriotic atmosphere. And when the dust had settled, the Jamaican dollar had been 'saved' — indeed, it actually rose to 22.20 to US\$1 before stabilising.

Did Butch Stewart really save the dollar? Was the bandwagon that he provoked really responsible for the stability which now exists today? No-one can be sure of the answer, but the general consensus among those whom *The Courier* spoke to is that, in conjunction with government measures taken at about the same time to squeeze liquidity, it had a significant positive impact.

Of course, this is not the end of the story. As Europeans know only too well from recent experiences, large scale speculation on currencies can undermine the best-laid plans. Inflation in Jamaica is higher than in the US and the current unofficially 'fixed' rate may not be sustainable in the longer term. In fact, the American embassy subsequently succeeded in selling US dollars through one of the banks at a higher rate, although this turned out to be a diplomatic *faux pas* which drew considerable opprobrium from the Jamaican public. In the final analysis, however, the Jamaicans have good reason to be satisfied. They may still face important economic challenges but by their remarkable concerted response to this particular crisis, they have shown what united action can achieve and, in the process, have given added meaning to their country's motto — 'out of many, one people'.

And what of Butch Stewart? He continues to run his businesses and embark on new ventures. But now he is something of a folk hero. As one Jamaican was reported as saying in the local press: 'Him can run for any political party. Him get my vote.'

provide a competitive and quality product designed to keep the visitors coming.

In the primary sector, the country's principal product is **bauxite** and the **alumina** which is processed from it. The bauxite mining industry is subject to cyclical trends and, in particular, the level of economic activity in the main western markets for aluminium, which is the end product. In 1991, Jamaica produced and exported more than 11.5 million tonnes of bauxite, which represented a 6% increase over the previous year. Production has been on a rising trend since 1986, when fewer than 6 million tonnes were mined. Alumina production has doubled over the same period from 1.5 million tonnes in 1986 to more than 3 million



Banana production has bounced back

tonnes in 1991. The main export markets for this product were North America (1.3 million tonnes) and Europe (1.2 million tonnes). The trading relationship which Jamaica previously had with the Soviet Union (see the interview with Senator David Coore), which included a barter arrangement involving bauxite for Lada cars, has been interrupted because of the political and economic upheavals in that former country.

The impressive growth in bauxite and alumina production has, unfortunately for Jamaica, not been fully reflected in the economic returns. Indeed, income fell during 1991 as the average price of primary alumina slumped by almost 20% on the London Metal Exchange. It is

nevertheless worth noting that in 1991, more than 11% of GDP was generated from this source. In 1986, the figure was less than 7%.

Agriculture

Traditionally, Jamaica's wealth has been founded on its agricultural production, with a particular focus on **sugar** and **bananas**. For a time, it looked as if both crops might be in terminal decline. Sugar production dropped from half a million tonnes in 1965 to well under 200 000 tonnes in the mid 1980s. For bananas, the fall was even more dramatic with exports slumping from 150 000 tonnes in the 1960s to as low as 20 000 tonnes two decades later. Both sectors have recovered in recent years, however, with sugar production at a 12-year high in 1991 (237 000 tonnes), and banana exports bouncing back to 75 000 tonnes. And while, in overall GDP terms, their contribution is modest, they continue to be important to the country in terms of both foreign exchange and employment.

Under the old system of Commonwealth preference, these two products had access to an otherwise protected United Kingdom market and were largely shielded from the pressures of international competition. Shortly after Britain joined the European Community, new provisions were negotiated in a series of protocols to the Lomé Convention which largely preserved the preferential access arrangements. Indeed, quantities of sugar up to a certain level were given a guaranteed market at a guaranteed price (related to the prices set under the Common Agricultural Policy for the Community's own beet sugar). Bananas were to be protected in their 'traditional' markets, which in practice, for Jamaica, meant the UK, while rum, an associated



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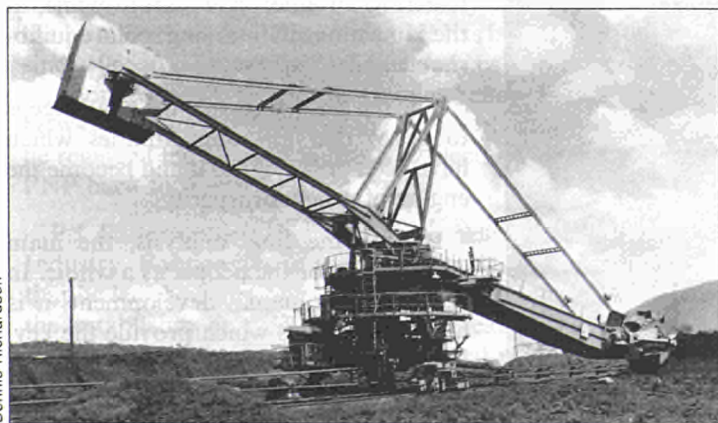
Dr Marshall Hall, Managing Director of Jamaica Producers' Group Ltd
'Producers can live with the EC banana proposals'

product of sugar, also benefited from a duty-free quota.

It is widely thought that, without these arrangements, the banana and sugar producers would not have been able to withstand the international competition and that large-scale production in the country would, by now, have ended. Recently, such a possibility did, in fact, appear as a dark cloud on the horizon, due to two separate events — the GATT negotiations and the creation of a single European market. The fact that, for the first time, agricultural products were included in the world trade negotiations put a question mark over *all* forms of protectionism including those rules which gave substance to the preferential access enjoyed by certain ACP products in the Community. The EC's own single market programme seemed to pose a particular threat to the banana trade since the special arrangements vis-à-vis 'traditional' markets were not consistent with the establishment of a genuinely frontier-free Europe.

At the time of writing, the GATT negotiations remain stalled but full trade liberalisation in the agricultural sector is clearly a longer term process and there does not appear to be any immediate threat to the special arrangements which Jamaica and other ACP countries have with the European Community. As regards the specific issue of bananas, a new Community-wide solution has been proposed which purportedly seeks to balance the interests of the ACPs, Community growers and the 'dollar-zone' producers. This was still subject to intense debate in the Council of Ministers at the time of going to press.

When *Dr Marshall Hall*, who is the Managing Director of the Jamaica Producers' Group Ltd (formerly the Jamaica Banana Producers' Association), spoke to *The Courier*, he was ready to put a brave face on the most recent Community proposals for a new banana regime. These proposals would provide reasonably generous tariff-free quotas for each banana-producing ACP country. Cheaper dollar-zone bananas would also, in effect, be granted a quota, although subject to a tariff of 100 ECUs per tonne. For imports above the determined quotas, a high tariff of ECU 850 would be levied. According to Dr Hall, 'Jamaican producers can live with this scheme' but he recognised the need for the local industry to become more efficient and competitive. He also pointed out that it was only access, and not prices, which would be guaranteed. In fact, the price of bananas in the Community dropped by almost £100 a tonne in 1992 as dollar-zone producers stepped up their exports to the EC in anticipation of the single market, and this is obviously a source of concern to producers in Jamaica and elsewhere in the Caribbean.



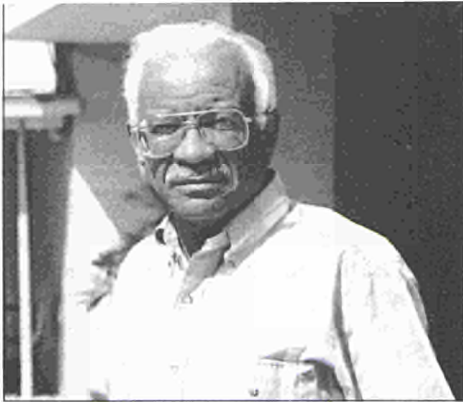
Dennis Richardson

Bauxite mining
Production has risen but income has fallen



The Courier

Jamaican rum
Preferential access under the Lomé Convention



Professor Gerald Lalor

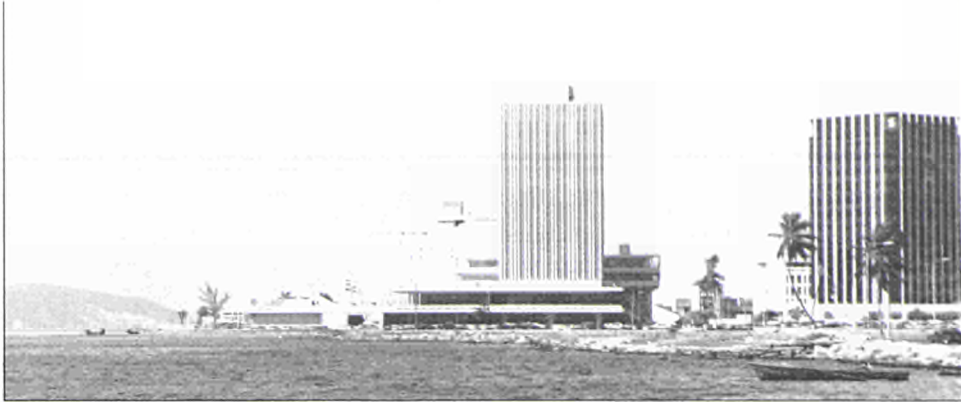
'Aiming to expand student numbers'

Only a rash person would predict where the island's banana sector might be in five years' time, but the Jamaicans themselves have clearly recognised the precariousness of this particular export business. Diversification is seen to be the key. It is not coincidental that the Jamaica Producers' Group Ltd has dropped 'banana' from its title and the company has successfully moved into the export of citrus fruits and other produce, although bananas remain as its core activity.

Among the country's so-called 'non-traditional' crops, yams to the value of almost US\$ 10m were exported in 1991 while other products traded included mangoes and cut flowers. Other 'traditional' crops which are exported in modest quantities include coffee, coconuts and pimentos.

Social implications

Although there is considerable enthusiasm in the private sector for recent liberalisation measures, the social implications of these changes — at least in the short term — are an obvious source of concern. Jamaica is certainly not unique in having to grapple with a serious crime problem but the apparently inexorable rise in violent criminal behaviour and, of course, the chronic drug problem, are now among the most serious challenges which the government must tackle. And while the underlying reasons are undoubtedly complex, only the most reactionary observer would fail to see at least some connection with poverty and unemployment. In an attempt to come to grips with the problem in the short-term, the government has focused on improving enforcement. The police force is not widely respected and reforms to this service are being considered. The army — whose discipline and reputation are much higher — has been brought in temporarily to increase security on the streets and they are operating in tandem with the police. A recent decision to end a *de facto*



'The challenge of the private sector is to grasp new opportunities'

moratorium on the use of the death penalty has also been applauded by many Jamaicans but it has attracted some criticism both internally and from outside. No executions had been carried out at the time of writing.

For the longer term, the Government clearly hopes that economic improvements, feeding down to the poorest levels of society, will have a positive impact on crime rates. Unfortunately, the evidence from more developed countries, most of which are also battling with ever-rising criminality, is less than encouraging.

On a more positive note, Jamaica, in common with most of its Caribbean neighbours, puts a lot of emphasis into education and training. The outreach of the school system is on a par with most of the industrialised world and literacy rates are high as a result. *Professor Gerald*

Lalor of the University of the West Indies confirmed that his institution had largely escaped the government's budget cuts and talked of plans to expand the Mona Campus, which is the UWI's base in Jamaica, to accommodate a 50% increase in student numbers. He also spoke of the growing interest of businesses in educational investment, a fact which was reflected in the endowment of four university chairs by the private sector.

The high level of educational attainment is to be seen in many areas of Jamaican life but most notably in the wide range of cultural activities on the island.

Looking to the future

When one experiences the beauty of Jamaica, the hospitality of its people and the vibrancy of its culture, one is sure to be captivated. This is clearly a country with a great deal to offer but also, it must be said, a great deal to do. After years of economic stagnation — by no means all of which has been self-inflicted — the signs are that, at last, it may be turning the corner. A new economic reality prevails and a new political consensus offers hope for sustained economic development in the coming years.

For government, the challenge is a familiar one, faced today by governments all over the world: how to continue fostering an enterprise culture while, at the same time, maintaining social equilibrium.

For the private sector, the challenge is to grasp the new opportunities which have been presented to it and become the engine of a new prosperity.

But, in the final analysis, the main challenge is for the people as a whole. In the quest for human development, it is human resources which provide the key. It may only be a pointer, but the remarkable response of the people last year to their currency crisis suggests that the Jamaicans are willing and able to rise to the challenge. ○ Simon HORNER



'It may sometimes seem like an uphill struggle but Jamaicans appear ready to rise to the challenge'

P.J. Patterson

The new man at the helm

When Michael Manley stood down as Prime Minister in March 1992, to be replaced by P.J. Patterson, many Caribbean commentators saw it as the end of an era. For more than twenty years, the charismatic and sometimes controversial leader of the People's National Party (PNP) had occupied a central position in the Jamaican political system — as Prime Minister for two terms in the 1970s, as the principal opposition figure during the government of the Jamaica Labour Party (JLP) in the 1980s and then again in the top job following the PNP's victory in 1989.

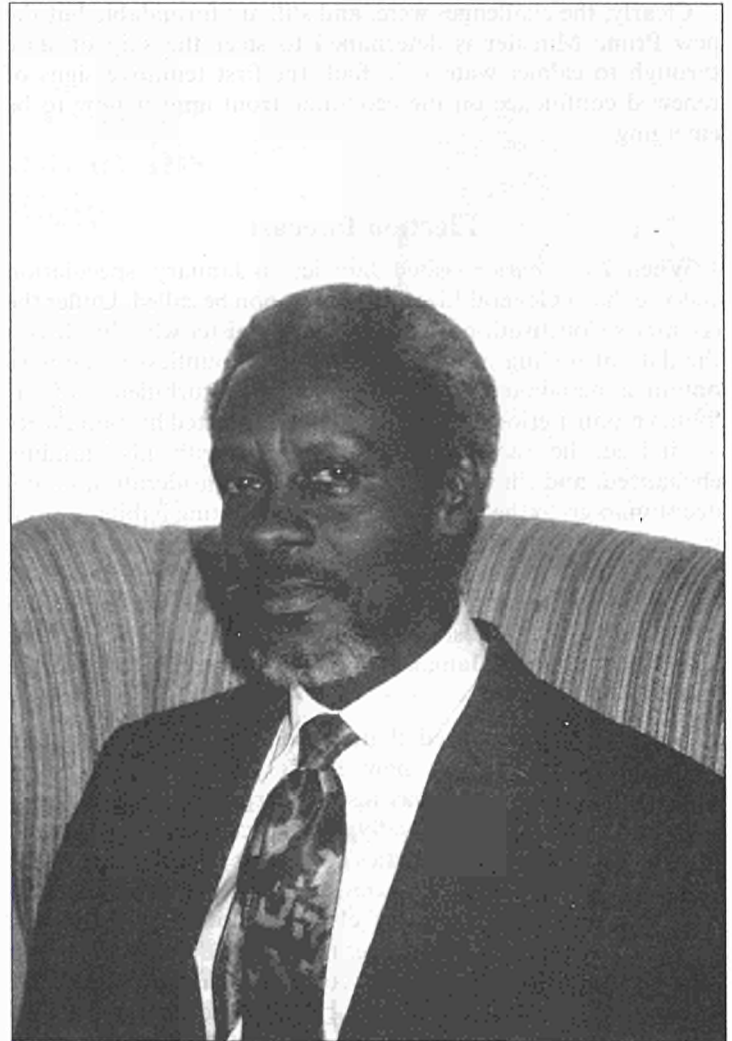
Since the 1940s, when Jamaica elected its first Parliament by universal adult suffrage, the country's two political parties have vied with each other for power. For much of this time, the rivalry has been characterised by sharp ideological differences with the PNP favouring socialist policies while the JLP, despite its name, argued for a more free-market approach. But it would be an over-simplification to portray the political history of the country purely in terms of a classic left-right divide. The character and personality of the party leaders has also played a crucial role, ever since the founding fathers of Jamaica, the JLP's Alexander Bustamante (the first post-independence Prime Minister) and his PNP rival Norman Manley (Michael's father) locked horns in the early political debates.

Powerful leaders

In the 1970s and 1980s, the political landscape of Jamaica was dominated by the powerful personalities of Michael Manley and his arch-rival, Edward Seaga of the JLP, who is currently leader of the opposition. These two men offered very different visions for their country, and robust debate sometimes spilled over into conflict between their supporters, particularly in the polarised atmosphere of election campaigns. Despite this it was often difficult — at least for outsiders — to think of one without the other. The election of P.J. Patterson has changed all that.

The new Prime Minister, (his first name is Percival, but he is more usually referred to by his initials 'PJ'), took office last year following a decisive victory over Labour Minister, Portia Simpson, in his party's leadership election. He is a lawyer by training, having studied at the University of the West Indies and the London School of Economics. He has been active in the PNP since 1955 and began his Parliamentary career in 1967 when he was nominated to serve in the Jamaica Senate. From 1970-1980, he was an elected member of the House of Representatives and he regained his old seat in the 1989 election which brought the PNP back to power.

P.J. Patterson first entered the Cabinet in 1972 as Minister of Industry, Foreign Trade and Tourism. It was in this capacity that he led the Jamaican team in the negotiations which led to the establishment of CARICOM (Treaty of Chaguaramas, 1974). He has also been closely involved in Lomé Convention discussions. In 1978, he was promoted to the post of Deputy Prime Minister and Minister of Foreign Affairs and Foreign Trade. Prior to becoming Prime Minister in 1992, Mr Patterson was Minister of Finance.



New leadership style

The Prime Minister is regarded by many as representing a new and more pragmatic style of politics. He is capable of passionate oratory — a necessity for any political aspirant in Jamaica's Westminster-style Parliament — but the emphasis in his publicity material, is on his 'ability to work in a 'non-confrontational' manner and to guide discussions in a way that 'allows equal respect for the opinions of all involved'. According to Minister of State, Terence Gillette, the new Prime Minister is 'less flamboyant, less talkative and more serious' than his predecessor and recent opinion polls suggest that the voters approve of this style.

During his first nine months at the helm, P.J. Patterson has certainly had a stormy passage. Rampant inflation, provoked by currency liberalisation, has undermined an already precarious economic situation. The exigencies of IMF-influenced structural adjustment measures have brought pain to the public sector and provoked widespread industrial action while almost half of the country's J\$26 billion budget has had to be set aside for debt repayment. Unemployment levels remain stubbornly high and the alarming crime rate — which must be influenced to some extent by the lack of job opportunities — threatens to damage the crucial tourist sector as well as business investment more generally.

Clearly, the challenges were, and still are formidable but the new Prime Minister is determined to steer the ship of state through to calmer waters. In fact, the first tentative signs of renewed confidence on the economic front appear now to be emerging.

Election forecast

When *The Courier* visited Jamaica in January, speculation was rife that a General Election would soon be called. Under the country's Constitution, it is the Prime Minister who decides on the date of polling and P.J. Patterson is doubtless anxious to obtain a mandate in his own right. The turbulence of his 'honeymoon' period appears not to have affected his popularity — indeed, he seems to have emerged with his standing enhanced, and this is obviously a major consideration in any decision to go to the polls. Past Jamaican voting habits — or at least those of the crucial 'swing' voters — ought to give the Prime Minister cause for optimism. Traditionally, the electors have given the governing party two 'bites at the cherry' before switching to the opposition and the new incumbent must be fervently hoping that Jamaicans do not choose 1993 to break the habit!

It should be recognised that, in addition to the change in leadership style with a new Prime Minister, the policy environment in Jamaica has also undergone a radical transformation although, admittedly, this process began somewhat earlier. In common with parties of the left in a number of the world's 'traditional' democracies, the PNP has felt obliged to abandon many of the 'socialist' elements of its programme and to turn to policies with a stronger free-market orientation. As a result, there is now a broader consensus in Jamaica on the economic fundamentals. Although this fact is unlikely to diminish the intense rivalry between the parties on the campaign trail, it helps contribute to the business confidence which is so vital for economic regeneration. ○ S.H.

Economic confidence grows

When Prime Minister Patterson spoke to *The Courier* in January, he was keen to stress the new economic orthodoxy which underpinned his government's approach. He began by pointing out that Jamaica, like so many other countries in the developing world, had been undertaking a programme of structural adjustment in order to improve economic efficiency and competitiveness in international markets. The most decisive step, he said, was the decision to remove all foreign exchange controls and to have a rate for the currency which was market-determined. He continued: 'The immediate aftermath was a sharp drop in the value of the Jamaican dollar and we had to undertake a number of fiscal and monetary measures to deal with this. Because so much of our economy is influenced by external factors, there was a sharp rise in inflation during this interval.'

These measures, combined with the effort made by Jamaican foreign exchange-earners and by the people themselves, had succeeded in halting the slide of the dollar, and as a result; 'we have enjoyed over the past nine months, a stable exchange rate, a marked reduction in inflation, an increase in foreign inflows and an unprecedented level of confidence in the economic programmes we are pursuing.'

Mr Patterson went on to point out that 'most elements in the economy' were forecasting a significant level of growth for 1993 and a growing belief that this could be sustained in the years to come.

He also spoke of the 'extended fund facility' recently agreed with the IMF which is scheduled to operate for three years. 'The Government', he said, 'has indicated — with the support of the people — that we want this agreement to be our last and we are therefore working, not only to fulfil the IMF criteria but to reach a level of growth in the economy which would obviate the need for any continued dependence on IMF programmes.'

Media brief

The media are an important element in Jamaica's vibrant democratic system. Despite the relatively small market, the country has no fewer than five radio stations as well as the JBC television channel. There are also two daily newspapers (the long established 'Gleaner' and the 'Herald') and a selection of weekly journals. In January, a group of local businessmen launched a new title, the 'Observer', which will be published using the latest print technologies. Initially, it will come out weekly, but the aim is to turn it into a daily as soon as possible.

Journalistic standards are generally regarded as good and reporters do not appear to have any qualms about tackling controversial issues. To an outsider at least, the amount of radio and TV time set aside for political discussion and

comment may come as something of a surprise. There are frequent debates about current affairs and all points of view can be heard. But then it must be

remembered that Jamaica has one of the most politically aware electorates in the world. They probably wouldn't settle for anything less!



AN ELECTION IN MARCH? YES But P.J., naturally, is not telling

Poll speculation — the headline story in the launch issue of the 'Jamaica Observer'

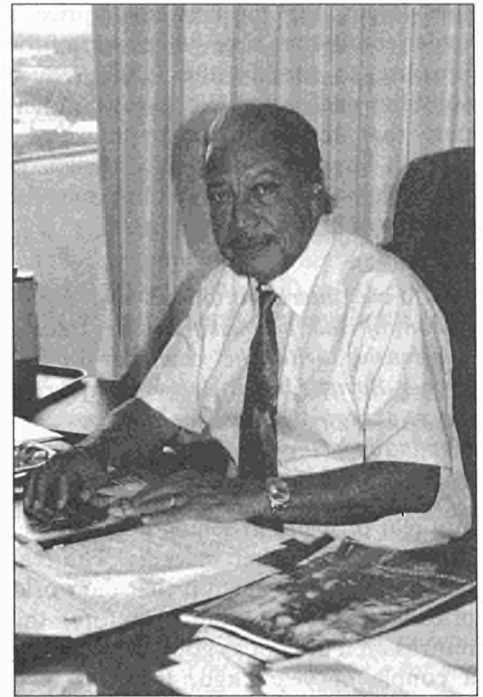
Keen to deliver

Senator David Coore, Minister of Foreign Affairs and Foreign Trade, talks about his country's external relations policies

Senator David Coore has had a long and distinguished career spanning politics and the legal profession since he began private practice in Jamaica in 1952. He was elected to the pre-independence Legislative Council in 1959 and served as a member of the special committee that drafted the country's Constitution in 1962. Entering the House of Representatives in 1967, he went on to become Deputy Prime Minister and Minister of Finance, posts which he held for six years. This was followed by a period working for the Inter-American Development Bank with postings to the Dominican Republic, Barbados and the United States.

The election of the People's National Party Government in 1989 saw David Coore return to ministerial office. He was appointed a Senator and given the job of looking after his country's foreign and trade relations. He is also leader of government business in the upper house.

*In this interview, Senator Coore speaks to *The Courier* about a range of trade and foreign policy issues. He also describes, in frank terms, the policy of the Jamaican Government regarding the two troubled countries which are its nearest neighbours — Haiti and Cuba.*



► *Senator Coore. How would you characterise the current relationship between Jamaica and the European Community?*

— It is very good. Aside from our links under the Lomé Convention, we have relations with all of the countries of Western Europe and have resident ambassadors in Brussels, London, Bonn and Geneva. We have a fair amount of trade with Europe — for historical reasons, mostly with the UK. On the aid side, there are substantial programmes, notably with Germany and Italy, but also with France and, of course, the UK. And we are trying in particular to develop European tourism. This is a critical sector of our economy and is one of the main focuses of our activity in Europe. I should say that it has been progressing quite well in recent years but we are hoping to see it expand still further. To some extent, however, growth in this area is dependent on us being able to increase the number of direct air links.

In general terms, therefore, we regard the EC as a very important area for trade, investment and tourism, in addition of course, to the programmes that we have under the Lomé Convention.

I should also say that we have traditionally had good links with the countries

of Eastern Europe through our embassy in Moscow. We had an important trading relationship with the former Soviet Union involving the exchange of bauxite and alumina for cash as well as Lada cars. As you can well understand, that arrangement is in suspense at the moment. The problem is that the bauxite was going to the Ukraine while the cars came from Russia. This was obviously workable while they were both parts of the Soviet Union but things are different now and we are still working to find a new relationship with these countries.

► *There has been a lot of fairly heated discussion recently about bananas, and in particular about access to EC markets. The Community appears to have arrived at a formula which seeks to strike a balance between the various producers involved — in the EC itself, in the so-called 'dollar zone' and in the ACP countries including Jamaica which have traditionally enjoyed preferential access. What is your view of the proposal?*

— We are not totally happy with it. We think that it has certain deficiencies but we recognise that, given the sharp divisions which exist in Europe over the banana protocol, it is probably the best that could be achieved to protect our position under the Lomé Convention.

Of course, it is all related to the GATT and we can't be certain that the new tariffication proposal will actually achieve the same results as the previous regime involving specific licensing and quotas. We will just have to wait and see how it works out in practice.

We also recognise that it is going to take some time for the proposal to be implemented. Consequently, we have been very keen to ensure that interim measures were put in place and this has now happened in that the status quo has been maintained until July.

I should say that we preferred the original Commission proposal which, we thought, met our concerns to a greater extent. The current proposal appears to meet some of our concerns but, as I say, a lot will depend on how it actually operates in practice.

► *What about the trading position of sugar, which is also an important export product for Jamaica?*

— Sugar is in a different position. The quota is not really affected by the single market. What it is affected by is the modification that is taking place in the Common Agricultural Policy of the European Community. Under the CAP, beet sugar enjoys a fairly healthy subsidy and since the price of beet sugar is used as a reference price for our own cane sugar, the position has been reasonably satisfac-

tory for us. But the beet sugar price is under continuous siege — because of the pressure to modify the CAP, reduce subsidies and so on. We have to anticipate that the reference price will be eroded. So while there is no immediate problem we can see that there may be difficulties in the longer term.

► *I was interested to hear your explanation of the problems in the trading relationship with the countries of the former Soviet Union. Are you exploring other export avenues for the bauxite/alumina industry?*

— Yes we are, although we don't have any real problem in selling our bauxite. We could find other markets. The real problem at the moment is that the world price is depressed and, therefore, the returns on it are not as good as they were a couple of years ago. But this is a function of the world economy and there is very little we can do about it. We hope that we will be able to reactivate the trade with Eastern Europe because they were taking over 5 million tonnes of bauxite but our industry was not dependent on that — it was the icing on the cake. I can say that the Ukrainians are very keen on maintaining the relationship and continuing to receive our bauxite. So I am hopeful that, as soon as they can get their act together, we will be able to resume the trade with them.

► *History seems to be littered with failed — or at least only partially successful — attempts to achieve regional integration in the Caribbean. Indeed, a commentator on local Jamaican television suggested recently that integration may not necessarily be a good thing and that small countries could survive quite happily without such arrangements. What do you think?*

— That is complete nonsense. All of us who are members of Caricom need the organisation. It is of value to us. Admittedly, internal Caricom trade is not as great as it could be but it is still important; for example, here in Jamaica it provides a good market for our light manufacturing industries. But more significantly, the existence of a single market in the Caricom region, which is what we are working towards, will increase its attraction to outside investors. You start with a larger market base and, with different islands having different com-

parative advantages, everyone is in a position to benefit from investments coming from outside.

It also gives us a forum for negotiating on a more realistic basis, for example with the North American Free Trade Area (NAFTA) or with the countries of Latin America.

Caricom is important to us in Jamaica and we believe that it needs to be strengthened. We also see it as a base from which the English-speaking Caribbean can integrate more closely with the Latin American region of which we are, geographically, a part. It is being recognised more and more that our economic future is bound up with the extent to which we can integrate ourselves into the Latin American region — the wider Caribbean if you like — which embraces the countries of Central America and those of South America that border the Caribbean Sea.

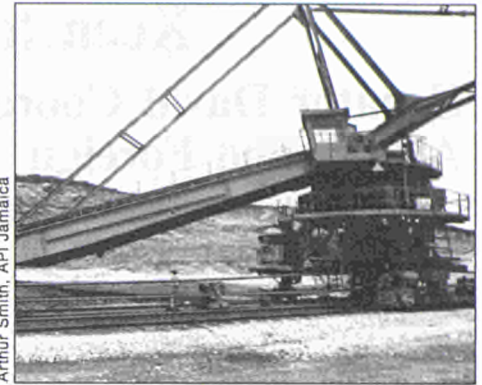
Although progress towards the somewhat grand objectives of the Chaguaramas Treaty¹ has been slow, and marked by some disappointments, we have nevertheless moved forward. At the most recent meeting, decisions were taken on the basis of a report presented by the West Indian Commission which is chaired by Sonny Ramphal². These allow us to progress at a pace which everybody is comfortable with. There is no point in trying to move too quickly and not carrying everyone with you.

So the future of Caricom is assured. It is just a question of how fast it is wise to go and the extent to which we can make use of the real benefits that accrue from being able to act as a coherent and cohesive body.

Let me give you a practical example. One of the problems that we all face is the cost of diplomatic representation abroad. As we open up and develop trade and because we need technical and, in some cases, financial assistance from donor countries, it is essential for us to have a diplomatic presence in the outside world but it is an expensive business for small countries to do by themselves. One of the planks in the Commission's proposal is that we should begin to share the costs of diplomatic representation and I think

¹ The Treaty of Chaguaramas (Trinidad) of 1973 established CARICOM.

² Former Secretary-General of the Commonwealth.



Arthur Smith, API Jamaica

Bauxite mining Hoping to reactivate the trade with Eastern Europe

that this will enable us — individually and collectively — to have a much wider outreach at lower cost.

In fact, we have already been very successful in operating as a coherent group in fora such as the Organisation of American States (OAS), the United Nations, in our dealings with the USA and Canada and of course, in the ACP Group. We have worked closely together and have benefited from this.

► *I believe that the Dominican Republic applied to join Caricom?*

— Yes, we had applications to join Caricom from the Dominican Republic, Haiti and even Venezuela while Puerto Rico has expressed interest in some form of association. The conclusion we have come to is that it would be unwise for us to try and extend Caricom to include countries like the Dominican Republic because you could overburden the structure. The total population of Caricom is five million and the Dominican Republic alone has six million people. Haiti has another six million. So we have accepted the proposal put forward by the Ramphal Commission that the integrity of Caricom should be maintained. We have a lot in common, both historically and culturally, and we have already gone some way towards creating a single market. We think that to attempt to bring in other countries at this stage would set back that process. We aim to continue strengthening and deepening Caricom while at the same time, seeking to establish what is called an 'Association of Caribbean States' of which Caricom would be a part. That would enable us to establish functional linkages with the Dominican Republic, Haiti, Puerto Rico,

the Dutch and French Islands and the Caribbean countries of Central and Southern America. So that is the way that we see the development of integration in this region — not through the enlargement of Caricom itself.

► *What is the Jamaican Government's position on relations with Haiti?*

— Our position is extremely clear. We were very active in the run-up to the election which brought President Aristide to power. We provided them with a lot of technical and other monitoring assistance. Working very closely with the Carter Centre in Atlanta, the OAS and other organisations, we helped them to put their electoral machinery in place, to prepare voters' rolls and so on. So we were happy when the elections took place and a democratically elected President took office.

Of course, it is not for us to determine who is the right person to be elected, but given the result of the election, Aristide is constitutionally the President of Haiti and he is the only person we recognise as such. Since he was ousted, we have played an active role in the OAS and elsewhere in seeking to mobilise assistance from the wider international community. We believe, firstly, in enforcing the embargo and secondly, in trying to achieve a political settlement and we will continue with that approach. We are quite uncompromising in our contention that, unless and until Aristide is restored as a functioning President, we cannot recognise any regime there. We will continue to press for the people who have seized control — the junta, or whatever you want to call it — to be ostracised by the international community. We are also committed that once constitutional government is restored, we will do whatever we can to mobilise international assistance to meet Haiti's needs. They need a structure, a civil service and a security force that is separate from the army. They need massive economic assistance to get their economy on the move again and all of this is going to require a lot of development cooperation from the international community as a whole.

We have been very vocal in insisting that the OAS must be concerned not only with solving the legal problem, but also in making a commitment that once constitutional government is restored, it will take on board the larger, long-term problem of creating a viable social,

political and economic environment in Haiti.

► *You talk of ostracising those in control in Haiti but of course you have another close neighbour which has been ostracised by the United States for a long time. What is the state of relations between Jamaica and Cuba?*

— We have good relations with Cuba. They have a resident ambassador here and we have an ambassador to Cuba although he is stationed in Jamaica. Indeed, we have a long standing relationship. Many Jamaicans have migrated to Cuba and still live there. We recognise, of course, that because of the hostility of the United States, we can't push this too far, otherwise the US becomes very critical towards us, but we do not observe the unilateral embargo which they have imposed on Cuba.

There isn't a great deal of trade between us because our economies are similar in many ways but we do cooperate and are doing so increasingly in the field of tourism. Cuba is trying to rebuild this sector and there is no doubt that it could be an attractive destination. We recognise that we can both benefit from working together in this area. Jamaican entrepreneurs are operating tourist facilities in Cuba and there is a regular interchange of visitors between the two countries.

We don't think that this antagonism between Cuba and the United States is permanent. One day it will come to an end and we think that when it does, it will have been very much in our interests to have established joint tourism operations.

We are also about to sign some agreements with Cuba in areas of common interest. These involve exchanges of technology, the simplification of visa procedures and action against narcotics trafficking which is certainly a problem for both of us.

Basically, our policy is to do what we can to help the reintegration of Cuba into the North and Latin American families as quickly as possible. We recognise, of course, that as long as the US maintains its present policy, this can only go so far, but nevertheless we feel — and increasingly this is the view throughout Latin America — that we have to do everything we can to encourage the Cubans to open up their economy, to democratise their system and so on. We think that the best

way of doing that is by letting them know that we want them on board, as part of the regional system. I think that with the collapse of their linkages with the Eastern bloc, they themselves are increasingly recognising that this is the only way forward. The one missing element is some shift in American policy. I don't expect that to happen overnight but I am hopeful that such a shift will begin to take place — perhaps even without anyone admitting it.

In short, we think that Cuba has to change, in terms of both its political and its economic system but it is much better if that change takes place in a peaceful way, rather than through another bloody revolution.

► *One final question concerning the future of cooperation with the European Community. You have spoken a lot about the common interests of the countries in the Caribbean basin. Yet the ACP Group consists of nations from three very distinct regions of the world, and its composition is based on historical linkages with EC Member States rather than any particular geographical or economic logic. What do you say to the suggestion that it may be time for the Community to look at a new configuration in its development cooperation relationships?*

— I haven't really thought about that, to be quite frank. But I do think that it is in the interests of all three regions to continue to work together. Obviously, our concerns are not always identical but, by and large, we have a sufficient commonality of interests to make it worthwhile for us to negotiate with the European Community as a group.

Some people might feel that we in the Caribbean, for instance, could do better if we dealt with Community on our own. I do not hold to that view myself. I think that the European Community will increasingly cease to regard their association under the Lomé Convention as some sort of assuagement for their colonial past and more and more as a basis for commercial relationships. With this in mind, it is obviously better for us to operate as a larger grouping.

In short, the best way for us to maintain our links with Europe and to maximise the benefits we can get is under the ACP umbrella. That — at the moment at any rate — is our policy.○

Interview by Simon HORNER

Hospitality is big business *Jamaica's tourist sector*

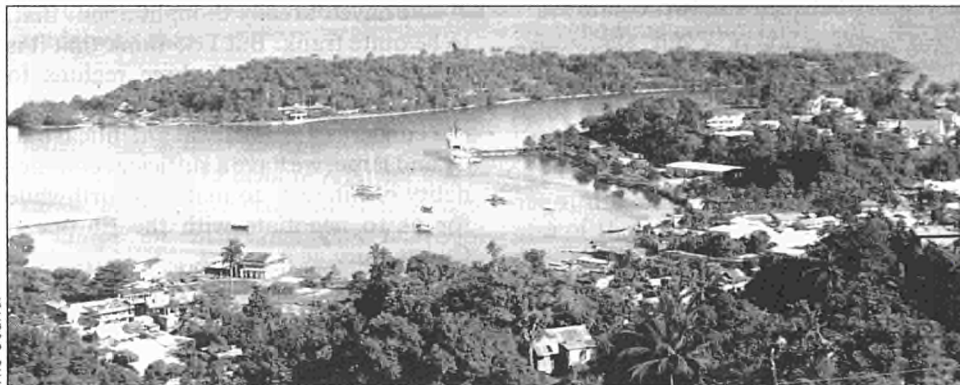
It does not take a mathematical genius to recognise that when an island with fewer than two and half million inhabitants welcomes more than 1.3 million visitors to its shores in a twelve month period, this means big business. In fact, tourism is the single most important sector of the Jamaican economy contributing almost a third of total receipts from goods and services. It is also the most important source of foreign exchange, and provides employment, directly or indirectly, for tens of thousands of Jamaicans.

In this article, we take a closer look at Jamaica's tourist industry with particular emphasis on the factors which have made it the most important economic sector in the country and on the challenges which it is facing in an ever-more competitive global tourist market.



Above, sun, sea and sand at Negril on the West Coast.

Below, Navy Island at Port Antonio which used to belong to film star Errol Flynn



Beach attractions

There can be little doubt that, from the point of view of the natural environment, Jamaica has what it takes to attract holidaymakers in large numbers. Top of the list must be the beaches. Despite concerns over the possible health implications of exposure to the sun, the mainly light-skinned tourists from the rich (and *cold*) countries of the North seem to have lost none of their appetite for 'sun, sea and sand' vacations. Armed with their bottles of high-factor sun-cream, they

migrate south in large numbers as the gloom of winter descends on the northern hemisphere and many choose to make their landfall in Jamaica. And who can deny the therapeutic effects of relaxing on a pristine beach of the finest white sand, with a glass of rum or fruit punch and one of the world's most pleasant natural swimming pools just a few paces away? But Jamaica has a great deal more to offer than just beaches. Despite its small size, it has a beautiful and rugged interior with mountains rising to a peak of more than 2000 metres. It has river gorges, water-

falls, cave systems, stunning bird life and an abundance of colourful flora whose lingering scents provide a constant reminder of the tropical setting. When the late Errol Flynn was forced by a storm to seek a haven for his yacht on Jamaica's shores, he was so captivated by the beauty around him that he chose to spend most of the remaining years of his life there. Few overseas tourists have that option, but the story underlines the country's potential for 'capturing' its visitors and inducing them to return year after year.

Good infrastructure

Of course Jamaica is not unique in its tropical beauty and nature alone cannot supply the needs of modern mass tourism. Proper accommodation, facilities for entertainment, good food and high quality service are all essential elements for a successful tourist venture and it is here that Jamaica seems to be offering a winning formula. In the resort areas on the north and west coasts, a great deal of money has been invested in tourist infrastructure from the main point of arrival at Sangster International Airport to the restaurants, hotels and villas where the visitors will wine, dine and (at the end of the day) recline. Jamaica is the third most popular holiday destination in the Caribbean after the Bahamas and the Dutch Antilles and this is reflected in the extensive infrastructure. It is noteworthy that local entrepreneurs have played a prominent part in developing the tourist product and the local staff who run the operations are well-trained and friendly.

Jamaicans are naturally gregarious and this is an important element in the equation as it means that visitors are made to feel genuinely welcome. The country also has a rich and vibrant culture. The natural sense of rhythm for which the Caribbean islander is renowned finds expression in reggae and calypso. The former is Jamaica's own unique contribution to contemporary music which was made famous by Bob Marley, and it provides a lively background in the bars and streets. The latter, which was first popularised by Harry Belafonte, belongs, strictly speaking, to Trinidad and even if it is frowned-on by some cultural purists, there is no doubting its popularity with many visitors.

The negative side

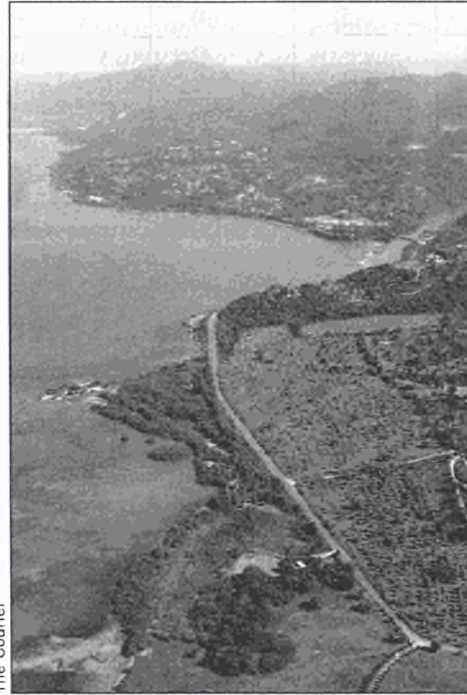
Of course, perfection is an aspiration that can rarely be achieved and there are, as always, some negative elements which

ought to be mentioned. The first, which is beyond the effective control of the authorities, is associated with the climate. It is ironic that a country whose principal attraction is its idyllic weather should be thus afflicted, but Jamaica is in the hurricane zone and during the season from June to October, there is always the risk that it will be battered by a fierce storm. To be fair, it is rare for the island to experience the full and damaging force of a tropical storm — the last bad one was Hurricane Gilbert in 1988 — and the experience is more likely to be frightening than life-threatening. However, the indirect effects on tourism, as on other sectors of the economy, can be serious when the infrastructure sustains damage.

A second negative factor which, from the point of view of the authorities has attracted unwelcome attention in recent years, is the security situation. In common with many other countries, the problem of crime in Jamaica seems to be growing and there is concern about the capacity of the police to deal with it. Some tourists have been attacked and, in 1991, the US State Department issued a 'travel advisory' which certainly did not help Jamaica's image as a tourist destination. It is important, however, to put the problem into perspective. Much of the island's crime is associated with drugs, poverty and social conditions in the poorer areas, and serious criminal acts tend to be concentrated in these locations. Security — particularly in the exclusive beach resorts — is relatively good, and the reality is that the average tourist is probably more at risk from a traffic accident in his home country as he drives to the airport for his flight to the Caribbean. This, of course, does not mean that the visitor should not take sensible precautions.

From the perspective of the tourist industry, the island's flourishing drug trade appears to present something of a dilemma. There is no question of the authorities openly sanctioning the activity but neither do they appear to be 'striving too officiously' to stamp it out, to paraphrase a well-known legal expression. As a result, soft and reputedly not-so-soft drugs are widely available in the tourist areas. (*The Courier* was approached on three separate occasions by young people offering to sell ganja during its recent 'Country Report' visit). It is a sad fact that for some tourists drug availability is a selling point when they

choose their holiday destination. Conversely, for some Jamaicans, the trade provides a living in an economic environment where 'legitimate' work is in short supply. It should be understood, however, that offenders (both Jamaicans and foreign) are apprehended from time to time and the penalties can be severe.



The Courier

A view of the north coast near Montego Bay.

The environmental effects of coastal tourist developments are increasingly being recognised

Environmental worries

The growth of tourism over the past decade and a half — the number of visitors has trebled since 1976 — combined with a more general awareness of 'green' issues, has also given rise to concerns about the environment. Large scale tourist developments, concentrated in sensitive coastal areas, will inevitably have an impact on local communities and wildlife habitats. Mr Roy Miller, who is Deputy Director of the Jamaica Tourist Board acknowledged these concerns when he spoke to *The Courier* and he emphasised the importance of developing 'eco-tourism' as a viable alternative. Although in its early stages, the first steps have already been taken with the launch in 1991 of the National Park System. New resort projects, particularly in areas such as Ocho Rios and Negril where substantial tourist developments are already in place, are also likely to be subject to more

stringent environmental assessment in the future.

Keeping up with the competition

Jamaica was a popular destination for the well-to-do long before the growth of prosperity in Europe and North America engendered the phenomenon of mass tourism which we see today. But the country has had to adapt to meet the changing market in order to stay ahead of the emerging competition both in the Caribbean and elsewhere in an increasingly accessible world. The economic difficulties provoked by the slump in earnings from bauxite and alumina, the structural problems facing traditional agricultural exports and the oil shocks of the 1970s have at the same time increased Jamaica's dependence on tourism while reducing the scope of government to invest in the basic infrastructure vital to maintaining competitiveness.

Despite these difficulties, the government, with considerable help from its overseas partners, has maintained a capital investment programme which is designed to cope with the increase in tourist arrivals. Recent projects have included major upgrading of water and sewerage facilities at Montego Bay and Negril, improvements to the Northern Coastal Highway and the expansion of the terminal at Sangster International Airport. (It is generally acknowledged that a visitor's first and last impressions of a country are particularly important!) These investments should help Jamaica to maintain its position in the forefront of Caribbean tourism.

Local feelings

Jamaican warmth and hospitality have already been mentioned, but it is worth posing the question whether tourism provokes any resentment among the majority of Jamaicans who live outside the resorts. It is certainly true to say that a lot of money has gone into the tourist areas and the largest population concentration is in the Kingston metropolitan area, which sees few holidaymakers. The government is aware of the danger that it might be seen to favour the tourists at the expense of ordinary people and it strives to achieve a fair balance in its investment programmes.

There has been some criticism, notably from small independent operators such as restaurateurs and taxi firms, of the increasing trend towards 'all inclusive'

Some basic facts about Jamaican tourism*

Figures in thousands	1976	1990	1991	1992 first 10 months	% change 1991 to 1992**
Total visitors	471	1236	1340	1265	+ 17.5
Stopovers	(328)	(841)	(845)	(742)	+ 7.2
Cruise passengers	(141)	(385)	(490)	(519)	+ 36.4
Armed forces	(2)	(10)	(5)	(4)	
Origin of visitors					
United States		566	544	465	+ 2.4
Canada		114	94	80	+ 7.2
United Kingdom		82	89	78	+ 7.0
Other Europe		39	71	73	+ 37.0
Other		40	46	46	+ 23.4

- Montego Bay was the port of arrival for 691 000 stopover visitors. 154 000 arrived via Kingston.
- 428 cruise ships called in at Jamaican ports (1990 - 336). 286 of these came to Ocho Rios while 138 docked at Montego Bay.
- The average length of stay for stopover visitors was 10.9 nights. UK visitors stayed longest (20.8 nights) while those from the USA averaged 8.7 nights.
- The number of hotel rooms and beds available rose to 9807 and 20 011 respectively (1990 - 9070 and 18 433).
- Although the number of stopover visitors increased, percentage occupancy rates fell due to the increase in available accommodation. Room occupancy stood at 57.9% (62.1% in 1990). Bed occupancy was 54.5% (58.9% in 1990).
- 22 788 people were employed in the accommodation sector (20 561 in 1990).
- Visitors spent an estimated US\$764 million (1990 US\$740 million).
- There were 162 000 home visits from Jamaican nationals living abroad.

* Source: Ministry of Tourism, Annual Travel Figures 1991 and interim figures covering the first ten months of 1992.

** In calculating the percentage changes, the partial figures for 1992 have been compared with the equivalent January-October figures for 1991. The estimate for total arrivals for 1992 was 1.56 million representing a 16% increase over 1991.

resort holidays, in which the visitor is whisked from the airport to his exclusive hotel by the beach, only to emerge two weeks later to catch the return flight. Cruise passengers, who make up an increasing proportion of 'visitor arrivals' are also sometimes resented for the fact that they reputedly contribute little to the economy in their very brief visits to the island.

Responding to the first of these criticisms, the major hotel operators insist that they must offer what the holidaymaker wants if they are to attract and retain his or her custom. All-inclusive resort holidays are undoubtedly gaining in popularity. In addition, it is stressed that these operations still generate jobs as well as significant business for local entrepreneurs. In 1991, almost 23 000 people worked in the accommodation sector. Many more, employed in areas such as food and beverages, and construction, benefited indirectly. Regarding cruise ship passengers, who obviously

spend no money on local accommodation, it is pointed out in their defence that they still bring in substantial amounts to the country overall. In 1991, they spent an average of US\$73 each during their short stay. These are powerful economic arguments which are difficult to refute and it appears that the majority of Jamaicans seem to recognise this.

Performance and prospects

As ever, the fortunes of the tourist sector are dependent on a wide range of factors, many of which are beyond the control of the industry or the island's government. Three quarters of the tourists who come to Jamaica are from the United States and Canada. In 1991, there was a significant drop in arrivals from both of these countries, apparently due to a combination of the Gulf War and the economic downturn. However, the figures for the first ten months of 1992 point to a recovery in this market.



The Counter

Tourists at Sangster International Airport checking in for the return flight

The bulk of Jamaica's European holidaymakers come from the United Kingdom and they appear not to have been affected, either by Gulf War fears or by the deep recession in their own country. Indeed, the number of 'stopovers' increased by almost 7000 from 1990 to 1991 and the trend appears to have continued during 1992.

The big success stories for Jamaican tourism, however, are in the mainland European and Japanese markets. The number of European tourists (excluding those from the UK) almost doubled in 1991 to more than 70 000 and that figure had already been surpassed in the first ten months of 1992. In proportionate terms, the rise in Japanese visitors is even greater although the actual numbers are more modest (12 662 from January to October 1992).

The Jamaican Tourist Board obviously keeps a close eye on economic trends in its principal markets and, with indications of a recovery in North America but continuing economic gloom in Europe, more attention is likely to be devoted to the former, at least in the short term.

In the longer term, the industry seems certain to maintain its pre-eminent position in the Jamaican economy. New competitive challenges — perhaps from neighbouring Cuba, if and when it emerges from its cold war purdah — seem likely, while unforeseen natural disasters, or increasing security problems cannot be ruled out. But the remarkable success of the sector over the past two decades, during a period of sustained economic difficulties for the country as a whole, reveals a resilience and adaptability which bodes well for the future. ○ S.H.

The ideological battle is over but policy differences remain

Interview with Bruce Golding Chairman of the Jamaica Labour Party

During the 1970s and early 1980s, the Jamaican people were presented with a clear choice in elections. The People's National Party offered an interventionist and broadly socialist programme while the Jamaica Labour Party supported more liberal economic policies. Now that the PNP has embraced the principles of the free market, this ideological split has largely disappeared. The current ascendancy of economic liberalism ought to be a source of some satisfaction to the party in Jamaica which has traditionally espoused it but it also presents them with a dilemma: how to project a distinctive agenda which is attractive to the crucial floating voters.

Bruce Golding who is Chairman of the JLP insists that, despite the new economic consensus, there are still important differences between his own party's approach and that of the governing PNP. In this interview with *The Courier*, he explains these differences and talks about the JLP's electoral prospects.

► *Mr Golding, how does your party's approach to solving Jamaica's economic problems differ from that of the Government?*

— The ideological differences have now disappeared to the extent that the governing party has abandoned its socialist commitments of the 1970s. There are, however, some very sharp policy differences over the role of government in the economy. The present government has adopted a 'hands-off' approach. They seem to be convinced that, on the economic front, the best thing to do is nothing. They want to leave it to the private sector, confining themselves to monetary and fiscal management and the provision of basic social services. They say that this is an effort to create an investment-friendly environment. We differ on this fundamental point because we take the view that a country in our position — where there is a lack of investment, no real growth in tradeable goods and services, high unemployment and a significant balance of payments deficit — cannot leave the solution solely to the organic workings of the private sector.

Now I am not for one moment suggesting that government should become dominant or that it should start taking economic initiatives in a unilateral way. I believe that if we are to succeed, there has to be a close synergy between government and private enterprise with policies and strategies being worked out together. There is no point trying to drag the private sector, kicking and screaming, into doing things they don't believe in. But we also see the need for an overall investment policy framework that seeks

to identify the principal instruments of growth and development and the areas where this will take place. Government has a clear role here in pulling the whole thing together and providing the necessary incentives.

I would not necessarily rule out the possibility that there may be a need for government equity participation, because very often, when it comes to new investment initiatives, the private sector is somewhat timid. Perhaps they need to have their hands held for a little while. We have to recognise that in the past, and particularly during the 1970s, there was a massive migration of capital and skills — management and investment skills in particular. As a result, we have lost much of the investment ethic. The private sector is not as bold or courageous as it used to be in embarking on risk investment. They prefer to play the stock market where money is simply moving around within a particular pool, or to deposit their money at the central bank where they can get a substantial and secure rate of return. But that does not create a single job; it does not put one root of cane in the ground; it does not put one piece of new machinery into a factory so that we can produce and export more.

The government seems to be hoping that, having liberalised exchange controls and taken various other measures to open up the economy, it will all now happen generically. We disagree with this analysis.

Look at the experience of other countries. We can't really compare ourselves with the industrialised nations, but I think we can look for comparisons in



Asia and the Pacific. Twenty-two years ago, Singapore was just behind us in terms of growth and development. Today, they are way ahead of us. They succeeded because they had a very proactive government and we support the same approach here in Jamaica.

► *You mentioned last year's currency liberalisation which obviously caused a major upheaval. It is widely believed that the 'Butch Stewart initiative', which was taken up by other entrepreneurs and actively supported by ordinary Jamaicans, stabilised the currency. Is this belief correct, in your view?*

— I think that most of the analyses I have heard have missed the fundamental point. I should stress that we are not opposed to liberalisation. It was in the medium-term economic programme which we produced in 1988 when we were in government. We planned a gradual move towards currency liberalisation to be completed by fiscal year 1993/94. But we also warned that if it happened too abruptly, we would pay the price in terms of movement in the exchange rate and that's exactly what happened. By the end of fiscal year 1991/92 which ended last March, inflation had reached 105%. This had an impact on the poor and middle classes alike. It affected the cost of our debt servicing and the government's ability to provide basic services. That level of inflation also discourages investment and I think that we will be reaping the consequences of that for a long time. We were not opposed to liberalisation as an objective, but we would have been far more gradual in our approach to it.

Now in terms of what actually happened, the Butch Stewart initiative clearly had an impact. I don't think one could argue otherwise. It put pressure on other major foreign exchange earners to take similar action and the people rallied round. But I think it is true to say that that effort, commendable as it was, would not have succeeded if it had not been

supported by very tight monetary policies designed essentially to mop up liquidity. And policy in that area has not been as consistent as it should have been. In June 1991, for example, the Prime Minister, who was then Minister of Finance, was announcing with great accomplishment, the reduction of interest rates at a time when they should not have been reduced. That was one of the reasons why the measures in the early part of last year had to be so severe but there is no doubt that they helped to contain demand and therefore to ease pressure on the currency.

I am not sure that we are home yet, however. While we have had a rate of J\$22.20 to one US dollar for quite a while now and people are inclined to think that this is a stable rate, there do seem to be some problems in obtaining foreign exchange. I myself needed US\$2000 to send my daughter back to school last week and I had considerable difficulty in getting it. Now I do believe that my position does give me a little premium in dealing with bank managers. If I could have had that level of difficulty, where I had to shop around and it took me a couple of days, I can imagine that somebody who needs \$100 000 to bring in raw materials probably has problems as well.

► *One of the most serious issues facing the country is the crime and security problem. How has this arisen and what would you do to tackle it?*

— This is not a new problem but it has become particularly accentuated in recent times. Crime is a factor, principally of two things. The first is social conditions — poverty and all that goes with it as well as a breakdown in traditional community and family structures. These are things which have to be tackled with long-term policies.

But you can't afford simply to wait for the long term treatment to work. It is also an immediate problem which threatens much of what is vital to us. This involves looking at the other factor which is the serious deterioration in our law enforcement capabilities. The police force is run down — not just as regards equipment and resources but also in terms of qualification, spirit and morale. It needs major reform. We have made some proposals, which I don't think have attracted widespread popular support, to amalgamate the police and the army. We really don't feel that a country of our size, living in the world that we now live in, really needs an army. They are there, in effect, to come in and clean up where the police have failed and while that has been

helpful, we don't believe it is the most effective way of dealing with crime and violence.

A criminal will always look at the odds. If the chances of his being caught are only two in ten, he will probably decide it is worth the risk. And the more he gets away with it, the more he is likely to do it again, so that it becomes a pattern. This is essentially what has happened here.

I feel that we need to get the police back into the community. They are too busy in these great installations that they call police stations. The police officer should be the person whom the community looks to for protection, not someone to be feared.

There have been various reports on this problem and I am optimistic that we will see progress in the coming year. A special task force, which was set up in agreement between the government and the opposition, has been working on the issue. It is too early to say, however, whether their recommendations will go far enough.

► *What is the JLP's position on the issue of Caribbean integration?*

— We think that the efforts in this area have been misdirected. There is an undue emphasis on political integration which we feel is neither necessary nor workable. Too much of the effort is being driven by some sort of emotional, sentimental idea of commonality, history and culture rather than by the solid economic benefits that can be gained. Because of this, I think we keep missing the goal. Instead of the present crusade for deeper integration within Caricom, we think it should be widened.

Let us consider Caricom. At the moment, it has a population of five and a half million which is a joke in terms of the world economy. That is the size of a European city. We feel that we ought to be looking beyond the English-speaking Caribbean to relationships in the first instance with other countries in the Basin such as Venezuela, Suriname and the French and Dutch Islands. We would then be looking at a population of some 30 million and an economic unit that would make more sense in terms of viability, market strength, skills, investment and so on. And we wouldn't necessarily want to stop there. In the longer term, we should also be looking at closer links with all the Andean countries.

I also believe that we must seek to secure some accommodation within NAFTA¹. Currently, the talk is about

¹ The North American Free Trade Area which encompasses Canada, the United States and Mexico.

preferential arrangements and that may be necessary because of our small size. But the larger you are, the less dependent you become on these types of concessionary arrangement and, even if we have to seek concessions, they should be for a limited duration. Part of the problem of developing countries such as Jamaica is that we never allow ourselves to be weaned from the nipple bottle. We must accept that eventually, we shall have to stand on our own two feet.

► *What about the current political situation? There is a lot of election speculation, now that the PNP has taken the lead in the polls. How confident are you of being able to claw that back?*

— We have a very difficult task to win the election. I think that much of what is carrying the PNP along is clever and sophisticated management of public perception. A lot has been said about the Prime Minister's style and about the supposed social tranquility and economic stability. The raw experience of the majority of the population is very different, but they are caught up in a kind of lull having been through a long period when prices were going up almost every week. So there is a general feeling of relief.

The Labour Party of course has its own internal problems that have not entirely been resolved and that has also affected us because it tends to diminish our attractiveness as an alternative government. We are not ready and we do have that problem. But politics in Jamaica are very dynamic and it is difficult to say what the situation will be like in two months from now².

We are mounting a campaign which seeks to point out that the country is just marking time — that it is going nowhere fast — and that a lot of this is due to the fact that the government has abandoned its role and the country is basically being run on autopilot. Deliberate decisions and initiatives are needed and we intend to outline the policies that we want to see implemented. Whether we have enough time to get the message across is another matter.

► *One final question. Mr Seaga obviously isn't going to be around for ever. Are you likely to put your name forward for the JLP leadership?*

— You know that we are avid cricketers here. Well, in cricketing terms, I don't lift my bat until the bowler has released the ball.○

Interview by Simon HORNER

² This interview was conducted on 18 January 1993.

Dancing to a Jamaican tune

A profile of Professor Rex Nettleford

Rex Nettleford is, to use an old-fashioned expression, a 'man of parts' — one of those people whose diverse interests and activities and whose boundless energy prompt admiration and amazement in equal measure.

On reflection, 'boundless' is an unsuitable adjective. For Rex Nettleford is a dancer — as well as being a university professor, historian, trade union activist, choreographer, director, author and all-round cultural oracle.

The Courier met this remarkable man in his office at the Mona Campus of the University of the West Indies, where he is Professor of Continuing Studies and Pro-Vice-Chancellor with responsibility for outreach and institutional relations. A historian by training, his studies included a period as a Rhodes scholar at Oxford University and his current teaching timetable embraces history, politics and culture. But the achievement for which he is particularly renowned is his central role — over thirty years — in the famous Jamaica National Dance Theatre Company.

The NDTC came into being in 1962 and the young Rex Nettleford was one of the leading lights in the group which helped to set it up. The inspiration behind the company is perhaps best summed up by the professor's own words, taken from the brochure which was published to celebrate its thirtieth anniversary.

'In setting ourselves the task of finding our own voices (or should I say feet?) in the art of dance, we have from the beginning pledged ourselves to forging a vocabulary, technique and style rooted in the realities of Jamaican and wider Caribbean life. This has in no way ruled out the fertilising energy of discoveries from other civilisations. But we have been very aware that none but ourselves can... find ourselves.'

A scene from the NDTC's 1988 production, 'Flash of Spirit'



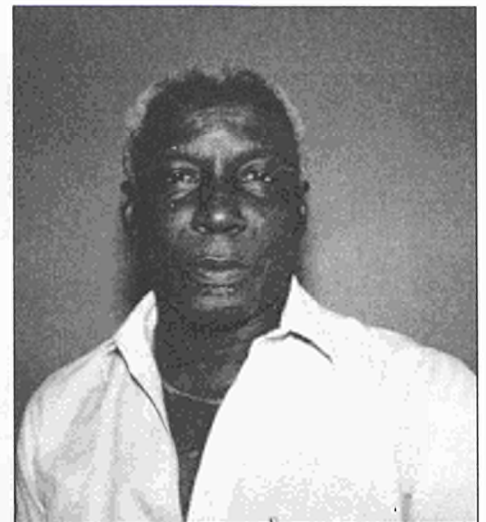
Maria La Yacona

Over three decades, the company has certainly succeeded in forging a uniquely Jamaican vocabulary, technique and style — which has been critically acclaimed throughout the world. Indeed, one measure of the success of this still essentially amateur group, is to be found in the 'roll-call' of international venues where it has performed while on tour.

The dance forms evolved at the NDTC do not, however, necessarily fit a single mould or concept. The cultural currents and eddies which have swirled in and out of the Caribbean Sea for centuries have created a kaleidoscope where elements of the different original influences mingle, but can still be identified.

Nor are the dances always comfortable to the eye. As Nettleford, who has himself danced in many productions as well as choreographing and directing various works, points out; 'where being 'entertaining' demands little more than what is expected of traditional minstrelsy we recoil from such an easy and demeaning route'. High standards indeed, and ones which do not always equate with commercial success. But the NDTC refuses to 'compromise its vision' and it is worth noting that it has succeeded over the years without direct government subsidy.

The success of the NDTC would have made an interesting subject on its own for an interview, but when Professor Nettleford spoke to *The Courier*, he chose to tackle a broader canvass, revealing in the process the eclectic nature of his interests. He spoke of Jamaica's economic problems, concerns about social justice and equality but above all about 'an intense engagement in the exercise of creative imagination' which has arguably made Jamaica the cultural capital of the Caribbean. He stressed the impact of his own small island on the popular music of the wider world, referring in particular to



Bob Marley as a 'global force'. But even this, he argued, was only 'the tip of the iceberg' with a great deal more happening on the ground in Jamaica.

He went on to refer to the 'excellent partnership which exists between the government and the people' in the field of cultural endeavour, not forgetting the private sector which had always played a role in helping the arts. The collective experience of the Jamaican people had been a 'tremendous source of energy' and the result was a strong sense of cohesion in civil society.

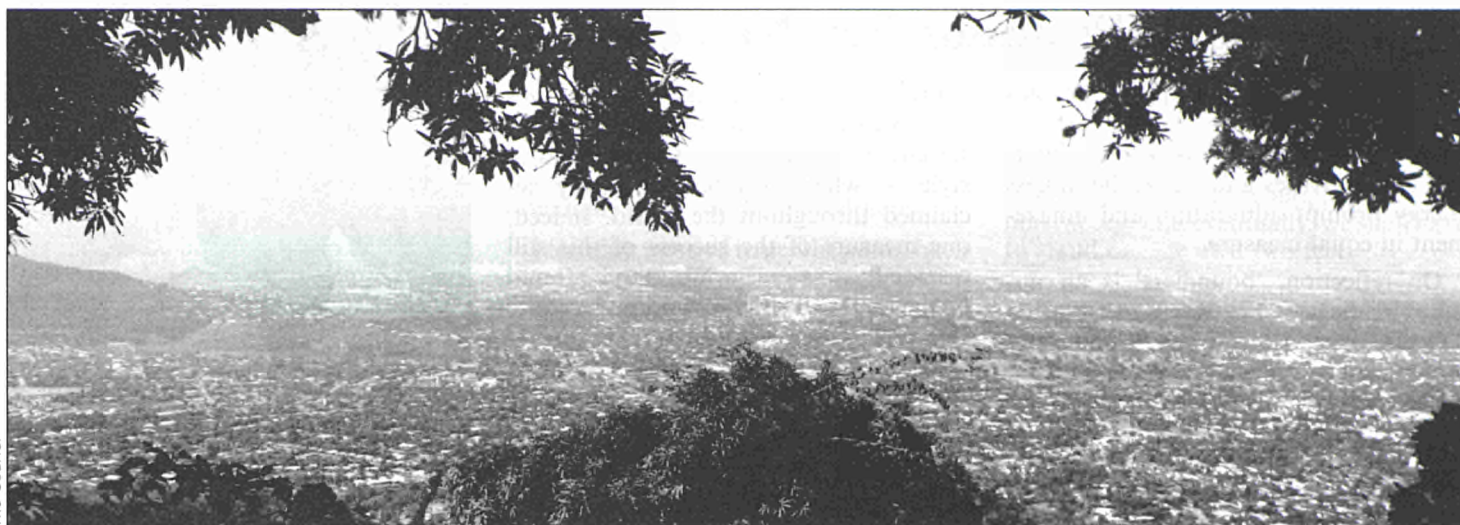
The Professor also spoke about another of Jamaica's unique cultural events — the Pantomime — which had not 'missed a day since 1941'. This event, which bears a certain resemblance to the fairy-tale performances familiar to English-speakers in Europe, is a highly popular musical comedy which satirises local situations and people. Jamaican folklore supplies many of the characters and Jamaican music features prominently.

One of the reasons for abundance of cultural activity in Jamaica, Nettleford believes, is the fact that the people have traditionally 'sought to honour achievers in the area of creative intellect and imagination'.

Finally, when asked about the (pernicious?) influence of American culture, the professor was surprisingly sanguine. He spoke of the challenge to develop organic alternatives but also was keen to point out that Jamaican reggae had gone out into the world. In short, he saw no objection to cross-cultural pollination. Or as he put it; 'by all means, put fertiliser to the soil. All we have to do is to make sure that the fertiliser does not become the soil'. ○

S.H.

Profile



The Courier

Area: 11 424 km² (4411 square miles)

Population: 2 435 800 (1991)

Growth rate: 0.9% (over 1990)

Density: 213 per km²

Capital: Kingston

Government: Bicameral parliamentary democracy

Head of State: Queen Elizabeth, represented in Jamaica by a Governor-General. (Discussions are currently under way with a view to moving towards a republican system)

Prime Minister: P.J. Patterson (People's National Party)

Leader of the Opposition: Edward Seaga (Jamaica Labour Party)

Party Representation in the House of Assembly (February 1993): PNP 46 seats, JLP 14 seats (election due shortly)

Currency: Jamaican Dollar (US\$ 1 = J\$ 22.20 – January 1993)

Inflation: 1990 – 29.8%, 1991 – 80.2%. The year-on-year rate topped 100% in early 1992 but dropped sharply thereafter. For the first nine months of 1992, the rate was 37%. In September

1992, prices rose by only 1% pointing to further steep falls in the annual rate as the one-off effects of the currency devaluation worked through the system.

	1990	1991
Gross Domestic Product: (in J\$bn)		
<i>at current prices</i>	29.82	42.37
<i>at constant price (1986 base year)</i>	16.92	16.95
Real GDP growth rate	4.8%	0.2%
Balance of payments (in US\$m)		
<i>Goods</i>	- 604.7	- 404.3
<i>Services</i>	- 784.9	- 654.3
	+ 180.2	+ 250.0
Principal exports (in US\$m)		
<i>Alumina</i>	625.3	543.0
<i>Bauxite</i>	103.0	112.9
<i>Sugar</i>	85.8	87.4
<i>Bananas</i>	37.7	45.1
<i>Rum</i>	17.2	15.4

Source: Economic and Social Survey Jamaica 1991 prepared by the Planning Institute of Jamaica.



Cooperation with the European Community

by Jean-Claude HEYRAUD *

Since 1976, many of the privileged relations between Jamaica and the United Kingdom have been taken over by the European Community, through the Lomé Convention, and are now based on reciprocal interests in a new spirit of equal partnership. They and the EC's relations with the other countries of Africa, the Caribbean and the Pacific have been institutionalised in various ways and one of the institutions, the ACP-EEC Council of Ministers, which takes place at least once a year, met in Kingston, the capital of Jamaica, in May of last year.

The main thing which the Lomé Convention provides is a stable, long-term framework, both for the development of trade relations with Europe and for the country's economic and social development in general, while there is also shorter-term support for the stabilisation and structural adjustment of the economy.

Jamaican bananas, sugar and rum — Community alcohol.

Trade with Europe remains dominated by two Jamaican exports, sugar and bananas, once the bulwark of relations with the United Kingdom. Two Lomé protocols guarantee continuing access for these two products, which are vital to Jamaica in terms not just of economic advantage and export earnings (12.6% of the total in 1991, and 78% of agricultural export earnings), but of employment and a safe income to small peasants and rural workers.

As with other ACPs in the region, Jamaican bananas have so far had completely free access to their only export market, that of the United Kingdom. But with the coming of Europe's single market this year and the disappearance of national markets inside the Community there is to be a new system though, as agreed in the Convention, it attempts not to place traditional ACP suppliers in a less favourable situation on the Community market than they were before. Like other countries in the region, Jamaica has remained alert and still keeps a very close eye on Community decisions in this field — on which the ACPs are always consulted first.

Although Jamaica's banana output was hit hard by Hurricane Gilbert in 1988, it recovered fast and exports rose to 75 290 t in 1991, with even better figures

expected for 1992.

Bananas and 15 of the island's other agricultural products are covered by the Lomé Convention's export revenue stabilisation system, Stabex, which cushions drastic fluctuations in earnings. Jamaica has used it once for bananas in 1981.

ACP producers have to compete with the cheaper Latin American bananas by ensuring high quality and low costs. One of the reasons for spending ECU 1.5 million of EDF money on the rebuilding and extension of Boundbrook Wharf at Port Antonio — due to be the point of export for about 75% of Jamaica's bananas after completion in March 1993 — is to cut

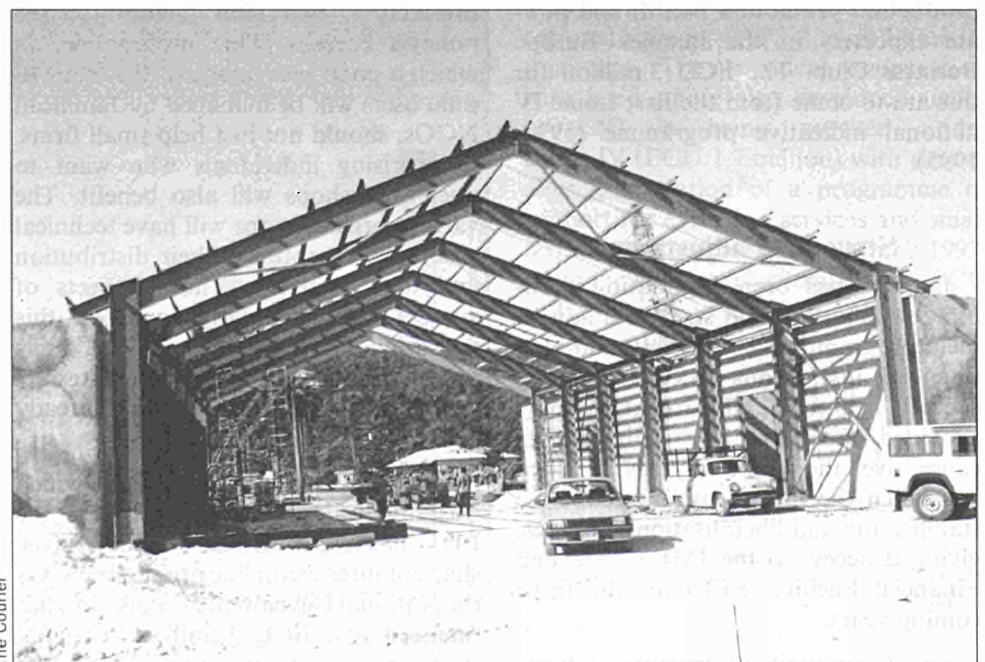
losses and costs at the port and during transport.

For sugar, the protocol provides an annual quota of almost 119 000 t of white sugar (the ACPs fourth largest) at a price related to the price paid for Community sugar, which is far higher than the world market price. This amount is slightly more than half the island's output, which thus supplies domestic needs and the privileged external markets in the Community and the United States (quota of roughly 22 000 t in 1991). There are also special access arrangements for a sugar product, rum, which are gradually being liberalised, with larger Community entry quotas as from this year. The Community will be laying down the arrangements for stopping the quota (planned as from 1996) in advance, in the light of ACP exports and the situation and outlook on the Community rum market.

Under provisions which are not part of the Lomé Convention, Jamaica is also able to purchase European wine alcohol on favourable terms, turning it into ethanol and re-exporting it, also on favourable market access terms, to the USA. This is almost the only example of a commodity imported by an ACP country and re-exported in processed form to the North.

Other trade

Jamaica exports 31.1% (by value) of its products to the Community, but goods



The Courier

New loading shed for bananas at Boundbrook Wharf, Port Antonio

* Mr Heyraud is the Head of the EC Delegation in Jamaica.

Table 1: Summary of EC assistance to Jamaica since 1975*

	ECU millions
National Indicative Programmes, Lomé I to III	86.6
National Indicative Programme, Lomé IV	46.0
Structural Adjustment Resources, Lomé IV	2.5
European Investment Bank, own resources	50.2
European Investment Bank, risk capital	9.1
STABEX	4.3
Emergency Aid	1.7
Programme against drug abuse	1.3
EC contribution to NGO projects	1.9
Total	203.6

* Not including regional aid

from the Community only account for 13.8% of its total imports (1991 figures). It has managed to boost its foreign exchange earnings and reduce its dependency on sugar and rum over the past decade by increasing its output of non-traditional products (fruit and vegetables, spices, flowers, cigars, textiles etc.), thereby bringing about a substantial and steady increase in its exports to the Community, which levies no import duty on them. Indirectly, this improvement should also go some way towards helping both sides alter the balance of trade.

The Commission wanted to make an effective contribution to this and so, in January of this year, it approved the Target Europe Programme to provide support for the recent, joint initiatives of JAMPRO, Jamaica's public trade and production promotion board, and private exporters in the Jamaica Europe Business Club. The ECU 3 million for this are to come from the first Lomé IV national indicative programme (1990-1995).

Structural adjustment

Jamaica has been negotiating economic stabilisation and structural adjustment programmes with the international financial institutions since 1978. The special structural adjustment support provided under Lomé IV is timely, because, over the past two years, Jamaica has taken the most stringent economic stabilisation and liberalisation measures, giving it access to the IMF's Extended Financial Facility (EFF) for the three coming years.

The Community's structural adjustment support includes Lomé IV finan-

cing for an ECU 8.4 million general import programme (ECU 2.5 million special support and the balance from the Lomé IV and ex-Lomé I national indicative programmes) to support the balance of payments. The counterpart funds accruing from this provide social sector budget assistance and in some cases supplement Community activity in other areas — rural development for example. These funds are targeted at a meeting of the Finance Minister, the Planning Institute and the Delegation.

Other EDF projects are also designed to support the Government's programme of reform. For example, plans are being made for an ECU 7 million credit line programme using the balance of the Lomé II and III NIP special loans and grants to promote employment and production, two vital factors for the policy's success. This programme, in which a good percentage of the loans to final users will be managed by Jamaican NGOs, should not just help small firms. Enterprising individuals who want to open workshops will also benefit. The various organisations will have technical assistance to optimise their distribution and loan recovery. The prospects of success are particularly sound in this developing country, where private enterprise is expanding and industrial production outside the mining sector already accounts for 16% of GDP.

The European Investment Bank, which was involved in the sector before the EDF, has laid on ECU 30 million in the shape of three credit line programmes, via the National Development Bank, and has financed two ECU 1 million company share operations via the appropriate organisations.

Economic restructuring has also involved the Government in a World Bank-supported civil service reform, of which one of the main features so far is a hefty 20% staff cut. It goes hand in hand with a come-home policy to encourage expatriate Jamaicans to return and use their skills and experience in the national administration to help development. An ECU 1 million programme (Lomé IV) is currently being set up under the responsibility of the International Organisation of Migration in Geneva to get more than 40 of these qualified Jamaican expatriates home and settled.

Budget restrictions have hit education hard, but the University of the West Indies has benefited from all the successive Lomé regional funds for wide-ranging development of its four campuses in Jamaica (Mona), Barbados (Cave Hill) and Trinidad & Tobago (Saint Augustine and Mount Hope). It has also received ECU 16 million from Lomé II and III to rebuild the university hostels on the four campuses as well as at CAST (College of Art, Science and Technology) and the CTC (an arts and culture training centre), which are two Jamaican institutions serving the whole of the Caribbean.

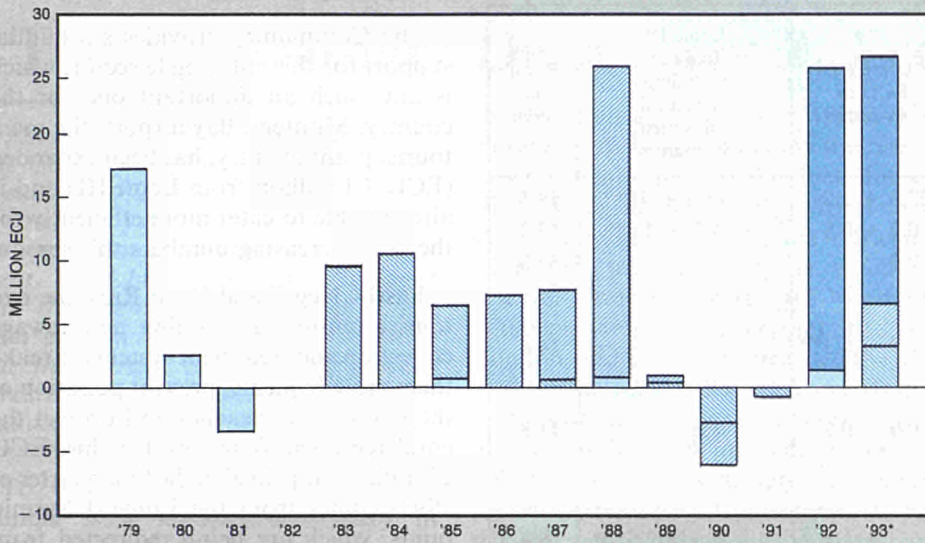
Lastly, the Community and various NGOs cofinance a number (more than 32 since 1977) of small projects, mainly in the social field, to help cushion the social repercussions of the adjustment policy.

Focal sectors of Community aid

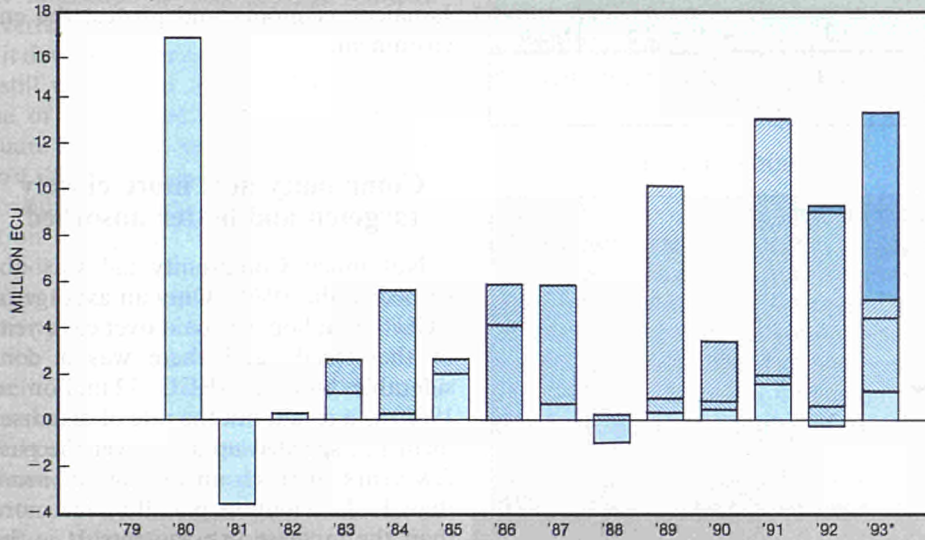
Jamaica has stuck to the approach of previous Conventions, Lomé III especially. The first national indicative programme (1990-1995) of Lomé IV focuses funds on economic infrastructure and agriculture, two sectors affected by the adjustment measures.

The rural road repairs begun under Lomé III (almost ECU 7.3 million) are continuing under Lomé IV (ECU 13.5 million), as are the rural and semi-rural water supplies (ECU 6.7 million under Lomé III and perhaps as much as ECU 18 million under Lomé IV). These sums include the institutional improvements vital to the development and better management of the organisations in charge of this work (the Ministry of Public Works and the National Water Commission). There are particularly good reasons for Community involvement in this area given that, with the Negril and Ocho Rios purification

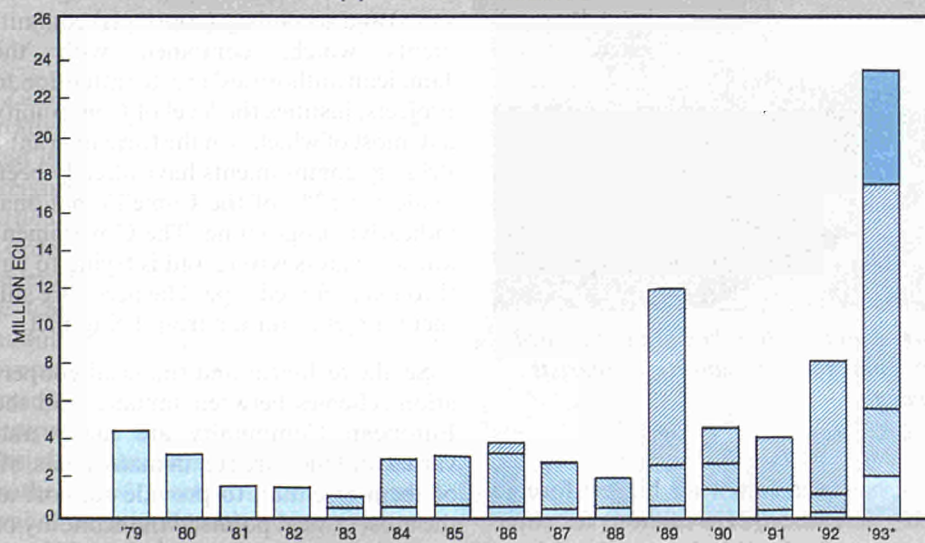
Table 2: Lomé I - II - III - IV
(a) PRIMARY COMMITMENTS



(b) SECONDARY COMMITMENTS



(c) DISBURSEMENTS



LOME I LOME II LOME III LOME IV * Estimates

facilities (see below), almost ECU 50 million from the past three EDFs have been invested in the water sector. The linkage which is envisaged in this area is in the hands of the United Towns Development Agency, which proposes to extend the Ciudagua programme (already developed with Latin America) to the Caribbean with financial help from the Community. All this financing is of indirect benefit to agriculture and transport (shifting farm produce) and helps raise the standard of living in rural areas by discouraging people from moving to the towns.

The EIB has also helped with economic infrastructure, using capital from own resources to finance a jetty for cruisers in Montego Bay (ECU 5.25 million) and to build a container terminal in Kingston (ECU 16 million).

Agriculture contributes barely 8% of GDP, but it has considerable potential and, above all, is an essential aspect of any balanced development (employment for 27% of the working population, development of rural areas, food import-substitution and containment of the move to the towns). The aim of financing previous programmes was primarily to back up all the small growers, particularly in the coffee industry, where ECU 3.5 million was provided, mainly in the form of small loans, although cocoa and citrus fruit farmers were also helped, as were goat breeders (the meat features in curry goat, one of the national dishes). This last scheme is in fact being run on a regional scale by CARDI, with Lomé III financing. The technical cooperation with bee-keeping also developed under Lomé III is being pursued under Lomé IV (ECU 1.7 million) with similar aims. Preparation of a programme of support for extension services and small farmers is due to start in March 1993, using the balance of several million ECU still available in the Lomé IV national indicative programme.

Lastly, a recent evaluation shows that the support for small peasant farmers in the Saint Anne province, who have switched from ganja-growing to legal crops, has achieved what it set out to do. This is one of the four Jamaican projects financed to the tune of ECU 1.3 million from the Commission budget as part of the North-South drug control cooperation programme. The others focus on prevention and rehabilitation.

Table 3: Allocation of National Indicative Programme resources by sector*

Sector	Lomé II ECU m including Sysmin	Lomé III ECU m + ex-Lomé I	Lomé IV ECU m including Structural Adjustment Resources	Total since 1976
Rural infrastructure/development	2.5	23.3 + 1.2	13.5 + 18**	58.5
Agriculture	5.9	0.2 + 0.3	1.7 + 4.2**	12.3
Environment/infrastructure/tourism, including Lomé III Sysmin funds	25.4	7.9		33.3
Support to private enterprise (trade promotion, lines of credit, hard currency facility)	3.2**	7.9 + 0.3**	3.0	14.4
Human Resources Development (training, return and integration of qualified nationals, administrative studies)	9.7	0.9 + 0.2	1.0	11.8
Support to structural adjustment		+ 1.3	4.6 + 2.5***	8.4
Public Health Laboratory	4.9			4.9
TOTAL	51.6	40.2 + 3.3	46.0 + 2.5	143.6

* Not including regional aid.
 ** Not yet entirely committed.
 *** Structural adjustment resources.

makers. The bulk of the investments in this sector have been made by dynamic, enterprising Jamaican businessmen.

The Community provides substantial support for this still fragile sector, which is now such an important one for the country. Montego Bay airport, the main tourist point of entry, has been expanded (ECU 7.1 million from Lomé III) and is already able to cater more efficiently for the ever-increasing numbers this season.

Lastly, Negril and Ocho Rios, the two tourist centres, are getting new sewage collection and treatment systems to make them more hygienic, prevent pollution of the sea and the beaches and protect the coral reef. The financing for this, ECU 25 million (approval in the first quarter of 1993) comes from the Lomé II Sysmin funds, which are being redirected from the bauxite industry to help diversify the Jamaican economy and protect the environment.

Community aid: more closely targeted and better absorbed

Not much Community aid was absorbed in the 1980s. Only an average of ECU 3.5 million was paid over each year of the decade and there was a considerable build-up (ECU 72 million in 1990) as a result, but the rate of disbursement has speeded up a lot over the past few years to reach an average of more than ECU 6 million p.a. But, far more than the increase in payments, it is the present rate of primary (financing decisions) and secondary (contracts) commitments which, combined with the Jamaican authorities' greater attention to projects, justifies the level of Community aid, most of which is in the form of grants. Primary commitments have already been made for 52% of the Lomé IV national indicative programme. The Government knows what is wrong and is trying to cut through more red tape. The needs are still there, urgent and far from being met.

So the technical and financial cooperation schemes between Jamaica and the European Community are many and varied and they are run in many fields, all of them essential, to provide support at the most critical points in the economy of an island which, thanks to its beauty, its culture and the drive shown by its people, is unique. ○ J.-C. H



The terminal at Sangster International Airport, Montego Bay has been upgraded with Community assistance. This is the entry point for the majority of tourists who visit Jamaica

Biggest foreign-exchange earner — the tourist trade

The tourist trade, expanding constantly and only slightly dented by the Gulf

crisis, has been Jamaica's biggest foreign exchange earner (\$750 million) for three years now, with a big interest in visitors from Europe making up for the declining interest on the part of American holiday-

Zambia

The score so far: Democracy 2, Economic Recovery 1

Readers should be aware that just as this Country Report went to press the President of Zambia declared a state of emergency amid reports of a plot by the opposition to overthrow his government. In a broadcast, the President said that democracy in Zambia had been poisoned and political stability was threatened. Several people were arrested, but freedom of expression and association remained guaranteed.

To begin with a little geography, Zambia is a landlocked country in southern central Africa. The predominant landscape is one of high plateau covered with wide expanses of bush, some of it developed for agriculture but most of it still virgin land. Population density is one of the lowest in Africa at ten per square kilometre, yet Zambia is the third most highly urbanised country on the African continent, with half its population living in towns and cities, a proportion which is steadily rising. The major focus of settlement and economic activity is the line traced by the railway which runs south from the Copperbelt, where Zambia borders on Zaire, through Lusaka, the capital, to Victoria Falls on the border with Zimbabwe. Lusaka is a planned city built where this north-south route crosses the east-west route from Malawi through to Angola.

Copper, the mainspring of Zambian history

Zambia's recorded history is comparatively recent and is bound up with what is still the country's main source of foreign earnings, its rich mineral deposits, particularly of copper. In the last century, in order to secure these for itself, and to prevent influence over the land north of the Cape being gained by its empire-building European rivals, the British government in 1889 gave a company formed by the South African mining entrepreneur Cecil Rhodes a charter to administer the territories which became Southern and Northern Rhodesia, now Zimbabwe and Zambia respectively. In the 1920s administrative responsibility was taken over by the British colonial office, and intensive exploitation of the

copper mines began, to satisfy a worldwide demand created by the rise of the electrical and motor vehicle industries. A legislative council represented settler interests but excluded Africans, who were treated purely as a labour reserve. Overall control of Northern Rhodesia was, however, retained by London, and Europeans resented the fact that Britain took millions of pounds out in taxes on the mining companies but put almost nothing back in for development. Africans, for their part, were not keen to see settlers taking control, as they feared a mass alienation of land such as that which had occurred in Southern Rhodesia. Despite their concerns, the two Rhodesias and Nyasaland (now Malawi) were federated under settler control in 1953.

Independence

The African population took no share in the economic and political advantages of the new arrangement, and organised opposition to white interests crystallised in the late 1950s under a young radical, Kenneth Kaunda. He led the newly formed United National Independence Party (UNIP) in a campaign of civil

disobedience which forced the colonial authorities to promulgate a new Constitution giving Africans a majority in the legislature. In 1963, the Federation was dissolved and, in the following year, Northern Rhodesia achieved independence as the Republic of Zambia, with Kaunda as its president.

The government of the new republic took over the mineral rights still held by the company originally formed by Rhodes, but the country's great mineral wealth had made little contribution to internal development, and the educational structure and social services were woefully inadequate. It was particularly vital to the economy that mineworkers should be contented, and peaceful industrial relations were bought at the price of a large wage rise in 1966, followed by increases for other urban workers. Subsistence farmers and the unemployed, although far greater in number, were neglected, and many migrated to the towns in search of work or a better living.

Sanctions against Southern Rhodesia following its unilateral declaration of independence, and the struggle to throw off colonial rule in Mozambique, which



International Labour Office

Free to speak their minds at last, but how long will they keep their jobs? Mineworkers on the Copperbelt, like other employees in Zambia's huge public sector, risk retrenchment in today's dry economic climate

Zambia covertly supported, left the country economically blockaded and a prey to subversion from the south, and as the resulting political tension rose in 1972 President Kaunda declared one-party rule by UNIP. Soon after, the civil war in neighbouring Angola closed the route to the Atlantic hitherto used for carrying half of Zambia's copper exports, and at the same time the world copper price fell sharply. In 1975, for the first time, the UNIP leader urged the country to look for economic security in farming rather than mining, as food prices rose and unemployment and popular discontent grew. The closure of the export route through Rhodesia, and the open hostility of the Ian Smith regime in that country to the Zambian government, were invoked as the main reasons for Zambia's economic difficulties. Yet when both these factors had been removed, by 1980, the economy continued to decline and living standards to fall, and political opposition from both business interests and workers mounted.

Repression

A failed coup attempt in 1980 was followed by reshuffles of cabinet ministers and UNIP officials, and by strikes and rioting in protest at food shortages. In July 1981 among the workers' leaders arrested and imprisoned was the chairman of the Zambia Congress of Trade Unions, Frederick Chiluba, who ten years later was to become President. Consolidating his power, Dr Kaunda won a fifth election in 1983 and turned increasing attention to the repression of internal dissent and alleged external conspiracy. Meanwhile the economic crisis continued unabated and, at the behest of the IMF, which was called in in 1983 to help with economic reforms, the Government adopted further austerity measures, such as removal of the subsidy on refined maize meal, the staple food, in 1986 and a steep increase in the price of fuel in 1987. The popular outcry was such, however, that these attempts at introducing realistic pricing were rescinded and the government announced it was breaking with the IMF but would continue with its own restructuring programme. IMF-style policies nevertheless reappeared in the Fourth National Development Plan 1989-93, only to be reneged on once again as elections approached in 1991.

A new era

This brief overview brings Zambian history up to the point where years of political and economic stagnation suddenly gave way to a new era. With such a legacy as this, the picture now is a very mixed one, but to start with the good news, after 27 years during which power was increasingly concentrated in the hands of one man, and 19 years of one-party rule, Zambia has become a democracy. This is largely the doing of a wide grouping of different interests which came together in 1991 as the Movement for Multi-party Democracy (MMD). The announcement of large increases in the price of maize meal in that year provoked an unprecedentedly violent outbreak of hostility not just to UNIP's economic policies but to the ruling party as a whole, and its President in particular. An earlier promise of a referendum on whether to change over to multi-party rule was abruptly shelved when President Kaunda saw that he had lost the political initiative, and the constitutional changes required for the holding of multi-party elections were quickly set in motion. Many UNIP members, including MPs, defected to the MMD, and nine other new parties also came into being. After lively campaigning on all sides, with the opposition challenging UNIP's control of the media and uncovering evidence of preparations for ballot rigging, freely contested presidential and general elections were held on 31 October 1991. The MMD swept to victory, taking 125 of the 150 seats in the single-chamber National Assembly, and its leader, the veteran trade unionist Frederick Chiluba, took 76% of the presidential vote and went in triumph to State House as Zambia's second President. Kenneth Kaunda had no seat in parliament but stayed on as UNIP leader; last year, however, he was replaced in an internal party leadership contest and has now retired to private life.

The new government came to power on a surprisingly low turnout of 45.4%, owing in part to shortcomings in voter registration and provision of polling booths, but foreign observers pronounced the campaign and the polling free and fair. The new Cabinet contained representatives of all the various interests backing the MMD — except that women are hardly represented at any level of government — and was welcomed internationally as a credible and competent

team. There were some misgivings that the size of the MMD's parliamentary majority might mean continued domination by a single party, but a free and critical press has not been reluctant to perform the role of an extraparliamentary watchdog. Some of the reporting of alleged corruption and malpractice in official circles, particularly in a newspaper recently set up by private business interests, *The Weekly Post*, is harder-hitting than would be possible under the libel laws of certain longer-established democracies in the industrialised world. The MMD itself, as can be seen from the interview with President Chiluba in this Report, actively encourages democratic debate, even though it often makes life difficult for the Government. Of the 14 or so minor political parties, only the Social Democratic Party seems to stand any chance of emerging as a third force in Zambian politics.

Bankruptcy

We said the picture is a mixed one. The bad news is that by the time President Kaunda and UNIP fell, after a final attempt to buy votes by extravagant spending, they had reduced the Zambian economy to a state of total bankruptcy. Under the policy described as 'humanism', whose stated aim was to loosen the grip of 'exploitative international capital' on the economy, the UNIP government had acquired a stake in almost every branch of economic activity, from copper mining to (literally) hairdressing, and the resulting parastatal conglomerates were run and staffed by large numbers of people on the State payroll. This overgrown civil service, however, was underpaid, unmotivated and inefficient. In any case, most of the population were still employed in the informal sector and the tax base was consequently very small. Extravagant domestic expenditure was financed largely from exports of a single commodity, copper, the price of which rose and fell in line with world demand, so that economic planning became impossible except in the very short term. Deficits were paid for with the help of government borrowing from the central bank, in other words the government printed money to pay its bills. An overvalued currency, the kwacha, helped to make exports unattractive; when it was devalued, imports of manufactured goods, including spare parts for mining and other industries, in their turn became prohibitively expensive. Infrastructure



Workers filling potholes in a Lusaka road — a small symbol of the Government's problems. Strapped for cash, it can do little more than patch up the country's infrastructure

became more and more dilapidated, and inflation soared out of control. Little help could be looked for from the country's foreign donors and creditors, as the abandonment of economic reforms in the last period of UNIP rule had ruined Zambia's reputation as a responsible partner in development cooperation.

Economic reform

Putting the economy back on its feet has clearly been the Government's main priority since it came to power. The economic reform plans it announced soon after taking office were firmly in line with World Bank and IMF prescriptions and feature a well-known mix: price liberalisation, involving the removal of price subsidies; the privatisation and restructuring of the many parastatals; promotion of the private sector and individual initiative, and encouragement for local and foreign private investment; more open trade; financial discipline, with tight fiscal and monetary policies, and tax reform. The Government embarked on these ambitious reforms with a speed and aggressiveness that took many by surprise and raised fears of worse economic hardship to come, and the President and Ministers were soon on the road appealing to Zambians throughout the country to bear the pain in the interests of future prosperity.

Although sacrifices are being asked for, the reform programme includes a social component, as the path to growth

is seen as lying through the alleviation of poverty. A social welfare programme channelled through nongovernmental organisations operates; 80% of its expenditure in 1992 was in the provinces, and went to projects in the education, health and water supply sectors, as well as to canal construction as part of a labour-intensive public works programme. The very poor are being offered food for work; several programmes are already under way, including building projects in Lusaka, Ndola and Livingstone and farming schemes in rural areas. However, an unforeseeable complicating factor which came into the equation in the very first months of the new Government's term of office both curtailed the intended spending on social welfare and increased the day-to-day difficulties faced by the ordinary people.

Drought

At the beginning of 1992 Southern Africa experienced its worst drought in living memory. In Zambia there were heavy crop losses in six of the nine provinces, and the government appealed to international donors to help it feed the population until the next harvest. Maize, the staple food, was particularly urgently needed, as 70% of agriculture is maize production (as a result of this, of course, there was very little by way of other crops which could be eaten instead). Vegetable oil, pulses and milk powder were also requested, and the outside world, includ-

ing the European Community, responded rapidly with shipments over and above their normal food aid deliveries. As an emergency step, the Government bought maize at market prices for distribution to the needy, acquiring some 245 000 t out of its own resources by May 1992. The international aid community provided some US\$ 200m in drought assistance, plus balance of payments support to help bear the high cost of moving the maize to Zambia. The EC's aid, for example, was transported by sea to Dar es Salaam and Port Elizabeth and thence by rail. The distribution effort put Zambia's transport sector under heavy strain but has proceeded smoothly up to the present time. A small amount of food aid was reported lost through alleged theft, but the total was only 0.2% of all shipments. Some 30 000 t of maize were given away free to very poor population groups, sometimes in return for work, but the bulk was sold in order to generate counterpart funds which were used to buy further quantities from the commercial market. To protect farmers with crops of their own to sell, the Government undertook not to undercut the commercial price for maize.

As well as losing their crop and a year's income, many small farmers had to consume their seed corn and had difficulty affording fresh seed or fertiliser for the next season. Adequate quantities for the growing season, which began in November, were imported either through a donor-assisted programme or by private companies under open general licence for sale on the open market.

Hardship

This huge drought-relief effort was all conducted against the background of the IMF-approved economic reforms, which of course included liberalising the markets for fertilisers, as for other goods. The effect of this on the ground can be gauged by a small example, the experience of an agricultural supply depot funded by the EC in Machisompola, a rural area in Central Province. The manager of this reported that last year he had sold 8000 bags of fertiliser to local farmers, but this year, over the same period, only a little above 1500 bags. This must in large part be due to the fact that the fertiliser price had quadrupled in that time. The same depot had bought only 6000 bags of maize from local farmers in 1992, whereas in 1989, a year when there was no

Farming the land

drought, it had bought 16 000 bags. The effects on farming families' purchasing power of price deregulation and loss of income were serious enough already; but at the same time the Government went ahead with the removal of subsidies on food agreed with the IMF as part of the structural adjustment programme — and at a faster rate than the IMF had required. As these had traditionally eaten up from 20 to 25% of the total budget, the effect on the fiscal deficit will be gratifying to Government and the donors, but the hardship it has caused in rural areas — and in the towns and cities — can be easily imagined. Critics of the speed of structural adjustment say this part of the programme should have been postponed until the economy as a whole had been made more stable. The opposing theory is that the Government decided it had better act fast on this issue while it was still popular. The Government itself argues that economic instability is overwhelmingly due to inflation, and that as food subsidies contribute to that inflation they have to be removed.

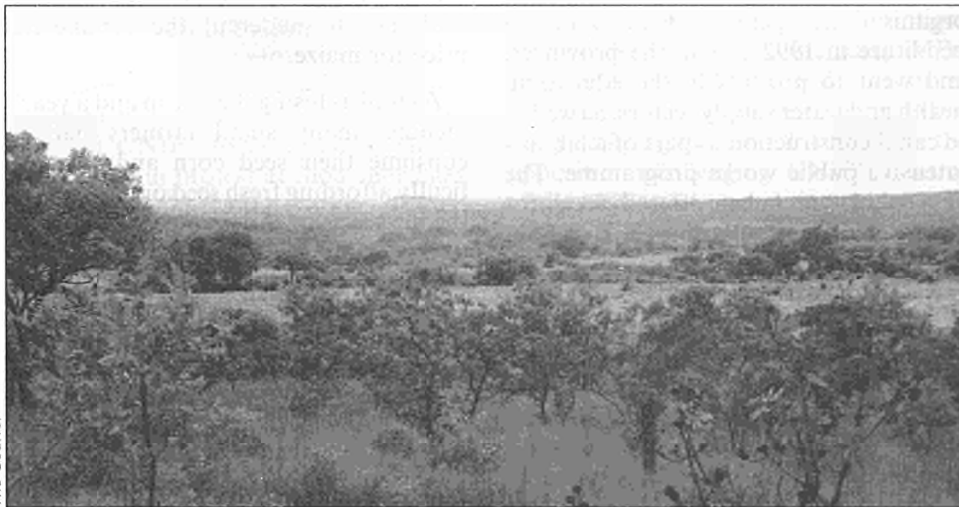
The rural land on which half Zambia's population lives is one resource whose huge potential has hardly been tapped. In normal years, the country feeds itself and has a healthy surplus for export to its neighbours. Zaire takes vegetable crops and beef, Rwanda and Burundi sugar and maize; output in Zimbabwe is limited by land availability, and the South African decision to stop subsidising maize growing opens a large possible market in a country which is also more prone to drought. Cotton, horticultural produce and tobacco find international markets, and there is scope for producing and selling more coffee. According to the Minister of Agriculture, who in his time has been a successful exporter of strawberries, all that the commercial farmers need to be able to expand is the removal of government controls: 'Getting that sector to take off is fairly straightforward. It's a matter of what you don't do rather than what you do.' For peasant farmers the picture is more complicated. 'The previous government basically ran small-

the Government is working on schemes to encourage contract growing by small farmers for the financial institutions which lend them the start-up money. But Dr Scott wants to see traders, bankers, farmers or anyone but the State identifying and exploiting the opportunities. 'If the system is not constantly interfered with,' he says, 'I think it will tend to happen.'

As for commercial farmland, a recent study estimates that 400 000 hectares of cleared, good-quality land, accessible by road and with power lines, is already suitable for use — this is mostly previously productive farmland which was sold off cheap by settlers who left on independence and is now occupied by people without the resources or know-how to utilise it fully. All it needs is to be ploughed and it could be brought back into production, before there would be any need to clear huge new farms in the virgin bush. The Government itself inherited large amounts of such land from its predecessor and is quite prepared to let anyone acquire it, including white farmers from Zimbabwe and South Africa who have already expressed interest.

Privatisation

An important aspect of Zambia's economic recovery programme is the reform of the parastatals. Under President Kaunda some of these largely state-owned conglomerates had become enormous. Two of them, the Industrial Development Corporation of Zambia (INDECO) and the Zambia Industrial and Mining Corporation (ZIMCO), the holding company which partly owns Zambia Consolidated Copper Mines, together accounted for 80% of all production in the country. ZIMCO has some 135 subsidiaries and associated companies and interests not just in mining and industry but in commercial transport and energy supplies, hotels and land, finance companies, communications and farming. Its chairman during the UNIP period was none other than the Head of State himself. Even before the MMD took office, it had become apparent that the State had neither the capacity nor the money to run, still less to modernise, the enormous and run-down bureaucratic structure which the parastatals created. A technical committee on privatisation used to report to ZIMCO; in a memorable phrase, President Chiluba said asking ZIMCO to privatise the economy was like asking a fish to drain its own



The Courier

Vast expanses of unused or underused land could produce a healthy agricultural surplus for export if investment finance could be found

The position now in relation to the drought and food supply is that rainfall this year has been satisfactory and a decent harvest is expected — where farmers have been able to afford to plant a crop in the first place, that is. The Minister of Agriculture, Dr Guy Scott, says there is enough food in reserve, even before the harvest is brought in, to feed the population till August. But to play safe, the Government has once again asked the donors, including the EC, to be prepared to send substantial amounts in food aid.

holder agriculture as a very expensive form of social welfare, as a way of giving everybody an income,' the Minister says, and the focus was almost entirely on maize. Inputs, marketing, transport, milling and distribution were all subsidised. To rationalise, diversify and expand now requires finance, and, away from the main consumer centres and transport routes, especially in tribal reserves where disputes could arise as to title and succession, smallholders' land has no value as collateral for loans. The crop itself has some value as security, and

pond, and responsibility was transferred to the Ministry of Commerce and Industry.

The Zambia Privatisation Agency was set up by Act of Parliament in July last year, with a board consisting of leading private-sector operators and three government officials. According to an economist on the Agency's secretariat, many of the 150 or so parastatals were basically not badly run and showed a profit or at least broke even, so there is a lot of potential which should interest private shareholders, especially as there will be no political interference in the companies' operations from now on. A first tranche of small companies with between 30 and 150 employees has been offered for sale, and 180 competing tenders, mostly local but including some from Botswana and South Africa, were being evaluated at the time of writing. The policy is to encourage wide share ownership, so parts of the larger parastatals are being publicly floated and a stock exchange may be set up in 1993 — meanwhile commercial banks are authorised to trade in shares. As for the timescale, some 30 companies are due to be privatised in 1993, followed by 20 or so per year thereafter, leading to a situation, when MMD's present term of office ends, where the State's interest in the productive economy is reduced from 80% to 20%. After seven or eight years everything should have been sold off, except for a few utilities which the agency describes as 'natural monopolies'.

White elephants

As in other countries, of course, there are no buyers for nationalised assets which do not perform, and in Zambia one of the most conspicuous white elephants which the Government cannot hope to get rid of till it becomes a great deal fatter is the national airline. Last year Zambia Airways' operating deficit required Government transfers which came to some one per cent of GDP. The airline at one time had unrealistic ambitions to be a major regional carrier, and is heavily overstaffed. Pay strikes by its employees this year and last have severely tested the Government's resolve to hold inflation down by wage restraint.

Another encumbrance on the Government's hands is Zambia Consolidated Copper Mines (ZCCM). This parastatal, which mines cobalt, zinc and lead as well as copper, is the second largest copper

company in the world in terms of production and employment (after Chile's CODELCO), but output has dwindled steadily for several years as world demand for copper has fallen (fibre optics are more suitable for many applications) and the grade of recoverable ore has deteriorated. For years the company has been unable to reinvest, and its mines are overmanned and run down. According to the Deputy Minister of Mines, Dr Matthias Mpanbe, a large injection of capital will be required over the short and medium terms to keep ZCCM viable. But where is it to come from? Dr Mpanbe himself wondered last year what foreign investor could possibly be interested in, to use his expression, 'such a monstrosity'. The only solution, he now says, is to divest it of all activities not related to mining, so its management time and capital can be put to more profitable use. At the time of writing, it was reported that the Anglo American Corporation, already a minority shareholder, was tipped to buy a majority holding this year, but at a fraction of the several billion dollars the Government had hoped for. As there are no other contenders, Anglo American can dictate

terms, and they are also likely to include heavy job reductions. Although that will dent the Government's popularity still further, it has little choice but to accept.

The high cost of rationalisation

Recent events in another area of the economy illustrate the difficulty the Government faces in trying to reduce the public-sector wage bill without alienating the trade unions which played a large part in bringing it to power. In October 1992 the government withdrew its annual grant of 600 million kwacha to Zambia Airways, which had up till then been the only company to escape the decision to stop subsidising the parastatals. The airline said it would have to cut 800 jobs, but it was reported to have no funds to pay for retrenchment packages for those made redundant or cover wage increases for the 1200 employees left. In January the pilots announced that inflation had so eroded their salaries that they could no longer afford to house and feed their families, so they called a strike. Management dismissed 31 of the pilots, a move which looked very like pre-sell-off asset



Zambia Airways flew away with one per cent of GDP in operating subsidies last year



Mining, traditional mainstay of the economy, is slowly running down as reserves are depleted and underinvestment takes its toll

stripping, as the pilots selected for sacking were precisely those not involved in flying the airline's one DC-10, which operates the more lucrative long-haul routes. The other pilots came out in sympathy and refused to fly any of the aircraft, so the company had to charter 'planes from foreign companies to move stranded passengers and goods. This exercise cost millions of kwacha — far more, according to critics of the dismissals, than it would have cost to meet the pilots' original demands. After a few days' of the ruinously expensive stoppage, the board had no alternative but to reinstate the pilots unconditionally and announce a pay review, whereupon normal service was resumed. Social peace was restored, but the underlying problem of overmanning remained unresolved.

Part of the problem is the high cost of the retrenchment packages for those who lose their jobs in the public sector. The figure for 1993 was put in December at

2.5 billion kwacha, with lump sum pension payments to retired civil servants at 13.4 billion — a heavy charge on the budget.

Union backing

The attitude of the trade unions to the economic reforms will be crucial. The Zambia Congress of Trade Unions (ZCTU) represents about 75% of workers in formal employment, mainly in the public service and parastatals. It was instrumental in setting up the MMD, though it is not formally linked to it or any other political party. It differs, for example, with the MMD on privatisation: while supporting the policy in general, it thinks that certain strategic industries, such as mining, should remain under state control as long as they are so important to the economy. ZCTU's leaders are as enthusiastic for democracy as the Government is, which is no doubt why its Secretary-General, Alec Chirwa,

says ZCTU is aggrieved that Government did not consult it properly over the content or implementation of the economic recovery programme. Its members are suffering from the job cuts, and it suggests that a way of taking the pressure off them would be to widen the tax base — at present fewer than half a million workers are in the formal sector — so that personal taxation and sales tax could be cut. Mr Chirwa also says unions, employers and government should sit down together and set up the social security scheme which Zambia lacks, and believes that the Government avoids acting on ZCTU's suggestion that a poverty datum line be established out of a fear that if it were, most of the population would be found to be below it and would have to be helped. The social safety net is already minimal; the country simply cannot afford to pay for anything more extensive.

Make or break

1993, people inside and outside the country say, will be make-or-break year for Zambia. Thousands more will lose their jobs, inflation will eat into already meagre pay packets, a debt service requirement of US \$1.2 billion a year cripples the treasury. The Government gets full marks from the IMF and the donors for its courage in the face of daunting difficulties — praise for implementation of the necessary solutions is more muted. The Government still enjoys some respect at home for its honesty about the hardships still to come, even if the lamentable 13% turnout in the local elections last November suggests that voters are growing disillusioned. If organised labour withdrew its support, or at least its understanding, life for the Government could become very hard indeed.

But is this likely to happen? As Alec Chirwa puts it on behalf of the trade unions, 'If we tore each other apart, we would only sink deeper into our problems with the economy,' and, as far as the Government's credibility is concerned, 'The eyes of the world are on the performance of this government, so we should try as much as possible to support it, so that, if it succeeds, it could be used as a model for other parts of the world, particularly Africa. If this government fails, then you can be sure that in future nobody will pay attention to any government which comes out of the support of labour.' ○

Robert ROWE

'Democracy is not the preserve of developed countries — it is a fundamental human right'

An interview with President Frederick Chiluba

In October 1991, in Zambia's first multi-party elections for over 20 years, the Movement for Multi-party Democracy won both a parliamentary majority and the presidency of the country. The MMD's leader, Frederick Chiluba, had been a prominent trade unionist, and as chairman of the Zambia Congress of Trade Unions under President Kaunda had been detained for opposition to the previous regime. In 1990, Mr Chiluba had emerged as one of the leaders, and then chairman, of the alliance of trade unionists, church leaders, businessmen, students and former politicians who overthrew the one-party system on a promise of democracy and a free market economy.

Zambia's first year and a half of this programme has seen general elation followed by some disillusionment at the government's record. While the daily struggle to make a living is made harder by high inflation and interest rates and rising unemployment, crime figures are soaring, there have been allegations of police brutality towards suspects in custody, and some civil servants, local councillors and members of parliament and Cabinet have been accused of incompetence or corruption.

Speaking at the opening of the National Assembly's 1993 session, President Chiluba took a tough line. In the



transition to democracy, he said, some leading figures in the country had taken advantage of his style of democratic rule, but this would be a year of discipline. He had a mandate from the Zambian people and would formalise and implement their will, he said; he was not interested in winning popularity contests — there was too much to be done. On the attitude of

the media, he said that they had changed from an attitude of extreme subservience to one of 'free-wheeling and rumour-mongering beyond all boundaries of ethics and reason.'

The Courier talked to President Chiluba just after his return from the parliamentary opening ceremony.

► *Mr President, since **The Courier** last came to Zambia three years ago, under rather different circumstances, the process of democratisation has come into place. What have been your priorities in setting up democracy in this country?*

— Well, first of all, one has to ask the question: what is democracy? And the answer is that it is very difficult to define. A lot of countries of the world have different models, and we have learned

that it may mean different things to different people, but I think I would like to ask the question, what ends does democracy serve? And when we define what ends our democracy is to serve, we have to put in place institutions to make sure that democracy works. So we begin by saying that we want to ensure participation of the people in decision-making. We want to ensure that with democracy the human rights of people, which ob-

viously emanate from the term humanity, are observed in the place, and that calls for a constitution which will embody the rights of the individual person, the right to own property, the right to life and the right to dispose of whatever property one has, freedom of speech, freedom of expression, freedom of the individual person in many spheres of life. This is also interrelated to the liberalisation policy we have set in place in the economy.

We are instituting the rule of law to ensure that there is peaceful resolution of conflict. Multiethnic, multiracial Africa has been famous for many civil wars and we do believe that in the approach to that we have to be extremely careful, perhaps, to preach a politics of a consociational nature, so that we take account of the various demands which are in place in society. To this end, we have also realised that if democracy is to work, the government must deliberately allow for the existence of dissent, and therefore there are many pressure groups: the churches, the trade unions, you name them, they are deliberately, together with the help of the press, almost making it impossible for government to sit down, it has to keep on its feet — and it's all deliberate. But we do realise that, if democracy is to work, that deliberate policy must be fully enforced and it must be supported deliberately by government as well.

That is why from the very inception we realised that we had won such a landslide that the opposition did not actually qualify, according to convention, to be called the loyal opposition. They had not reached the stage, in terms of facts and figures, to be recognised, but I deliberately asked Parliament to recognise them and Parliament did so. Under normal circumstances, unless they had about 30% of the seats in the House, they would not qualify. They had between about 18 and 20% of the seats, but in spite of that we went ahead. We want to encourage this. It is very difficult in Africa, with the tradition of the one-party system, to leave things to the ideas of other people, but we wanted to ensure that we deliberately bring in opposition, so that it plays its role — and, in order to really get policy which is fully accepted in all areas of our activities, the opposition had to play a very, very important role. And they have been playing an important role, small as they are, they are very vocal and, with the help of the press, they have meant that we have had to seek a lot of consensus on many matters, so that they are not seen to be party matters, they are national affairs.

► *The press is extremely lively in Zambia and has given you a rough ride in two areas that I can think of: the behaviour of the police and the calibre of public officials. Are these areas where you think there is still some ground to be made up?*

— Well, in more areas than those two. The police, I think, with the background

of their training and the difficulty of the legacy we have come from have been a little slow in adjusting. But our general policy is that the police force in a democratic society is not one of repression, and generally the whole area of policy in there has totally changed. But you see, we have taken over a police force that is logistically almost completely unable to perform. Transport, the radio network and things like that are almost nonexistent, they are totally or terribly dilapidated. So, they have tremendous difficulties. And, with opening our borders with this democratic climate now in the country, we have received a lot of people from outside who have added to our worries and it is a real problem. So the police are not deliberately doing what they are doing, I think it is the lack of ability to adjust in time, but the general policy has changed. They are slow to cope because of some of these difficulties. You mentioned the calibre of public officials?

► *Yes, I am thinking of a charge that I saw somewhere that some officials, even government ministers, are putting personal economic recovery before the economic recovery of the country.*

— No, no, I think again it is just a matter of perception. I think that in our policy framework and even in our implementation, we have said that while we address the full structural adjustment programme, there are social aspects and the impact of the adjustment itself falls squarely on our people. They are the ones really who are paying for this and, as a result, we have created the Ministry of Community Development, which is aimed at taking care of these groups of the most vulnerable people. We also pay attention to things like medical care and schools, which were all broken down. The problem has been the scarcity of resources, and therefore it is what you call the process of making a choice between one or the other and you can't have them both at the same time. So it is really a matter of perception, rather than a general policy or the bad calibre of the civil servant. Our Ministers, our civil servants understand this and they try extremely hard to fulfil this. The Ministry of Community Development is precisely aimed at ensuring that the blind, the handicapped, the needy people in various areas are cared for and cared for very well, so I don't think that it's the calibre or any discrimination or any such. The calibre is right, the policy is right, it is just the scarcity of resources.

► *Your country, Mr President, has embarked on a very tough structural adjustment programme. In some areas, like the removal of the subsidy on maize, your government is going faster than the IMF stipulates but in other areas there has been some slippage. Are you happy with the speed of progress?*

— In fact I think we have moved faster than could have been the normal case, and I have sometimes been afraid that, if we move a little faster than our people could cope with, we may endanger the whole programme. I believe sincerely that the help we get from the international community, we have to utilise, but, at the same time, we have to act in a very politically mature manner to enlist the fullest support of our people. So far, in all the elections, after the main parliamentary and presidential elections, we have won a number of by-elections and a convincing victory in the local government elections; that gives us hope, but at the same time I look at that as a challenge from the people. They are saying: We still appreciate what you are doing but do not create problems for us because you cannot move. That indication of the mandate given to us, the legitimacy and authority we obtained from the people, must be interpreted into carrying out such projects and programmes as will ensure their fullest participation and support and that the people become the beneficiaries of the same programmes, so we have moved a little faster sometimes than I thought, and I think we are realising that the faster we move the greater the distance may be between us and the people, and that way we may endanger the very process. So, I think we are trying to be systematic and not slowing down but just stabilising our pace.

► *It is certainly true that in the local elections, which you referred to, the MMD was very strongly endorsed but, at the same time, the turnout was extremely low.*

— It was indicative of the conditions of life, the standards of living which have dropped remarkably. Staple food prices have risen so high that people have felt sometimes that we do not care with these free market policies, we just ask them to fend for themselves. But really it is a bit of a difficult situation, we are not asking the people to fend for themselves, we are asking the people to continue to put in an effort: they have sacrificed too much to

abandon the programme. We just have to go ahead. We are paying for the sins of the past 27 years and there is no way we can rectify or remedy the situation of 27 years of mismanagement in a year or two, we just have to continue to pay the price. In any case we have paid too much of a price to ever go back, we just have to go forward and that was in fact my message in parliament today.

► *Since your government took power, you have built up an enormous fund of goodwill internationally, and during last year's very severe drought the bilateral donors and international organisations helped your country very extensively, including the EEC. What are you looking for from the international donors in the future?*

— Well, I must generally say that I am very grateful on behalf of my government and the people of this country for that kind of goodwill from the international community. Really, without them the drought would, I think, have wreaked havoc in our country. But, because of that goodwill, we managed to pull through with their resources, their helping us put back the infrastructure, the roads and everything — and especially in the area of balance of payment support, they have been tremendously wonderful and good. We still are stuck with huge amounts of external debt which we find it very difficult a) to service and b) even to pay, and I continue to say the reason for this accumulation of debts was that there was a lack of accountability. There was a lack of participation by people, there was a lack of openness and transparency. All these things we have now put in place; surely the international community could extend their goodwill to this area since now democracy has come and since now no debt will be swept under the carpet unseen, with so much freedom of the press at work. I believe the international community would be promoting transparency and accountability in Zambia. The international community would be helping the continent of Africa in its generality to see that democracy is the key to development. Democracy with very weak economic institutions cannot work, its fragility would I think turn into frailty and collapse, and I believe the international community could consider, even going beyond the agreed terms, trying to help write off the amounts that are outstanding. I know that most of them are on commercial terms, but if there is

any way the international community, the governments I mean, could be kind enough to do it one way or another and seek to assist us in this area, they will be giving us a lot of relief and we can start all over again. We will have so much breathing space, we will have nothing hanging over our shoulders and we will be able to push forward and develop some strong basis on which we can build.

► *Next week¹, Mr President, the Preferential Trade Area is holding a big meeting here, and your country is also active in the SADC. Is greater regional integration a possible way of solving some of your country's problems, particularly the economic problem?*

— Yes, indeed, in fact part of the reason why African economies are still in this kind of shambles is the fact that there is a lot of nationalism even in the economies. Now, in a small country and a relatively small market like this, some of the stuff which we produce and which may require to be sold outside requires bigger markets — and bigger markets come by cooperating with countries within regions. I mean we should learn from America, Canada and Mexico and, even bigger still, learn from the EC, where a lot of barriers which existed are gone. Businessmen and women and citizens all over Europe today feel they have a broader area within which to operate, within which to make the forces of demand and supply work and, the bigger the market, the larger the scope for trading and the larger the possibility of the economies growing. This is why in Zambia we always say: 'It is important that we do not restrict ourselves either domestically to the home front or even to three or four countries, to a thing called the SADC, or the PTA. Why not pool together, open up these whole areas and broaden the scope of trade by offering your goods to larger markets, and that might turn into specialisation of production and division of labour? It could mean a lot of improvement in the quantity and quality of the goods produced. I am sure that would make for job creation, because production would be on a large scale.' The possibilities of advancement really would be in place.

► *You obviously have an enormous task on your hands guiding the destinies of*

this country. What is it that keeps you going?

— I have a resolve. You know, when I stepped into this thing, long before when I was just a trade unionist, I was hooked up into trusting and believing in the freedom of man here, especially in a country that is a member of the United Nations and a believer in its charter of human rights. I did believe there was something missing and I believed the dignity of the Zambian could easily be better than it was. It was talked about, but in practice people were really slaves and I felt that the time would come when true dignity, the integrity of the people, could be seen — and their freedom did not have to come from political leaders. People were born free. Even if the constitution may either confirm or confer that, people must be allowed to feel that they are free and use that freedom to develop themselves.

Further, I believe strongly that people must not feel that without government they could not live, in other words government must not be on their shoulders, it must not be a big policeman over them. Rather, it must be a respecter and protector of their rights. And I felt very strongly, I still feel and this is my life investment in this, that this country and the people of this country must be truly and honestly free to practise freedom and rights without interference from the government. Now, I know there is sometimes a thin line between liberal democracy and anarchy, because of the insistence on individual rights. But I am talking about rights within the law, where one observes that there is a boundary between his freedom and his neighbour's. Overstepping it would be to injure the neighbour's freedom. So, one has to recognise that. The rule of law will ensure that that does not happen.

I have a strong desire, a strong ambition, a strong dream to build a democratic state in the country, to free the people from unnecessary controls and let them take their own personal initiative to develop their talents, to decide their own lives. I have a strong feeling that we are not any different from people in Europe. We are not any different from people in America. I am sure the hour has come for my country and the hour has come for Africa to democratise. Democracy is not the preserve of developed countries, it is a basic, fundamental human right, it is a necessity. ○

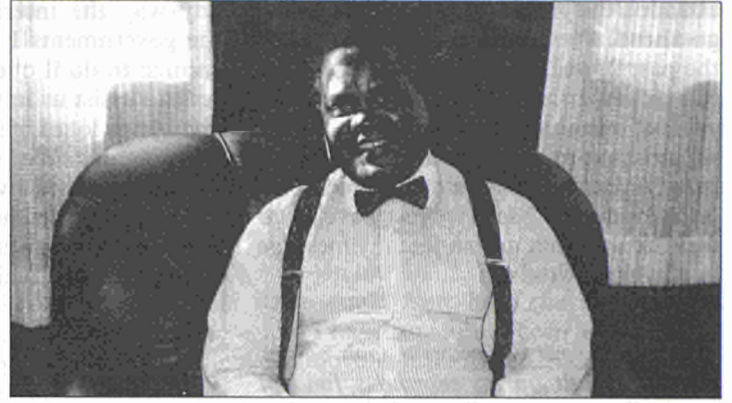
Interview by Robert ROWE

¹ 18 Jan. – 22 Jan. 1993.

Freedom from fear

An interview with Rodger Chongwe, Minister of Legal Affairs

Since October 1991 Zambia has been committed to democratisation. Democracy depends for its survival on transparency and the rule of law. The Courier asked the Minister responsible for establishing that legal framework what democratisation had meant to Zambia.



— I think for Zambians democratisation has meant that they are able to express themselves without fear, that they are able within the limits of the law to do whatever they want to do without any consideration that there might be some intelligence officers to stop them. Our journalists, members of the various political parties, NGOs, and pressure groups are in a position to express themselves without hindrance. One thing that has satisfied Zambians is the fact that even the smallest man, if he says something to the press, what he says is given prominence and is reported in the press, and this is something we never had before.

Within the political arena itself, we have 125-plus Members of Parliament who belong to my own political party, they are free in the House even to differ with the Government, a thing which was never heard of in the past. The opposition is free to say whatever they want to say. There is freedom in the issuing of permits, where permits are required to hold public meetings. There is no pressure from the politicians who are in power or otherwise to restrict or to refuse permission for people to hold meetings. At least I haven't received any reports at all.

So, broadly, I think there are positive signs that Zambia has opened up, but we do feel that perhaps we should be doing more in the area of human rights, and this is why we have a task force which has been formed in this Ministry to look again at the Constitution to see what provisions can be amended — and the decision to do so is going to be left to the people of this country. So, we are opening up and we are very happy with what has happened here in the past 14 months.

► *What parts of the Constitution need amendment in the area of human rights?*

— Well, we would like Chapter 3 of the Constitution which sets out the liberties of the person to be looked at by the Constitution task force. There are two main reasons for this. First, the 1964 Constitution, which we got from Britain,

had in it a Bill of Rights, and when that Constitution was changed in 1973 the provisions on human rights which were in the 1964 Constitution were repeated in the 1973 Constitution. These are the ones that are, by and large, reflected in the 1991 Constitution.

But the human rights scenario has changed very much since 1964. The two Covenants of the United Nations, the International Covenant on Civil and Political Rights and the other one dealing with economic, social and cultural rights, were written in 1966 and they came into force ten years later in 1976, so that at the time the first Constitution of Zambia was written all we had were the provisions on human rights as set out in the Universal Declaration on Human Rights. We were denied the chance to include the new perception and conception of human rights set out in the two Covenants.

Also, since 1985 we have been talking about the right to development, and on the African continent we have a regional human rights charter, the African Charter of Human and Peoples' Rights, which was adopted in June 1981 and which came into force in 1986.

We would like the task force to include these new concepts of human rights in our future Constitution. I'll give you an example. Article 23 of our Constitution bars discrimination, but nonetheless it allows Parliament to pass legislation which discriminates if the Act of Parliament concerned deals with private law. In other words, in questions of marriage, of custody of children, of inheritance which affects women, Parliament would be perfectly entitled under Article 23 of our Constitution to pass a piece of legislation which has a discriminatory effect on the people of Zambia. We would like that not to appear.

Also the journalists in this country want us to specifically spell out within the constitutional framework what the rights of journalists are, and the trade unionists have also asked us to include workers' rights specifically in the Constitution.

And more recently we have been told that in the Constitution we should set out the directing principles of State policy, to say that the State is bound to provide certain economic, social and cultural rights in accordance with the resources available to it.

► *You inherited from the previous government a situation where violations of human rights, particularly against the person, took place. Are you satisfied that that has been entirely expunged?*

— No, we are not, but what we are satisfied about is that where the violation is detected some remedial measures are being taken by the current Government. One of the problems that we face in this country is that the people who are supposed to enforce these laws are the people who actually worked for the previous Government, and they have with them a culture which is perhaps completely different from the way the new Government looks at things. But we hope that with the passage of time this is going to change. It will take time, because we are dealing with the police who have been working for the Government over a long period of time. It's the same with the prison officers, the bureaucrats, the civil servants, so it will take time for them to react to certain situations differently and in conformity with our new conception of respect for the rights of the people.

► *Zambia held local elections fairly recently and the turnout was disappointingly low. Is there a need for civic education in the country? With a very young population, most or many of the people called upon to vote will perhaps not have been familiar with what was expected of them in a democracy.*

— I think there are two reasons for the low turnout. First, since 1980 adult Zambians who are registered voters have been barred from participating in local government elections, because the Local Government Registration Act of 1980 gave the franchise solely to the officials of the then political party. Then when the

law changed, even educated people were seen asking whether they had the right to vote, and you had to say to them: Look, under our new laws you also have the right to participate.

Secondly, in this country, people are more interested in the parliamentary and presidential elections. Maybe the solution lies in timing the local government elections together with the parliamentary and presidential elections. But it appears to me that that is impossible under our present setup, because the councillors serve for three years and the Members of Parliament for five years, so we never have local government and parliamentary elections taking place at the same time.

Yes, I agree with you that we should have more civic education, because it is important that people participate fully at the local government elections in electing their representatives. I think they are much more important than, perhaps, our parliamentary elections, because the people in my constituency are much more affected by what happens locally — for example, they would like to have good roads in the area, they would like to have good schools to which their children could go, they would like to have clinics, they would like to have hospitals. These are the demands of the people at the local level.

▶ *One has the impression from abroad that politicians under the old regime were suspected and indeed proved to have been corrupt, but that something of the same suspicion has hung over the present government. I wonder if the culture of good governance still has to be fully established in Zambia?*

— I think you are right. Under the old regime, the only person who was trusted in this country as the person who could take decisions, who could meet foreign representatives without being bribed, was the President of the State. Anybody else was suspect. The new government took over under that background.

Now, we have said that a Minister can negotiate and sign contracts, a Minister can make statements on policy issues affecting his Ministry instead of the President doing so. This is something new in Zambia and there is always a question asked: 'Is that statement which has been made by a Minister not being made to satisfy the people his statement affects — or has he been paid?' The reason is the suspicion that was the mainstay in this country for years under the one-party system of government. But with time I'm quite sure that the situation is going to change, that the people of Zambia will realise that not all Ministers, politicians and, particularly, civil servants are cor-

rupt, that civil servants and Ministers can make decisions affecting the people of this country without receiving any bribes from other people.

Meanwhile I'm quite sure you read in the newspapers that there is corruption in the Chiluba Government. If a Minister signs a contract — it might be a freight contract to bring maize from South Africa to this country — and he signs another contract to bring maize from the port of Dar es Salaam, if there is a difference between the tariffs of, say, one dollar, someone will say: 'You see, there is this difference... I think the one dollar is for the Minister.' But they are two different contractors altogether. It's because people can't picture that one company could charge a little bit more than another company. And in any case we are talking about the operations of companies in two different countries. But because of where we have come from, we are always suspicious that someone somewhere must be getting a cut.

▶ *Is that partly because many members of Government have private business interests?*

— I don't know. I think that even if we didn't have any private business interests the very fact that we are in a position to freely negotiate and sign these contracts on behalf of Government would still give rise to suspicion. Anyway these business interests are different in most cases from what a Minister is called upon to deal with in Cabinet. Some ministers or deputy ministers were accountants before they came into government, others were traders, and others were members of the clergy or lawyers. Our Vice-President was a lawyer, with his own firm on the Copperbelt. It is very difficult to corrupt or bribe a person who was a lawyer and who signs contracts on behalf of the Government.

Maybe if you had your own transport company before you came into government, when you are negotiating a transport agreement for the transportation of goods which have been ordered by the State you have a tendency to try to make sure your company gets the contract, but under our rules you have to declare your interests to Cabinet — in fact you have to write to the President to inform him in which companies you have an interest, so that if a situation like that arises everybody knows exactly where you stand.

▶ *You are trying to steer these legal reforms through a very difficult economic situation. Do you think the economic recovery programme is making democratisation difficult in any way?*

— The structural adjustment programme is not making the process of

democratisation difficult. Far from it. What it is actually doing is that it is making the process of promotion and protection of human rights much more difficult, because of the growing poverty amongst the people, because of underdevelopment. Underdevelopment is the major cause of the violation of rights. And there is also ignorance. Those, really, are my own fears, and those are the things that we have to watch.

Now, people who are poor will become poorer under the structural adjustment programme, and so they may commit crimes. And we as a government will be forced to use methods to curb those crimes which will not be consonant with accepted human rights norms. You might want to introduce very draconian measures in order to cut down on crimes, or you might even get dangerous statements from the man in charge of the police, saying: 'There are so many bandits around here — you shoot on sight' — something of that nature.

▶ *That has been heard, in fact.*

— Yes. Now, obviously it's not really the democratic process which is at stake, it is the rights of the people which are at stake, because in the process innocent people are likely to be shot dead, and you might be forced to erect barriers, what we call in this country roadblocks, and thereby deny the people their privacy because they are going to have to be searched. So, because of the rise in the crime rate, the Government is forced to take desperate measures to contain the situation, and those measures will not be consonant with accepted human rights norms.

▶ *This must be a matter of some concern to yourself, in view of what you said in your first answer.*

— It is of concern to us, because we realise that it might come, and it is a result of the economic measures that the Government is taking.

▶ *Is this something that the country's donors and creditors, then, should take into cognisance?*

— I think that the donor countries should be much more humane in regard to the manner in which the structural adjustment programme is being applied. They should try by all possible means to ensure that those poor who are very badly affected by the programmes are given some welfare assistance, so that they are not adversely affected — and I think that if we can do that, then it will reduce malnutrition in the poor community and will reduce the instances of petty crime — and even major crimes of armed robbery and murder. ○ Interview by R.R.

Biting the bullet: the challenge of beating inflation

One of the unwanted legacies of the Second Republic which the new Chiluba Government is having to cope with as it struggles to carry through its economic recovery programme is severe inflation. Over the 27 years of UNIP rule, inflation became deeply embedded in the Zambian economy. At independence it stood at between 7 and 8%, then in the mid-1970s it started to accelerate and for the last five years has been going at a rate described as very high by economists or even as hyperinflation in some of the economic and political circles where it bites hardest. A paper on inflation produced by the Ministry of Information at the end of 1992 says that from 1964 to 1991 the inflation rate as measured by the consumer price index for the low-income group increased by an average of 27% a year. The rate now is something like 200%.

The Ministry of Information paper puts the blame fairly and squarely on excessive government spending. 'Except for the 1960s and early 1970s' it says, 'the government has all along spent more on goods and services than its revenues allow.' The chronic budget deficits this created have averaged 12% of GNP since 1975. Furthermore, for the last several years — and even now under the IMF-backed structural adjustment programme — the deficit has been calculated without including debt interest payments as current expenditure or grants as current revenue; since payments exceed grants, the deficit is actually worse than it looks on paper.

In his first budget speech after the handover of power, the Minister of Finance, Emmanuel Kasonde, pledged that the government would from now on

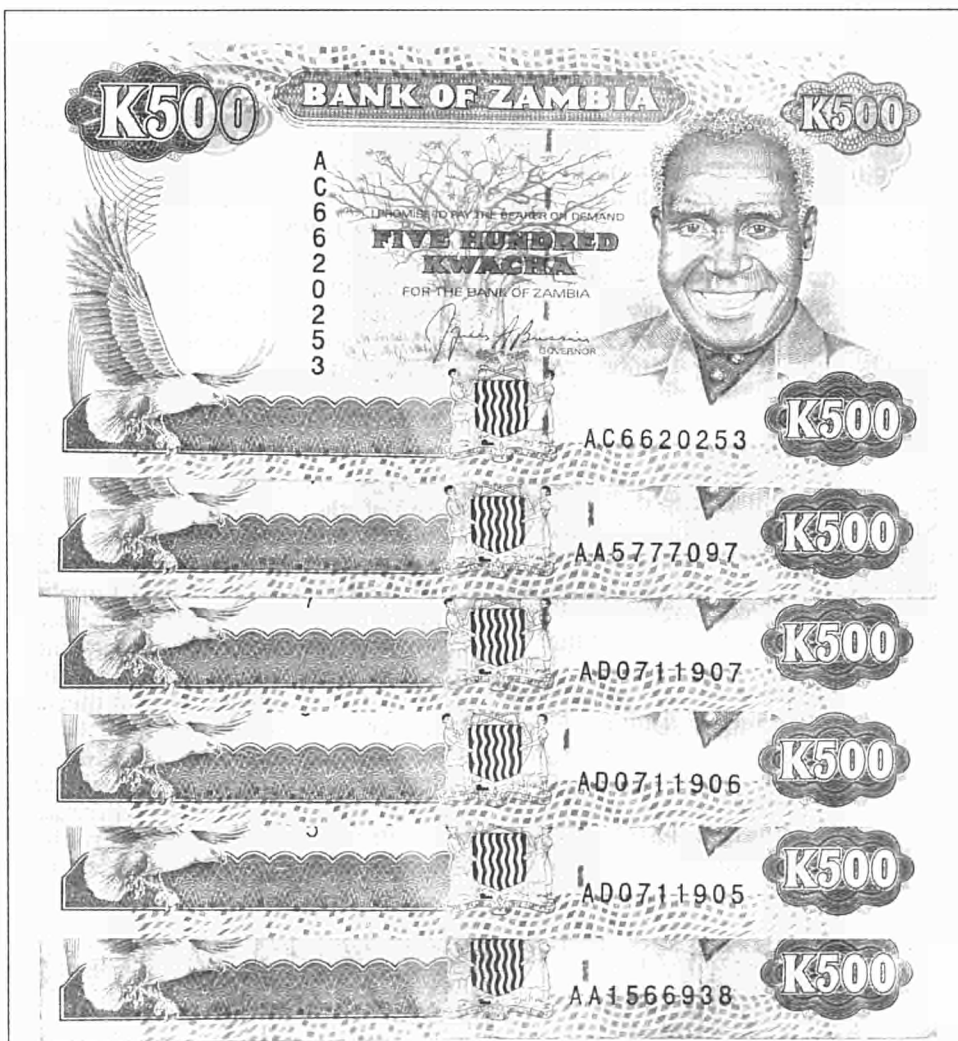
aim to balance its budget without borrowing from the banking system. The practice of not including the interest payments, however, already unbalanced the budget, on top of which there were other payments 'below the line', such as large wage increases wrested from the State by the civil service, the military and the staff of the state-owned Zambia Airways. Last year, too, parts of Zambia suffered severe crop losses from the drought which hit southern Africa, a national emergency was declared and the IMF created a separate drought budget, which was to be financed by the proceeds of selling the maize sent in as food aid by foreign donors. But in a context of high inflation, drought relief bills had to be paid before any revenue came in, and that simply added to the inflationary pressure.

Overspending

The budget consequently unravelled. At the start of 1992 the projected expenditure was 90 billion kwacha, consisting of roughly 80 billion in revenue plus grants to make up the remaining 10 billion, so that there would be no need to borrow from the banking system. This arrangement, however, made no provision for covering the large payments which had to be made on existing government borrowing from the public in the form of treasury bills; and the extra drought-related expenditure was not covered by any revenue either. By October, the Government had to enter a supplementary appropriation of 60 billion kwacha to finance overspending. In the event, at the end of the year spending stood at about 120 to 130 billion kwacha. How was this paid for? In effect, the Bank of Zambia was asked to write a cheque.

Part of the blame for this sorry state of affairs has been laid at the door of a government whose members had no experience of the realities of running a country, and which consequently took a number of ill-advised spending decisions. But revenue collection is a problem too. Consultants have been called in to computerise the tax administration system and the Minister of Finance has appointed a task force to make the system perform properly. One consultant who formerly worked for the US revenue service estimates that by making the system more efficient and improving compliance it should be possible to increase tax revenue by up to 50%. The very large parastatal system, for instance,

The eagle on Zambia's banknotes is not the only thing that is soaring. These notes represented roughly the annual GDP per capita for one Zambian at the end of 1989. Today, they will buy a single farmer less than half a bag of fertiliser. Ex-President Kaunda's smiling face still appears, a reminder of where the blame lies for Zambia's rampant inflation



only reluctantly pays tax, as many of the industries concerned run at a loss (and of course their heavy borrowing from banks to cover those losses also steps up the inflationary pressure).


Exchange and interest rates have also played their part. The developments outlined above took place against the background of a plunging exchange rate: in January 1992 there were about 90 kwacha to the US dollar — by December the rate was 360 to the dollar, and this of course pushed up the cost of imports which had to be paid for in foreign exchange. As the currency has depreciated against the dollar, there has been no incentive for anyone to hold on to the kwacha or kwacha-denominated assets. The resulting flight into foreign exchange itself adds to inflation.

Negative interest

Bank interest rates in Zambia have been negative, in other words lower than the rate of inflation. This obviously discourages investment in the country, since money can be invested at positive rates elsewhere, especially when there are no exchange controls. The exchange controls in place for years have not worked properly since the early 1980s. This has skewed income distribution, leaving the few who could export their money much richer in kwacha terms, while most people became much poorer. International financial statistics show that people giving Zambia as their place of residence hold something like US \$450 million outside the economy, which at current exchange rates is more than the entire local money supply. With declining or stagnant real incomes, there has been massive excess kwacha demand for all kinds of resources, including foreign exchange: 'too much money chasing too few goods', in the classic phrase.

Some commentators put further blame for inflation on excessive wage demands by workers in the State monopolies. However, the trade unions, although they form the main power base of the governing Movement for Multi-party Democracy, and despite large pay rises in the parastatals last year, have not managed to maintain their members' real purchasing power. And although the much-needed cuts in the civil service payroll have been delayed for political reasons, real wages for those still on the payroll have fallen too. If they cannot even cushion their own earnings against

the effects of inflation, it is difficult to see where or how the alleged pressure from the monopolies is being applied.



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As this press advertisement shows, would-be borrowers face punishing interest rates — which keep on rising. But with returns to lenders less than half the 200% inflation rate, no one wants to deposit money in the banks either. So investment stagnates

Nor can imported inflation be blamed for the present situation. In the 1970s the oil price shock was transmitted directly into higher domestic consumer prices in Zambia, but for some time now, relative to Zambia, the rest of the world has been deflating — so where would Zambia be importing inflation from? There is, however, some argument for saying that disruptions to Zambia's import and export routes through neighbouring countries have raised the corresponding costs and thus fuelled inflation.

Drought

As far as the role of the drought is concerned, droughts are known to occur in Africa from time to time, so plans can be laid for dealing with their results. But Zambia when last year's drought struck had no foreign exchange reserves to buy food, there was no real carryover of maize from previous seasons and there was no dynamism left in the agricultural sector, as farmers had for years been taxed through exchange rate pressures on purchases of inputs and discouraged from efficient production by the system

whereby the State buying agency paid the same price for maize in every part of the country and whatever the season. An indication of the seriousness of the situation came from President Chiluba in December, when he told a meeting of Zambia's donors in Lusaka that his Government expected the economy to show a decline of 10% in 1992 as a result of the problems faced by agriculture in the drought year.

So what are the consequences of inflation? In January this year the Government organised a conference to discuss this very issue and possible ways forward. It was attended by Ministers, opposition politicians, bankers, employers, trade unionists, academics, diplomats and guest speakers from the World Bank and the IMF. The Minister of Finance, Mr Kasonde, singled out the impact inflation had on investment in the economy as its most damaging effect. As businesses could only guess what exchange rates, wages and prices would be in six months or a year, they could not engage in medium- or long-term planning, so investment became too risky. Uncertainty about government policy also destroyed investment incentives. Secondly, negative real interest rates made unproductive investment in physical inventory (buildings, land, equipment and supplies) more profitable than saving money, so there was a shortage of funds available for investment. High nominal interest rates, even if negative in real terms, could cause serious cash flow problems for companies which did want to invest and could get loans.

A tax on capital

All these points were echoed by the Chairman of the Zambia Association of Chambers of Commerce and Industry, David Frost, who pointed out in an interview for *The Courier* that it was manufacturers rather than traders who were suffering. In practical terms, because of the high cost of replacing inputs industrialists were struggling to produce their goods with old, inefficient machinery, kwacha loans were available only on short, overdraft terms and in an inflationary situation it was too risky to borrow in foreign exchange; the resulting costs of inflation had to be passed on to consumers — and they were increasingly unable to buy as their own purchasing power dwindled. Mr Frost called inflation a tax on capital, and said that if it were not brought down to below 10%

Zambia's manufacturers would simply turn into traders servicing local needs and would be replaced by manufacturers from the country's competitors, particularly South Africa.

Minister Kasonde also warned that the increasing tendency to conduct transactions in foreign exchange rather than in the local currency, whether legally or not, merely aggravated inflation, since it left even more spare kwacha in the system chasing too few goods and services, resulting in even higher prices — and, indeed, immunising those parts of the economy operating in foreign exchange against any Bank of Zambia monetary policies.

On this subject, *The Courier* was told by a specialist on a macroeconomic technical assistance project being run for the Zambian Government by Harvard University that, at least from the point of view of industry, dollarisation is not necessarily a bad solution. When Brazil, for example, was in a similar situation some years ago, price stability was achieved by turning the whole economy over to dollar transactions, so that inflation in the local currency, although it remained a nuisance, did not affect the activities of manufacturing industry. The Brazilian economy, however, was and is more outwardly oriented than that of Zambia. And in Zambia most of the population cannot acquire dollars (or pounds or rand) in the first place.

The hardest hit are, indeed, the genuinely poor. Each increase in price directly and immediately reduces their purchasing power. As the President has put it, 'There is nothing that will help the most vulnerable groups more than the bringing down of the rate of inflation.' How, is the question.

Budget pledges

The basic cure is acknowledged to be making sure that the Government does not spend more than its revenues allow. This entails either increasing revenue or reducing spending, or both. There is no proposal to increase taxation, but the Government has given several undertakings on expenditure in the 1993 budget.

Firstly, it says that all expenditure will be financed by domestic revenues. Second, there will be no new borrowing, even on a temporary basis, from the Bank of Zambia; the Bank will not process any Government transaction unless the revenue to pay for it has already been

deposited. Treasury bills, too, have been floated, so money financing is over. The intention is apparently to borrow short-term from the non-bank public, for example Zambia Consolidated Copper Mines, which has large foreign exchange inflows available for deployment, through Government borrowing, elsewhere in the economy. Third, any supplementary spending in 1993 will have to be paid for — in advance — by increased revenues or lower spending elsewhere. And perhaps the hardest promise to keep will be the fourth one, an undertaking, if revenues rise owing to inflation, not to adjust spending upwards as well.



David Frost, Chairman of the Zambia Association of Chambers of Commerce and Industry, says inflation is a tax on capital which may drive manufacturers out of business

Low money growth is also promised. Here there is certainly room for improved performance, as last year the targeted reduction from 130% to 25% was not achieved. According to the Bank of Zambia, this was because increased copper production during the year had led to greater export earnings than expected. The Finance Minister also told the inflation conference that positive real interest rates (as a stimulus to saving and productive investment) would be brought about, ideally by a reduction in inflation but, if necessary, by an increase in nominal rates.

This constitutes a very dry recipe for economic stabilisation, yet the Harvard project goes even further and advocates actually running a sharp budget surplus, so as to free resources for paying off Zambia's huge external debt. Even balancing the books, let alone producing a surplus from a cash budget while inflation runs at 200%, is a tall order, since by the end of the year the initial appropriations are likely to have fallen to between

a third and a quarter of their value, but the macroeconomists say it has been done in other countries: in Bolivia, for example, in 1985, inflation of 20 000% was reduced virtually to nothing in a year by a government which simply did not spend money it did not have.

Social costs

As to the social costs of this course of action, observers agree they can hardly be worse than the social costs of continuing with the ruinous economic policies of the last 20 years. The Finance Minister said he recognised that many workers faced serious difficulties and that promises of future improvements in real wages might seem hollow today. There would therefore be measures to increase workers' take-home pay, to be financed through spending restraint throughout the budget, not by borrowing as before, and the Government called on workers to show wage restraint in return. To offset this sacrifice by the labour force, the Government also called for voluntary price restraint in the markets, urging producers who faced no effective competition not to exploit their market power.

So the priorities for this year's budget, which was presented to Parliament on 29 January, are to attack inflation and stimulate new local and foreign private investment. Dramatic cuts were made in taxes and duties, and government departments were warned that they would not be bailed out if they overspent their allocations. President Chiluba made a personal commitment to fighting inflation by voluntarily taking a cut of 100 000 kwacha (about US \$270) in his monthly salary of 300 000 kwacha, and calling on all Zambians to enlist in the battle. It seems unlikely that many workers, particularly those at risk of redundancy from cost-cutting and privatisation, will be able to follow his lead in surrendering income, but he reminded his countrymen that the medicine applied during the past year, although it had already yielded results, was still inadequate. 'Painful as the therapy is, 'the President said 'we have taken too much pain to give up now.' It is too early to say how successful the cure will ultimately be, but one encouraging sign is that although inflation stands at 200% now, when the MMD took power at the end of 1991 it was at a peak of 400%. Movement may be slow, but it is in the right direction.○

R.R.

Poverty for many, wealth for some

by Clifford SILWIMBA

*An attractive feature of Zambian life under the new government is the freedom of the press. Opinions of all kinds are expressed in a range of newspapers and magazines, which make a speciality of publishing contributions from their readers commenting on government policies and performance. Many of these writers describe the economic hardships ordinary members of the public are having to go through and wonder if things could not be differently ordered. As a bow to this very distinctive tradition, and to air a dissenting political view, **The Courier** here publishes an abridged commentary by a freelance journalist based in the Zambian capital, Lusaka.*

On the surface, Zambia is supposed to be doing well economically. The country is rich in minerals and other natural resources. Mining statistics for 1990, for instance, are quite impressive¹. Turnover by the mining corporation stood at K60.54 million, representing a growth of 103% over the previous year's turnover of K29.79 million. Although lead and zinc production declined by 8684 tonnes to a total of 16 004 t, finished copper production for the year was 448 468 t which was 32 823 t more than in the previous year. The annual average price for copper, which is the country's main foreign exchange earner, was £1639 (K45 810) per tonne.

Although these figures look impressive, the majority of both urban and rural dwellers in Zambia remain pathetically poor. The new Movement for Multi-Party Democracy (MMD) government, which has been in power since October 1991, is unable to deliver the promised goods to the people because allegedly, it inherited an empty state treasury. In short, the economy had been plundered.

Consequently, feeder roads in the rural areas remain impassable because no repair work or maintenance has been done for years.

Most bridges have long been washed away — as a result, relief food meant for the starving millions is stuck in urban and peri-urban areas, unable to reach the intended beneficiaries. This state of affairs, coupled with the devastating effects of the 1992 drought, has reduced most families in rural Zambia to mere beggars.

The new government claims to have brought 'democracy and a new culture' to Zambia in contrast to Kaunda's socialist dictatorship. To ordinary Zambians, however, such talk is little more than political rhetoric.

They want food, shelter, clean water and sufficient supplies of medicine in hospitals and rural health centres. At the moment, diseases such as malaria, dysentery and cholera are big killers. In November 1992, almost 400 people died of cholera in Kitwe, a city in the Copperbelt. Most victims die quietly in rural Zambia where half of the people still live.

Whereas the fallen Kaunda government tried to resettle people back in the rural areas at public expense, the MMD government has stated openly that there is no money in the state

treasury for such ventures. Whereas the Kaunda administration tried to distribute 'free' millie meal to low income groups in both rural and urban areas, using the coupon system, the present government has put a stop to 'free' food, and has more than quadrupled the price of the staple food itself — from K225 per 25 kg bag to well over K1000.

Most Zambians have also come to realise that life is harsh in the urban areas, where jobs are scarce and food prices prohibitively high. In an effort to please the International Monetary Fund and the World Bank — two of the major donors — the government has instituted measures aimed at reducing the size of the workforce in the civil service and the para-statal companies. This is called retrenchment. In the process, thousands of workers have lost their jobs. The only alternative for many is to go back to their villages empty-handed. They have nothing with which to start a new life in the village. It is poverty at its starkest.

Despite raging inflation, the salaries for ordinary workers still in employment are very low. House servants, hospital cleaners and farm labourers earn between K3000 and K7000 a month and most civil servants earn less than K15 000 a month. In sharp contrast, the new government, apparently closing its ears to public criticism, has raised the salaries of cabinet ministers from the K15 000 set by the ousted Kaunda administration to K320 000 a month. Members of Parliament receive not less than K250 000 a month in salary and tax-free allowances. To ordinary citizens, cabinet ministers and parliamentarians have formed a new 'leisure class'. They have and enjoy the best that Zambia offers while the majority are living in abject poverty. This apparent selfishness on the part of the leaders has surprised and annoyed a lot of observers — especially members of the Zambia Congress of Trade Unions, university students, church leaders and the workers who are being retrenched in accordance with the dictates of the structural adjustment programme tailored by the IMF and the World Bank.

The country's President, Mr Frederick Chiluba, had a tough task at a recent press conference, when he tried to justify the high salaries awarded by his administration to ministers and parliamentarians. He said this was done to avoid corruption — but many people saw no logic in this answer. The question is — just how much money is enough to prevent corruption? And which category of worker is not prone to corruption? Time alone will tell!○

C.S.



Life is harsh for most Zambians
Above, people waiting for medicine at a rural health centre.
Below, a classroom in need of repair



¹ Statistics taken from the Zambia Industrial and Mining Corporation Ltd. (ZIMCO) Annual Report — 1990.

Small farmers: planting the seeds of prosperity

Small farmers play a vital part in Zambia's domestic economy, as they account for 70% of the country's food production. In its May-June 1990 issue, *The Courier* reported on a development project for small and medium-scale farmers being run jointly by the Government of Zambia and the EC Commission in Central Province. This project, centred on the mining town of Kabwe, was set up in 1988, at a time when farming resources throughout the country were concentrated on maize production in the interests of what the government of the Second Republic imagined would be a cheap way of ensuring food security. Since then, last year's drought showed how little economic security there was in relying so heavily on a single crop. At the same time, in the political arena, a new spirit is at work and new policies are being applied in agriculture as in many other areas of national life. A return visit to the smallholder development project this year gave an opportunity for an interesting comparison between the old approach and the different attitudes now prevailing in the management of the Zambian economy.

At the hand-over of power from the old regime in 1991, smallholder farming in Zambia was in an unsustainable condition. Farmers would take loans for the purchase of necessary inputs such as seed and fertilisers; such loans were in theory repayable when the harvest came in, but control was lax and when, as frequently happened, the loans were not paid back, the cooperatives providing the supplies were simply indemnified by the government. This was, to put it mildly, not a prescription for efficient management, and at the transfer of power the system had virtually collapsed. The cooperative delivering to smallholders in Kabwe, for example, was in a state described by project coordinator Karl-Heinz Voigt as 'chaos' with the supply depots completely empty. To make matters worse, once the cooperatives stopped being compensated by government for bad debts, they went into other businesses, such as transport, where the returns on outlay are more immediate. Many farmers were in a state

of apathy, their morale sapped by lack of incentive — and by low, fixed prices. A change of direction was clearly needed.

The smallholder development project covers approximately 34 000 sq. km. of land around the town of Kabwe, which lies north of Lusaka on the road to the Copperbelt. In the immediate vicinity of the town there are large commercial farms, many of them run by expatriates, but further out are large expanses of less intensively developed land on which an estimated 35 000 small farmer households live. The project's targets are to increase food production by these farmers, raise their income and make them economically stable, increase the value of their marketable products and help rural

ment's assumed right to dictate agricultural policy. Since the advent of the MMD, however, a group approach to development has been chosen as it is effective, practicable and stimulates competition between farmers in a grouping of shared interests. Whereas under the old maize development project, farmer groups in each village consisted only of the headman, his deputy and four others nominated by the headman, farmers now organise themselves into groups and associations known as cattle clubs on any basis they choose, be it ties of family, language, religion, political viewpoint or any other consideration; the only essential criterion is, of course, that they should trust each other. Thirty per cent of farmers in the project area are organised in such groups and clubs, and the project aims to encourage more.

Voluntary grouping has the advantage that the groups are self-policing and exclude anyone known locally to be unreliable or dishonest. It also en-



Ox carts are cheap and easy to run. Over-sophisticated tractors stand idle in the background

entrepreneurs integrate small and medium-scale farmers into a liberalised market system. On the macroeconomic level, there is also assistance for the Government in defining a minimum government support strategy in agricultural and veterinary extension.

Only two years ago any approach involving participation by farmers themselves in decision-making would have been seen as a challenge to the Govern-

courages loan repayment. No outright grants are made, only loans, and the lowest credit cell is the farmer group, whose members are therefore jointly liable for repayment of the debt. If any individual defaults, no further loans are made to anyone in the group. The groups themselves decide which of their members is most in need of a loan, and the loan itself, which has to be approved by the district agricultural adviser attached to the project, Traugott Hartmann, is in the

form of a piece of equipment, the cost of which is recovered from the farmer concerned over a period of three years. Cash loans are not made under the programme.

A good example of the group approach at work can be seen in the Kabwe South Rural District area, where Ivy Mainza heads a group farming land in the village of Kafunda. The traditional crop there had been maize grown from hybrid seed; but with this variety fresh seed had to be procured each year and was too expensive, so the project introduced perennial, open pollinating varieties requiring no replacement, and the farmers maintain a maize seed garden from which they can now meet their own needs without external inputs. As a move towards diversification, the group leader also set up a soya seed garden, using two varieties (one of them developed by a local research station, Magoye) which produce pods without the inoculum needed to stimulate growth in earlier types. Although it is not traditional to the area, soya grown in the district with seed from the garden is popular with farming households because it crops well and is a rich source of protein.

The garden is laid out on land which the group members cleared themselves. For this and other work on their farms the group obtained an ox cart with a credit from the project. At first sight this looks like a low-technology solution, but there are good reasons. Under the old system, grants were given for the purchase of oxen but were not repayable, and suspicious numbers of grant-aided oxen would die of neglect or disappear. Tractors bought with credit were not a success either, as a stock of fuel had to be kept and farmers did not generally have the skills, tools, parts or incentive needed to keep the machines in repair, so that many tractors now lied unused and rusting. An ox cart can also be used for transportation purposes, such as taking farmers' children to hospital or their surplus produce to market, where a tractor would not be so cheap or practical.

The project has therefore gone back to promoting animal traction, but loans are given only for the purchase of equipment (ploughs, ridgers, reapers and so on), not animals. And only a farmer whose group certifies that he owns or can get the use of draught animals (from a relative, for example) is eligible for an equipment

loan. The project supplies a very practical four-in-one piece of equipment which ploughs, ridges, reaps and weeds, and is made by a small company in Zambia using local materials, so that there is a spin-off benefit for Zambian light industry too.

Animals, of course, require veterinary care, and this is where the 160 cattle clubs come into their own. Each club has a crush pen or spraying race where cattle are treated against tick-borne and other diseases. Again, a low-technology approach is adopted. These enclosures can be built using poles cut from the abundant trees growing wild in the bush, whereas to build a cattle dip would cost ECU 12 500. Technical information about spraying, as with all training and knowhow, is disseminated through clubs and the larger extension groups into which they and farmer groups are organised.

Most of the farmers concerned by the smallholder development project operate only at subsistence level, but there is some cash crop cultivation. As well as maize and soya, farmers in Kafunda village, for example, grow cotton, sunflowers, groundnuts, tomatoes, okra, cabbages, kale, rape, onions and Chinese leaf for sale. EC microproject assistance has gone towards vegetable-growing projects specifically for women. Members of a



Chibombo women display dishes made from their own soya crop

women's group near Chibombo have received help with inputs for half a hectare of fund-raising garden each, and one of them grows 20 boxes of tomatoes a year on her patch. These ladies have also worked with an EC-funded domestic science adviser who has taught them ways of incorporating soya beans into their diet, the methods of preparation being quite different from those for maize.

At a nearby farm there is an example of EC assistance towards onward processing of farm produce, albeit at a basic level. There a farmer, Mr Kayeka, has obtained a credit from the project to buy and set up a diesel-engined hammer mill, where he grinds maize into mealie meal for his own use and for other farmers in his area. His customers pay in kind or in cash, and the mill has to run for six hours a day to cover maintenance and loan repayment costs. A 5-kg bag of maize which would take two days to mill by hand now takes three minutes, an advance which is especially welcomed by women, as hand pounding is traditionally a female task. Outside harvest time, Mr Kayeka can store three tonnes of maize in a granary also funded by a loan from the project.

Before making credits available for the 20 hammer mills so far installed, the project coordinator and his team carried out a survey to determine where it would be most effective to locate them, so that farmers would have one within a reasonable distance but there would not be so many that they ceased to be commercially viable. There are plans for 40 more mills. Maintenance services are not well developed, but the project coordinator hopes that some entrepreneur will realise that there is a living to be made out of keeping the mills in working order.

It would be unrealistic to pretend that since the change of government all the problems of small-scale farming in Zambia were on the way to being solved by schemes of this type. Project leaders have to urge members of farmer groups constantly to press their representatives for information and action, as 27 years of spoon-feeding by the previous regime have made many farmers slow to identify and fight for their own interests. They also have no experience of marketing except at an informal level, and government policy is now to liberalise the agricultural marketing system completely so that traders, cooperatives, processors, transporters, wholesalers and retailers

Tourism — room for expansion

Zambia has many natural attractions. Wildlife is the major draw, and the country's wide open spaces and unspoiled countryside feature internationally known nature reserves with well-equipped game lodges. It shares with Zimbabwe the natural beauties of the Victoria Falls and the Zambezi river. Even so, Zambia is not well developed as a destination for foreign visitors. The Zambian National Tourist Board, ZNTB, puts the number at between 30 000 and 40 000 a year. The bulk of these tend to be South Africans — relations with that country have recently improved and the ZNTB has opened an office in Johannesburg — but they are mostly backpacking or in their own four-wheel-drive vehicles and the contribution they make to the local economy is small.

According to the chairman of the Tourist Board, Andy Anderson, when the Movement for Multiparty Democracy took over in 1991 the new Government had no coherent policy for tourism. Last year, however, the ZNTB launched an aggressive policy to develop and promote the sector, more or less from scratch; but it has virtually no funds of its own for the purpose and there has been no interest from foreign investors as yet.

There are unfortunately a number of disincentives. In material terms, the high cost of long-haul air travel into Africa discourages visitors from the affluent countries of the North. The much criticised Zambia Airways puts up a performance, both internationally and domestically, which Mr Anderson describes as disastrous. Direct flights to New York which were popular with package tour groups have been discontinued, losing much of the well-heeled North American clientele.

Inside the country the low standard of roads, transport and telephones makes both organising and taking part in tourism an uphill struggle. Tour operators complain that the cost of doing business in Zambia is prohibitive, not to

mention the inordinate amounts of time taken up in bureaucratic procedures. Potential visitors are also put off by the high inflation and reports of insecurity and disease. On the credit side, Mr Anderson pointed out that almost no petty crime had been recorded against foreign visitors and Zambian hotels offered high levels of comfort and service, giving tourists and executives good value for money by international standards.

As far as local tourism is concerned, commercially organised white-water rafting and walking safaris on wilderness trails attract about equal numbers of Zambian and foreign tourists. These activities have the disadvantage of being seasonal.

The ZNTB has approached the European Community for US \$175 000 in support for a tourism strategy project designed to identify what scope there is for the industry and to increase the number of visitors. Management plans for the lower Zambezi and Livingstone (next to the Falls, and once the capital city under British rule) are being drawn up. South Luangwa National Park is already well established, and North Luangwa is ripe for exploitation. To give an idea of the regional potential, Zimbabwe attracts 500 000 and South Africa one million tourists a year.

The Zambia National Tourist Board is entirely funded by Government through the Ministry of Tourism and is very short of money. As well as Johannesburg, it has maintained offices in London, New York, Sydney, Bonn, Rome and Milan which are a tremendous drain on the Board's foreign exchange allocation, and closures are having to be made. This year's planned budget is less than in 1992, even before any allowance is made for inflation. However, where there's a will there's a way: Mr Anderson says the 'product' he is pushing at the moment is wildlife-viewing for the adventurous, and his posters speak of Zambia as 'The real Africa'.



The Courier

A hammer mill funded with EC credit grinds corn for farmers near Kabwe

can operate without government interference. The price of maize, the main staple, has been deregulated, but in the new pricing environment it is the large farmers who are expected to capture a larger share of the maize market, as they have better access to storage facilities, transport and credit and are nearer the main consuming centres than smallholders.

To help the latter, therefore, the Kabwe project has recently recruited a marketing adviser, whose job will be to help set up a market information service, so that small farmers can make better-informed judgments as to when and where to sell their crops and buy inputs, and traders will know where marketable surpluses are available for purchase. This is a radical departure from the old marketing arrangement, under which crops were bought at guaranteed prices by the State-funded cooperatives. The challenge of operating in a free-market system is one which some small farmers will be better able to face than others. Recognising, in fact, that entrepreneurs eventually have to stand on their own feet, the Kabwe Smallholder Development Project plans to pull out after three years and leave the local farmers to apply what they have learned as they see fit. It will be up to them to show whether Zambia has the grassroots human resources to match its huge agricultural potential. ○

R.R.

AIDS — a shadow hanging over Zambia's future

Hardly a day passes but Zambia's newspapers report the death of yet another person who had been making a useful contribution to the public life of the country. It may be a businessman, a banker, a member of the armed forces, a mining engineer, a politician, a lawyer; many of them have died relatively young, and death is often said to have occurred 'after a long illness'. It is an open secret that most of the people who die of this unspecified disease are victims of AIDS (acquired immune-deficiency syndrome) or AIDS-related conditions.

Those who figure in newspaper obituaries, of course, are only the comparatively prominent members of society. But there is disturbing evidence that AIDS is a threat to all classes and social groups in the Zambian population, and on a scale that is only now becoming clear. A recent report by the Zambian Ministry of Health and the World Health Organisation said that there had been a steady increase in the number of new cases of infection by HIV (the human immunodeficiency virus, which is responsible for AIDS) over the past seven years, and quoted several alarming figures. In the urban population — and Zambia is a highly urbanised country — the highest recorded HIV-positive figures were among patients who already had another sexually transmissible disease: 54% of new attendees at STD clinics proved to have the virus. Of women attending antenatal clinics, the proportion found to be HIV-positive rose from 12% in 1988 to 24% in 1990 (the current figure from the Ministry of Health is 40%). Medical workers estimate that 50% of the children of infected women also have HIV; their sexual partners are, of course, also likely to be infected. Ten per cent of would-be blood donors tested HIV-positive in 1987, rising to 18% in 1990. The figures for semi-urban and rural areas are also rising, but are generally lower, owing to more traditional morality and lower mobility outside towns and cities.

The figures for AIDS-related fatalities have, however, to be regarded as erring on the side of caution, as reporting mechanisms are faulty, and many deaths are ascribed to opportunistic diseases rather than to the underlying AIDS

condition. This is particularly true of tuberculosis, the incidence of which has risen sharply over the past year. Secondly, many sufferers, when they realise that conventional medicine has no cure for AIDS, turn to traditional healers in rural areas, and their eventual deaths from AIDS are not recorded as such.

According to Elizabeth Mataka of the Family Health Trust, a voluntary, non-governmental organisation working on AIDS prevention and care, the situation is critical, and every Zambian has lost a relation, a neighbour, a friend or a colleague to the disease. Nor has the full seriousness of the situation yet become apparent. As AIDS has a long incubation period, and prevention campaigns did not start until the late 1980s, cases appearing now are manifestations of infections which occurred as far back as the 1970s. Most cases contracted before the late 1980s have yet to show. Mrs Mataka says health workers' worst fear is that up to 25% of the population could be infected, most of them without knowing it.

In fact AIDS is increasingly regarded as not just a medical but also a socioeconomic problem. The social impact of the epidemic is to be seen, for example, in the rising infant mortality rate among children of infected women. Most of the children affected die by the age of one, their condition exacerbated by poor nutrition, difficult living conditions and the inadequacy of healthcare services. All HIV carriers in the country, in fact, tend to develop full AIDS symptoms earlier than their counterparts in developed countries, as the general state of public health is poor.

As adults die, more children are being orphaned, so that the burden of caring for them falls on grandparents or other family members who may not have the resources to cope. A study carried out by the Family Health Trust in the Matero East district of Lusaka found that 10.2% of children questioned had lost one or both parents, the usual figure in peacetime being two to three per cent; further questions showed that the difference was accounted for by AIDS. The survey also uncovered resulting problems of lack of education, crime and vagrancy

among orphaned children. As far as care for AIDS sufferers and unattached children is concerned, family culture in Zambia is very supportive of sick or needy relatives, but caregivers themselves may be, or later become, infected, and when they in their turn fall ill both they and those they were looking after become a burden on a dwindling family base or the underdeveloped social services.

In the economic sphere, not only is health spending having to rise; the labour force is being weakened and reduced, a fact which trade and industry are now becoming alive to as productivity and profits fall through absenteeism and loss of skilled workers. The cost of training staff who may soon after fall ill and ultimately die is one which fewer and fewer companies can afford to pay.

AIDS prevention efforts in any country must, of course, address the reasons for the spread of the disease. In Zambia these are similar to those found elsewhere, though for cultural reasons, it is claimed, sexual transmission is predominantly through heterosexual, not homosexual, contact. A further explanation is said to lie in sociocultural practices such as the ritual cleansing of a recent widow through sexual intercourse with her dead husband's brother, and the belief among some older people that sex with young partners, whom they pay, carries less risk of infection (here it is precisely the younger partner who is usually put at risk).

Zambia has a National AIDS Prevention and Control Programme, and recognises the need for a multisectoral, grass-roots approach by several Ministries at once. The Government, however, is unable to bear the full cost of the programme, which for 1992 was expected to reach ZMK 80 million (some ECU 200 000 at current exchange rates), and international donors such as the European Community have become involved. Several years ago the EC provided HIV test kits and financed a seminar for health workers on identification and treatment, but the main contribution has been the allocation of just over ECU 1 million for a three-year project to establish an organised national blood transfusion system, which has so far not existed. It is hoped that an additional ECU 1.5m will be available under Lomé IV.

The NAPCP, and public health bodies organised into an Anti-AIDS Project,

DR.
KALULU
SAYS

Be wise!
Learn about
AIDS
and keep
yourself
SAFE!



**FOURTH EDITION
APRIL 1991**

AIDS facts for primary schools. To be given free to pupils and teachers.

Produced by the **ANTI AIDS PROJECT**, Lusaka, Zambia
and approved by the Health Education Unit, Ministry of Health and
the Ministry of General Education, Youth and Sport.

The wise old rabbit of Zambian folklore has been enlisted into the fight against AIDS in this leaflet distributed free to primary schools. Health workers say it is vital to get the message through to the very young, so as to protect the rising generation

have produced AIDS information messages, some in local languages, for public display, as well as printed material and educational plays. The slant of the messages is positive: while warning of the dangers, they seek to promote hope, encourage safe life styles and teach compassion for sufferers. AIDS prevention has been incorporated into the school curriculum, and to protect the rising generation the emphasis is being

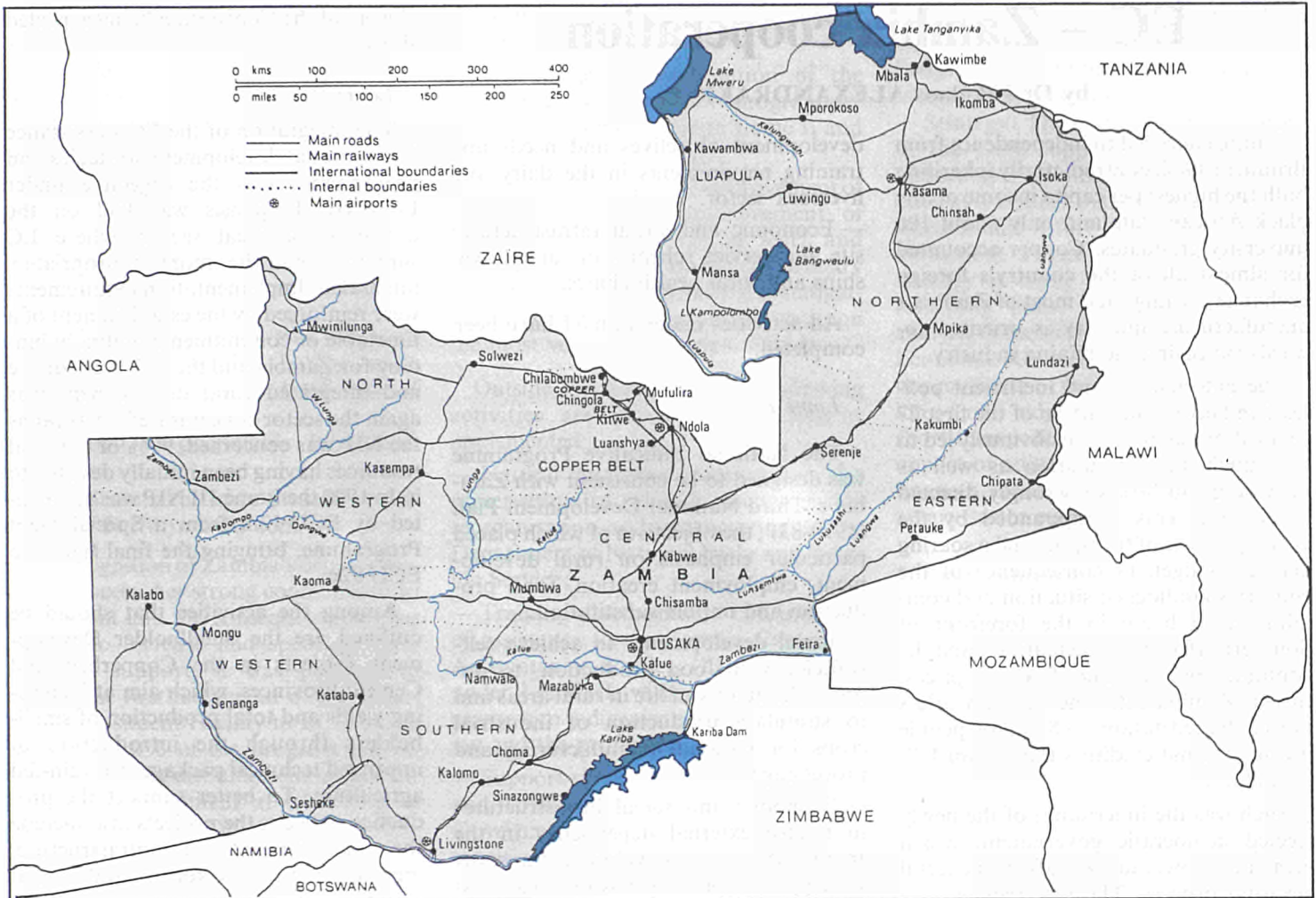
placed on getting the message through to children before the age of 16. Other target groups for information and education work have included 'street-kids' (homeless children living on their wits in urban centres) and employees in the workplace.

A pioneering example of this last type of approach is the policy of Barclays Bank in Zambia, which used to make HIV testing a condition of employment.

The Bank soon realised that this served no purpose, as antibodies to HIV do not appear until some three months after infection, so a negative result does not necessarily prove that the subject is free of the virus, and in any case staff could become infected at any time after the test. The emphasis therefore shifted to preventive education and supportive counselling, and the Bank now employs its own health adviser, as well as contributing generously to the nongovernmental organisations which, incidentally, handle 90% of AIDS-related care work in the country.

The challenge is enormous, but measurable progress is being made. The Ministry of Health/WHO report said that, thanks to public information campaigns, 99% of women throughout the country were now aware of HIV, 89% of them knew it could be transmitted through sexual intercourse and 62% believed it was preventable. Condoms are consequently in higher demand and in 1992, for the first time, funds were allocated from the national budget for procurement of supplies of condoms, which are tested for safety and distributed all over Zambia using the existing drugs distribution system. The number of pregnancies among schoolgirls is falling, as is the incidence of STD. This suggests (though it does not prove) that HIV infection too may now be retreating; but if so, the resulting fall in the number of AIDS cases will not occur for some years yet, owing, as explained above, to the long incubation period of the disease.

Programmes of counselling, home-based care and orphan care are now in place. Elizabeth Mataka of the Family Health Trust reports that a home-based healthcare programme for AIDS sufferers in Lusaka which started in 1987 had cared for 5030 patients at home by August 1992. The purpose of such programmes is not only to teach proper care and nutrition in the home but also to relieve pressure on Zambia's hard-pressed hospitals. This is the way forward as far as care is concerned, according to the NGOs: even if no extra money is available, they want the Government to second personnel to help them in their vital work. The NGOs also want industry to give them more financial support, stressing that the future of the country's expanding private sector depends not just on the success of the structural adjustment programme but on companies having healthy employees. ○ R.R.



Profile

Land area: 752 614 km²

Languages: English (official language of government and business), Nyanja, Bemba, Tonga, Lozi and other local

Population:

- number: 8.21 million (mid-1991 estimate)
- spread: 50% urban, 50% rural (1990)
- density: 114 per 1000 ha
- growth rate: 3.63% per annum

Main towns (1990 census): Lusaka (the capital, 982 362); Kitwe (439 201); Ndola (376 311); Chingola (186 769); Mufulira (175 025); Kabwe (166 619); Luanshya (147 747); Livingstone (84 116)

Infant mortality: 76/1000 live births (1990)

Life expectancy at birth: 54.4 years

Doctors per inhabitant: 1/7150 (1984)

Access to safe water: 76% of urban, 43% of rural population

Adult literacy: total 73% - men 81%, women 65% (1990)

School enrolment rate: primary 80%, secondary 20%, higher 2% (1989)

GNP per capita: US \$420 per annum (1990)

Real GDP per capita: US \$767 per annum (1989)

Official development assistance per inhabitant: US \$54 per annum (1990)

Main exports: Copper (85% of total exports in 1991), zinc, lead, cobalt, tobacco

Main imports: Machinery and transport, fuels, lubricants, energy, manufactured goods, chemicals, food

Main trading partners (estimates, 1990):

Exports to: Japan, France, Italy, India
Imports from: UK, Japan, West Germany, USA, Saudi Arabia, South Africa

External debt: US \$7 billion (in mid-1991 external debt was twice GNP)

Debt service ratio: 13.5% of exports of goods and services (1991)

Currency: Kwacha (378 kwacha = US \$1 in February 1993, with inflation estimated at approx. 200% per annum)

Sources: World Bank, UNDP.

EC – Zambia cooperation

by Dr Nikolaos ALEXANDRAKIS *

Zambia acceded to independence from Britain in 1964, contradictorily inheriting both the highest per capita income of any black African state and only about 100 university graduates. Copper accounted for almost all of the country's foreign exchange earnings and most of Zambia's manufacturing industry is oriented towards supplying the mining industry.

The paternalistic and inefficient political and economic pattern of the first 27 years after independence obviously led to too much state regulation as well as providing too little or wrongly directed investment. This, compounded by the very high costs of transport and a soaring defence budget, (a consequence of the country's landlocked situation and commitment to being in the forefront of Southern African emancipation), and the continued plummeting of copper prices, turned Zambia into one of the world's most indebted nations — 8 million people owing external creditors more than US-\$7 billion.

Such was the inheritance of the newly elected democratic government, which came into power in 1991 after a peaceful electoral process. The new regime — a coalition of prominent businessmen, a new generation of politicians, technocrats and labour leaders — was therefore confronted with the need to undertake a very radical programme of reforms. This they are doing at a remarkable pace.

In a framework of a distressing external debt burden, enhanced donor aid is crucial to support the current ambitious economic restructuring process, aimed at diversifying away from the fortunes of copper, hence building up a sustainable and diversified new economic foundation.

EC assistance to Zambia

1. Programmed Aid

Lomé I

Having become a signatory to the 1st Lomé Convention in 1975, Zambia was the beneficiary of ECU 47m under Lomé I, allocated to:

— Agricultural sector: projects in the field of livestock development, feeder roads directly geared to agricultural

development objectives and needs and training requirements in the dairy and livestock sector.

— Economic and social infrastructure: site and service schemes in rural townships and rural health clinics.

All activities under Lomé I have been completed.

Lomé II

The National Indicative Programme was designed to be consistent with Zambia's 'Third National Development Plan (1979-83)', the objectives of which placed particular emphasis on rural development, employment creation, food production and import substitution:

— Rural development: to achieve self-sufficiency in food production, to improve the quality of life in rural areas and to stimulate production of industrial crops for national manufacturing and processing;

— Economic and social infrastructure: to reduce external dependency in the energy sector, to develop a transport strategy by improving existing roads and developing new links and by upgrading rural landing strips. Also included was the development of water supply schemes, medical facilities, sites and services for housing and small-scale industries in rural and smaller urban areas;

— Geological surveys and research: to assist in the preparation, drawing and printing of geological maps;

— Microprojects: to assist local communities in self-development, thereby strengthening grassroots participation in development activities;

— Training and technical assistance: staff development, technical assistance and equipment, special attention being given to in-country programmes in vocational and technical training, science education, management, communications and in-service training;

— Supporting activities: to cover the undertaking of necessary supporting studies, trade promotion and credit to small and medium-sized industries.

Under Lomé II, ECU 58m were allocated. Generally the projects have reached their completion, the total

closure of the Convention being expected shortly.

Lomé III

The integration of the EC's assistance into national development strategies and programmes was the objective under Lomé III. Emphasis was laid on the notion of a focal sector, where EC support could be more appropriately integrated. Implementation requirements were reinforced by the establishment of a timetable of commitments mutually binding for Zambia and the EC. Agriculture and integrated rural development was again the sector concentrated on as far as the NIP was concerned, 90% of the total resources having been initially devoted to it. In 1990 the Lomé III NIP was augmented by ECU 12m from a Special Debt Programme, bringing the final figure to ECU 92m.

Among the activities that should be outlined are the Smallholder Development Projects in the Copperbelt and Central Provinces, which aim at increasing yields and total production of smallholders through the introduction of improved technical packages for rain-fed agriculture. To better support the production aspects, the projects also include the improvement of infrastructure, inputs, credit, marketing and social facilities.

Import support programmes constituted the major bulk of the EC's assistance under Lomé III:

— Supply of inputs to Nitrogen Chemicals of Zambia (NCZ): import of chemicals, catalysts and spare parts for the rehabilitation of the factory at Kafue;

— Foreign Exchange Facility I: sectoral import programme in agriculture;

— Foreign Exchange Facility II: essential inputs for the agricultural sector.

The residual funds from these programmes were later used as additional resources for a General Import Programme (GIP) undertaken under an Import Support & Special Debt Programme aimed at, among other things, assisting Zambia in clearing her arrears to the IMF, hence creating the conditions for re-starting structural adjustment disbursements from the World Bank and the IMF.

The projects on education and training are also worthy of mention:

— Zambia mathematics & science teacher education: aimed at upgrading lower secondary Science and Mathematics teachers, enabling them to teach at senior

* Head of Delegation of the EC Commission, Zambia.

secondary level, hence improving the standard of science education in Zambia;

- Zambia Centre for Accountancy Studies: aimed at developing an indigenous Zambian accountancy profession in a cost-effective manner.

Implementation of Lomé III projects is still on course, secondary commitments reaching 86% and disbursements 67%.

Lomé IV

The NIP for Lomé IV was signed in February 1991, the EC having made available to Zambia the total sum of ECU 111m, comprising:

- National Programmable Resources: ECU 95m;
- First instalment from Structural Adjustment Facility: ECU 16m.

In recognition of Zambia's democratisation process, her strong commitment to adjustment and the consequent need for donors to increase and speed-up their financial support, it was possible to double the first instalment of the Structural Adjustment Facility to ECU 41.5m (including 10% of the programmed resources) and fix disbursement targets for the second instalment at ECU 27m in 1993 and ECU 14m in 1994.

As focal areas for Lomé IV cooperation, two priorities have been identified:

- Assistance to the productive sector, with special emphasis on rehabilitation and maintenance of the road system, the promotion of non-copper exports and the improvement of the livestock sector;
- Improvement of the social infrastructure and services, taking special account of the impact of the adjustment process on the living conditions of the poor and vulnerable groups of the population.

These priorities are being addressed through the development of the following activities:

- Rehabilitation of the roads sector: contribution to the national programme for the rehabilitation of trunk roads and rehabilitation and maintenance of feeder roads in areas of high agricultural production;
- Export development: improvement of non-traditional export performance by alleviating supply and market constraints which are faced by the high-potential agricultural, and relatively well-based industrial sectors;
- Improvement of animal health: reinforcement of the planning and monitoring capabilities of the national veterinary

department and supporting the private sector's efforts;

- Microprojects: continuation of the microprojects support programmes which were implemented in Lomé II and III;

- Social sector support: improvement of district health care, improvement of blood safety at provincial level and improvements in the quality of primary education, hence contributing to mitigating the effects of structural adjustment on the most vulnerable groups of society.

Outside the focal areas, the following activities are being designed and/or implemented:

- Natural resources conservation: the preservation of wildlife, including the reorganisation and restructuring of the Department of National Parks and Wildlife Service;

- Training of accountants: continuation of assistance to the Zambia Centre for Accountancy Studies (ZCAS), started under Lomé III, within an overall programme to indigenise accountancy training and the profession;

- Support services: technical assistance and consultancy services to help the Government of Zambia in developing specific policy changes in the areas affected by structural adjustment, and to facilitate the acquisition of new skills and technologies for the productive sector;

- NIP's contribution to structural adjustment: 10% of the NIP was utilised to reinforce the first instalment of the Structural Adjustment Facility.

The urgent need to reorganise the economy naturally makes structural adjustment assistance one of the main priorities in EC/Zambia cooperation. With this in view, the following programme has been agreed upon between the Government of Zambia and the EC:

- Framework: to support Zambia's efforts to diversify the economy away from copper, improving economic efficiency and establishing a more stable macro-economic environment. These policies will aim at improving the mobilisation and utilisation of domestic resources and restoring internal and external balances by pursuing appropriate fiscal, monetary and trade policies;

- Objectives: provision of foreign exchange for imports to support the adjustment programme and to reinforce the measures laid down in the NIP. The resulting counterpart funds are to be

allocated to the central budget mainly in order to allow increases in the agreed budgeted expenditure, particularly for education and health;

- Strategy: The volume and the nature of the EC's support to the Zambian Structural Adjustment Programme results in a critical mass which requires a concomitant effort to ensure efficient utilisation. Hence, the EC's inherent strategy is being developed along the following lines: improvement of the analysis of the short-term evolution of the Economic Recovery Programme (ERP); improvement of the influence of medium/long-term adjustment objectives on short-term policies; monitoring the social impact of adjustment; improving public finances management; supporting monetary sector reform and monitoring.

2. Unprogrammed Aid

SYSMIN

A Sysmin loan amounting to ECU 55m was awarded to Zambia in 1982 and another amounting to ECU 28m was awarded in 1986. These were aimed at rehabilitating the production facilities owned by Zambia Consolidated Copper Mines (ZCCM) in order to improve costs of production. The resulting counterpart funds (CFs) have been integrated into a Social Fund aimed at improving living conditions of the population in the mining areas.

In view of Zambia's eligibility for Sysmin III funds, a grant of ECU 60m was awarded in 1992. The purpose of the inherent programme is to support the current structural adjustment programme, by assisting in the diversification away from dependency on copper, hence reinforcing the Lomé IV balance-of-payments support. The consequent GIP will come in support of trade liberalisation and of the development of the non-traditional productive sector. The resulting CFs are intended to be used for covering expenditure in the social sectors, for budget lines directly linked to the privatisation process now under way, or for paying off public debt vis-à-vis the banking sector, thereby allowing an easing of credit availability to the private sector.

Emergency aid and aid for refugees

Under Articles 203 and 204 of Lomé III, Zambia was granted the funding of a major Solid Refuse Disposal Programme in Lusaka, included in the

overall national programme aimed at controlling a cholera epidemic in the capital and with funding for the upgrading of the Petauke-Ukwimi Road.

Food aid

At the end of 1990, Zambia was deemed to be ineligible to receive more food aid from the EC, because of non-payment for deliveries to parastatals during previous operations. Nevertheless, considering the severe drought that devastated the country at the beginning of 1992 (probably the worst to afflict the region this century) and the democratisation process being undertaken, the EC decided to come to the support of Zambia, making the following available:

Food Aid Programme (tons)	Maize	Oil	Pulses	Milk powder
Normal 1992	5,000	2,000	—	78
Special 1992	100,000	1,750	712	—
Total	105,000	3,750	712	78

The total value of the current food aid operation amounts to ECU 39m, a part of which has been donated to Zambian NGOs and the World Food Programme for free distribution.

3. Regional cooperation

As one of the 19 members of the Preferential Trade Area for Eastern and Southern African States (PTA), Zambia is a co-beneficiary of the framework of cooperation agreed between the EC and the PTA. This cooperation is focused on activities leading to economic integration in the sub-region, in particular addressing the issues of obstacles to trade, transport and cross-border investment, with emphasis on trade facilitation.

Zambia is also a co-beneficiary of EC cooperation with the Southern African Development Community (SADC), which acts on behalf of its member states as regional coordinator in the program-

ming of EC cooperation. In this framework, the areas of concentration are transport and communications, food security, agriculture and natural resources.

4. European Investment Bank (EIB)

Under the Lomé I, II and III Conventions, the EIB accorded to Zambia and Zambian companies a total of 12 loans at concessional rates amounting to ECU 71.6m of which ECU 42m was out of the EIB's own resources with a significant interest subsidy financed by the EDF. Risk capital operations utilising EDF risk capital funds under EIB management, amounted to ECU 29.6m.

Under Lomé IV, the EIB earmarked an amount of ECU 35m for the possible financing of projects and programmes in the sectors of industry, agro-industry, tourism, mining, energy, transport and communications. ○ N.A.

Financial table

Areas of cooperation	Lomé I		Lomé II		Lomé III		Lomé IV (1st protocol)		Total	
	ECU m	%	ECU m	%	ECU m	%	ECU m	%	ECU m	%
Mining	1.165	1.6	90.236	51.9	0	0.0	0.440	0.1	91.841	14.0
Agriculture and forestry	21.916	30.8	10.785	6.2	25.479	22.9	0	0.0	58.180	8.8
Infrastructure	4.271	6.0	0	0.0	9.975	9.0	33.680	11.2	47.926	7.3
Training and education	4.354	6.1	3.710	2.1	8.280	7.5	5.500	1.7	21.844	3.3
Livestock	5.567	7.8	9.300	5.3	3.068	2.8	5.280	1.8	23.215	3.5
Decentralised cooperation (micro-projects)	0.265	0.4	2.120	1.2	5.750	5.2	11.000	3.6	19.135	2.9
Social services and health	5.290	7.5	7.706	4.5	0.761	0.7	12.000	4.0	25.757	3.9
Productive investment, including related banking support*	4.502	6.3	4.225	2.4	11.217	10.1	35.000	11.6	54.944	8.4
Trade promotion	0.563	0.8	0.823	0.5	0.041	0.0	10.500	3.5	11.927	1.8
Environment	0	0.0	0	0.0	0	0.0	5.000	1.7	5.000	0.8
Technical assistance and support services	0	0.0	0.008	0.0	0.988	0.9	1.100	0.4	2.096	0.3
Tourism	0.119	0.2	0	0.0	0.150	0.1	0.500	0.2	0.769	0.1
Energy	0.048	0.0	0.323	0.2	0	0.0	0	0.0	0.371	0.0
Reintegration of qualified nationals	0	0.0	0	0.0	0.300	0.3	0.500	0.2	0.800	0.1
Structural adjustment/BOP support (including related supporting activities)	0	0.0	21.800	12.5	38.698	34.8	142.500	47.2	202.998	30.8
Emergency aid/Exceptional aid	16.384	23.0	1.293	0.7	1.162	1.0	0	0.0	18.839	2.9
Food aid	4.780	6.7	21.690	12.5	5.199	4.7	39.000	12.9	70.669	10.8
EC Delegation running costs	1.974	2.8	0	0.0	0	0.0	0	0.0	1.974	0.3
Total European Development Fund (EDF)	71.198	100.0	174.019	100.0	111.068	100.0	302.000	100.0	658.285	100.0
European Investment Bank (EIB) Own Resources**	10.500		31.500		0		0		42.000	

* Includes EIB Risk Capital, projects in industry, agro-industry, tourism, mining, energy, transport and communications.

** Mining, agro-industry, bank credit lines.

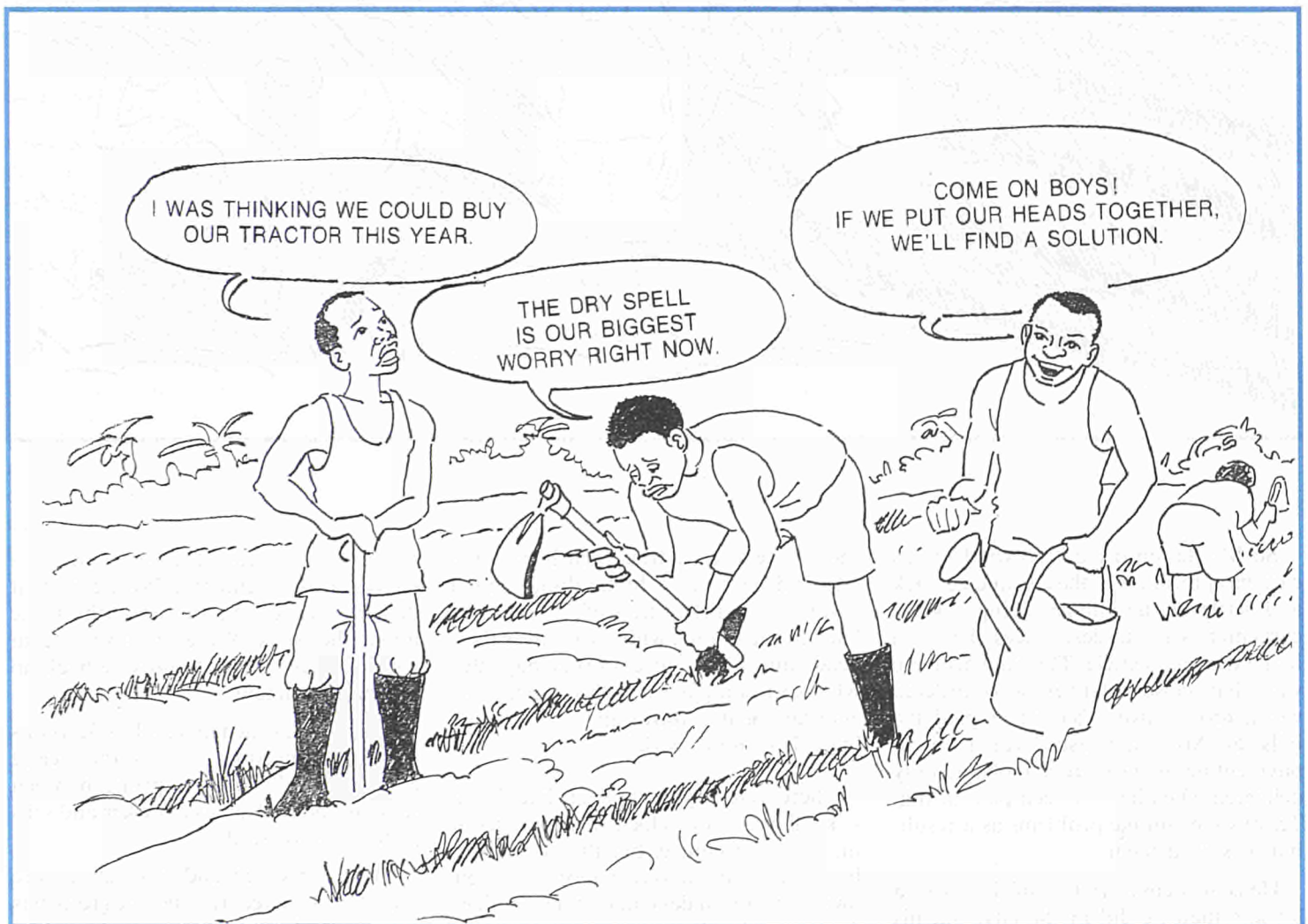
Making a success of life in the village

For the vast majority of Africans from a rural background, a return to the village after a spell in the city means failure. People from the country tend to think that they are born peasants and doomed to a hard life and often a poor one, with none of the modern comforts of the town. All youngsters in villages dream of going to the town, but when they do, the living conditions and problems of finding work dispel their illusions fast. It is a disappointment and it soon becomes clear that living decently means going back to the village. But does that really spell failure?

Issue n° 78 of *Agripromo*, published by INADES-Formation, which promotes the rural world in Africa, is about making a success of life in the village¹.

It contains plenty of village success stories, underlines the importance of village economic activity and suggests that peasants do not need to go to the big city to earn a decent living, fulfil themselves and be happy.

Here is a résumé of this issue full of ideas, successes and suggestions.



The carpenter

The first article says that village living is indeed hard, but that, in Michel

Bahon's experience, 'you can have a better life there than in town'. Michel Bahon is a carpenter who was properly trained and saw his dream of setting up in the capital come true. But look how much it cost! He had to lease a workshop, rent accommodation, pay for transport, pay for gas, pay for water and more — not to

mention look after all his 'brothers' from the village, who came to try their luck in the big city, and who he was honour bound to support. In the end, he had to spend everything he earned, was unable to save and was in no position to go and help his ageing mother back home.

¹ *Agripromo*. INADES-Formation, 08 BP.8 — Abidjan 08. Côte d'Ivoire.



So Mr Bahon decided to wind up his carpentry business in the city and go back and settle in the village. Being a good carpenter with modest prices, he soon had a decent clientele. The only problem was that close relatives who ordered work, took delivery but never paid the bills. So Mr Bahon asked for a down-payment before he started a job and only delivered when he had been paid in full. There were storage problems as a result, but he solved them.

He is now comfortably off. He earns a lot less than he did in the city, but his expenses are far lower in the village. There is always money in the bank, he is near enough to look after his old mother, he is married and he is happy.

Youngsters get organised

Villages are usually full of young people and they often get together and take initiatives of their own. Most of

them have already tried their luck in the city and have come home disappointed and bitter, but they are still pleased to be back in the family, with a roof over their heads and plenty to eat every day. But what sort of a life is it without money or entertainment? Above all, what sort of life is it without work?

There were 22 young people like this in K's village. They helped their parents in the fields, of course, but they were very bored and wanted to earn money of their own so as not to depend on their families for everything.

'We decided to form an association to help our parents harvest their crops. We knew that outside labour was expensive at harvest time and had to be paid in cash, furthermore, which made our parents feel that they were being robbed. So we offer to harvest complete fields and the owner feeds us while we get the job done and we

get a tub of rice for every hectare harvested at the end of it. We are in great demand, because we are very enthusiastic about the work. We even have a team which comes with us to provide back-up and entertainment.'

The group, which takes all its decisions at regular meetings, stocks the rice it earns and sells it at a profit between seasons and it also has a husker and sells paddy rice for seed.

'We are pleased and our parents are proud of us. In record time, the group has managed to buy sports equipment and we have F 800 000 in the bank. We put into practice what we have learned in our individual fields and our output is going up. Socially, we do a lot too. We clean the village and the water point regularly, for example, and we make financial and physical contributions to village ceremonies and association members' house construction. What we want to do now is

set up a village pharmacy fund, which we hope will be both profitable for us and of service to the community.'

The coxers of Guéhibly

The *coxers*² are another example of young people forming an association. Guéhibly is a village on the Man-Abidjan highway in western Côte d'Ivoire. One day, three young people with nothing to do were standing at the roadside watching the cars, and buses go by. Right next to them were five people, travellers, waiting in the hope that a bus driver would be kind enough to stop for them. But this was to no avail, since passengers are supposed to be picked up only at official stops where there is a man from the bus company to sell tickets. So the youngsters, who were keen to help, went and stood in the middle of the road and flagged down a minibus. The people got on and — what a surprise — the driver gave the boys CFAF 500 for each new passenger! This gave them an idea, but... let them tell the story themselves.

'We were pleasantly surprised. We weren't expecting money. We only wanted to help. But we said to ourselves that there was money to be made here under our very noses and we ought to get organised and make the most of it. So we built a papo shed by the side of the road opposite the market and fitted it out with four benches, a chair and a small table and now anyone waiting can sit down in comfort, out of the sun and rain. They can even have a drink or a snack, because girls who sell cakes and sweets and water come right up by our shelter. What we charge depends on where people are going. For Abidjan, for example, it's CFAF 500.'

The coxers offer other services for travellers, organising group trips and locating lost baggage, but the big thing is that they have branched out into other village services.

'We decided that we would mend the village pump and pay for it ourselves and, in return, the village let us look after the management of it. We sell the water so there is enough money to keep the pump operating properly and to give ourselves a bit of income...

We organise dances to liven up the village — we rent a music machine from a school teacher — and adults pay CFAF 100 and young people CFAF 50 to come. Once we have paid our overheads, there is often



CFAF 2500-3000 left over for our funds. Then we clean the market and the main streets in the village. When we do the market, we are paid CFAF 20 or 25 for every trader, but the street cleaning is voluntary work and we do it because we are fond of our village. It earns us the esteem of the villagers and the elders too. Lastly, we work a field of rice and maize for our own needs.'

A mine of information

This issue of *Agriprimo* is a mine of information.

There are detailed figures of one man's own project; the experience of a tailor who left the town and went back to his village, continued tailoring and grew rice, yams and maize and raised small animals too. The article lists and gives figures for the many things which this man had to do.

There is a dossier giving a range of possible village activities. People can farm, of course, but they can also be tractor mechanics, sellers of seed and fertiliser, repairers of pumps and mills and so on.

And then there is an article entitled: 'Can a peasant earn more than a civil servant?' The article proves that he can. Whoever would have thought it?

'Genius put off by the smell of rice'

This is the playful title of an article which points out that village traditions have to be taken into account in any return to the land. 'New peasants', encouraged and assisted by the state or NGOs, often try to run projects which have been designed by politicians or technicians who are anxious to help the Africans out of poverty, but know nothing about village life. The following quotation makes a fitting conclusion.

'The villages are poor, but they are at one with nature. Traditional society has its rules and its laws; it has its customs and taboos and failure to take them into account may well destroy projects with undeniable socio-economic advantages. So when ways of developing villages are being investigated, the villagers themselves have to be involved in the process from the outset.'○

² A coxer is a canvasser who brings in clients.

The enlargement of the European Community

by David SPENCE *

Enlargement of the European Community is firmly on the agenda. Several countries have made formal applications and negotiations officially began with Sweden, Austria and Finland at a meeting of foreign ministers on 1 February 1993. Many other European states have also announced their intention to apply for Community membership. So the questions 'Why enlargement? And why now?' are justified. The answers are complex and they point to a major shift in world affairs.

Europe is at a turning point brought about in 1989, when the Berlin Wall fell and the fate of the former Soviet bloc was sealed. The collapse of the Soviet Union brought the end of the bipolar system and of division in Europe. It has meant a new era in international relations. As a result, two groups of states feel free to apply for Community membership; those formerly under Soviet influence and those with traditions of political neutrality.

German unification was one immediate manifestation of this new era in international relations. Freed from the constraints of Soviet hegemony, the two states came together after decades of artificial separation. The new Germany rapidly became a symbol for the potential unification of the whole of Europe and a catalyst for further Community enlargement. Indeed, through German unification, one enlargement of the Community has already taken place. The former German Democratic Republic (GDR) was integrated into the German Federal Republic in October 1990, thereby becoming an integral part of the European Community. There was not, of course, a formal accession of the GDR, but the Community was enlarged by the nearly 17 million citizens of the five new German Lander.

The other countries of East and Central Europe are now envisaging Community membership. And with neutrality in question, some members of the European Free Trade Association (EFTA) have reviewed their position on limiting cooperation in Europe to strictly trade matters.

To this widening to the North and East comes scope for a Southern and Eastern enlargement, in the shape of the Mediterranean countries of Turkey, Cyprus and Malta. So, while entry in the short-term is foreseen only for the EFTA states, there are many countries waiting in the wings. Their reasoning is simple. The end of European division has reawakened a sense of cultural solidarity throughout Europe and there is a strong political and economic attraction in being part of the Community.

But there is a political problem about enlargement. The Community has to reach a view on those countries where membership is politically desirable and there is a clear sense of European identity, but where problems exist with regard to implementation of all the achievements of European integration. The risk lies in

the potential for a multi-speed Europe. In short, the advantages of enlargement risk being counter-balanced by economic costs and the creation of hurdles to further integration.

Defining potential candidates for membership

The European Community is undeniably known as 'Europe'. But Prague and Vienna are clearly as much part of Europe as Berlin, Paris and London. Interestingly, if you look at the map of Europe in the 16th century, the fault line distinguishing Western Christendom from Orthodox Christianity has great relevance for the borders of today. Add to that the frontier of Islam and the Slav areas and the map gains even more current relevance — especially in Yugoslavia.

Where does Europe end? How many states will the Community of 2006 comprise? The maps of the European Community and the European Economic Area are certainly not the whole story. The treaties are very clear on the legal pre-requisites for membership. Article 237 of the Treaty of Rome and Article O of the Maastricht Treaty specify three conditions. Acceptable candidates must be European, have a clean record on human rights and be democratic states.

Entrance requirements are not only legal. Negotiations will take place on the basis of the Treaty of European Union (Maastricht), including the vital pillar of the Common Foreign and Security Policy (CFSP). Next, accepting the *acquis communautaire* — the body of primary and secondary legislation making up the Community legal and policy framework — is the basic economic pre-condition for membership, but making the *acquis* work relies on a market economy and a properly functioning civil service capable of implementing and supervising Community legislation. Community decision-making is a complex process. Running the presidency, for example, makes high demands on the civil service of the country holding it.

Having fulfilled these criteria and successfully negotiated membership, the next hurdle for applicants is ratification. The European Parliament must give its assent to membership, thus giving parliamentarians a right of close scrutiny of representatives of the Council, the Commission and the applicant country. Since enlargement involves amendments to the Treaty, primary legislation will be needed. The parliaments of the Member States must also ratify the new membership, as must the parliaments of the applicants. From the perspective of the Community it is sensible for new applicants to be accepted as a group rather than at different points of time. Otherwise, a series of separate ratifications would be necessary.

Why EFTA first?

The EFTA states have a head start in the enlargement process, since much of the important economic integration has been achieved in the complex negotiations to set up the European Economic Area (EEA). The origins of the Community's opening towards EFTA lie in the mid-1980s when discussions began on how the benefits of the Community's internal market could be shared. In the beginning, the idea was to set up a European Economic Area incorporating EFTA and the EC and creating one market for the whole of Western Europe. The EFTA states were not to be required to accept the supranational aspects of full integration into the Community. For the EFTA countries, participation in the EEA rapidly came to be seen as the antechamber to full membership, that history had previously denied.

Membership of the Community would have been conceivable for Norway and Iceland. As NATO members, they had never resisted international alliances, as had the other EFTA states. But Norway's

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bid in 1972 to become a member of the Community failed when a referendum pronounced against entry and Iceland has always considered membership to be against its interests. The neutrality of Austria, Sweden, Finland and Switzerland led to their refusal to be part of the European Community. They could not reconcile neutrality with the long term political implications of European integration and the perception of the Community as part of the Western side in the bipolar world. Their concept of neutrality is now being redefined.

And there is another important reason for the EFTA countries to envisage membership. The Community is the largest trading bloc in the world and the EFTA economies are dependent on it as a market and a source of imports. The Community's role in setting production standards means there is an economic and political cost in not participating in the decision-making process by which those standards are set. As the Norwegian Prime Minister put it in a statement to the Norwegian parliament, the Storting, on 16 December 1992, 'In order to regain control of many of the forces that shape our daily lives, we must be able to make democratic decisions that truly enable us to meet our challenges. It is no longer possible... to tell Norwegian voters that we can carry out all our tasks by means of decisions in Norway alone. If we cut ourselves off from the fora where important decisions are made, we are in reality restricting our own freedom of action... Unless we ourselves decide otherwise, the EC may in a few years' time comprise all of Europe except for Norway, Iceland, certain countries in the Balkans and Russia.'

Negotiations with the EFTA states

In practice, the process of enlargement involves the European Council requesting an opinion on individual applications from the Commission. Negotiations with the applicant country are then conducted by the presidency in office of the Council, with the Commission providing technical support through preparatory and exploratory talks to identify contentious points.

The EFTA countries can be integrated more easily into the Community than the East and Central Europeans. Much of the *acquis communautaire*, which new members must accept, will be incorporated into national law by Sweden, Finland, Norway and Austria when the European Economic Area (EEA) comes into force later this year. The EEA was due to begin on 1 January 1993. It is clearly intended to be a preparatory stage to membership

of the Community for some EFTA states. Iceland and Liechtenstein have not expressed their intention to become full members and on 6 December 1992, just as the Commission was preparing its opinion on the Swiss application for membership, Switzerland's population voted against ratification of the European Economic Area. The result has been the postponement of full membership as well. There is currently a pause for reflection.

The EFTA states present major advantages for the Community. They would boost Community GDP considerably, provide an important contribution to Community finances and a logical integration of the West European aid effort in Eastern Europe and in the developing world. Moreover, the EFTA countries easily meet the legal, political and economic criteria for membership.

There are some problematic areas, however. Neutrality was always seen as the main stumbling block. Sweden, Finland, Austria and Switzerland have long traditions of neutrality and many commentators have seen an incompatibility between neutrality and the Treaty of Union's move to a Common Foreign and Security Policy, leading possibly to more structured concertation on defence issues.

However, various declarations by the EFTA governments seem to clear this potential problem away. For example, in his letter of 25 November to John Major as President of the European Council, Swedish Prime Minister Carl Bildt declared:

'Sweden shares the political objectives of the European Community, as laid down in the Maastricht Treaty (*les finalités politiques*). This implies, of course, that we are prepared to conduct membership negotiations on the basis of the Treaty on European Union.'

The implication is that the Union's common foreign and security policy is not seen as a hindrance to Swedish membership. The Austrian government's *aides memoire* before the Lisbon and Edinburgh Councils similarly confirm 'unconditional commitment to the Treaty on European Union'.

Thus, any remaining problem areas concern parts of the *acquis*, which the applicants may not wish to apply immediately. Derogations are not automatic and the discussions on such points are likely to be complex. The Community's view is that membership must be on the basis of acceptance of the whole *acquis* of the Union — the Treaties of Paris and Rome, the Single European Act and the Treaty of Union, with all the legal

acts of secondary legislation and European Court decisions in existence.

The economic problems posed by enlargement include the budgetary effects of membership and negotiations on derogations where the applicant state is unable to fulfil immediately the criteria of the *acquis communautaire*. For states in the early stages of a market economy and for poor states, the demands of membership could prove hard to meet. This is part of the reasoning behind taking enlargement as a series of phases, with states entering the Community only once the criteria are met. Hence the start with the EFTA countries, which, through the EEA, are able to meet most of the criteria for membership in the short term.

Deepening before widening

'Deepening' the Community means expanding Community competence to areas hitherto the exclusive domain of the individual Member States and improving the decision-making process by redefining the rights and duties of the European institutions. There have been two previous enlargement waves. The UK, Ireland and Denmark entered in 1973 after the Hague Summit had confirmed the acceptance by Member States of the principle of the Community's own resources. The Community had also just introduced European Political Cooperation based on the Davignon report.

Before Spain and Portugal entered in 1986, Member States agreed on the Single European Act. This introduced far-reaching changes to the Community's decision making process and added a string of new competences to Community business. In addition, political cooperation now became part of the new Treaty. The Single European Act also anchored the aim of the completion of the single market by 1992 and ensured that the Community institutions had the administrative means to match their aim. In addition, it provided the majority decision-making mechanisms needed to break the deadlock on so many of the Commission's existing policy proposals.

Changing geopolitics and the drive for enlargement have, in turn, led to the need to review the Community's internal workings. The Treaty of European Union signed in Maastricht resulted from the resetting of the European agenda brought about by German unification. It has added more far-reaching changes. The most significant is often thought to be economic and monetary union by 1999, but the importance of the inter-governmental arrangements for legal cooperation and common foreign and security policy should not be underestimated.



L. Crabbé — Council

The opening of the negotiations for the accession of Austria, Finland and Sweden to the European Community took place in Brussels in February 1993

Many saw a reinforced Community as a way of ensuring shared power over international economic forces, avoidance of German economic predominance after unification and a 'roof' for the integration of the whole continent. Maastricht represents the institutional adaptation this implies. By summer 1993, the European Community should have become the European Union.

The new Union will clearly exercise a considerable power of attraction for non-Member States. But for the Member States of the European Union the issue remains how to bring about the enlargement of the Community all feel is desirable while conserving the advantages of European integration. Preventing the potential costs of widening from outweighing the benefits brought by new members will probably mean more discussions about deepening.

Thus, as with previous enlargements, the Community has embarked on a process of strengthening the integration process before it takes on new members. The Treaty on European Union represents a first deepening of the Community. The next intergovernmental conference in 1996 will continue the process.

There are, however, those who believe that widening should not take place before the 1996 conference has settled more operational guidelines for the European Union. The role of the applicant countries in that conference could be crucial to the shaping of the political identity of the new Europe. Some believe that the wisdom of the mature democracies of the EFTA group will contribute to the achievement of a sound system for an enlarged Europe. Federalists argue that danger lies in diluting the supranational aspects of the Community

by taking on demanding new members, who may wish, in the name of national traditions, to preserve their independence.

The changes in Europe and the prospect of enlargement have led to a new assessment of the purpose of integration and posed some of the fundamental questions raised as long ago as the 1940s when federalists debated with nationalists about the kind of Europe that should be created. Federalism, subsidiarity, transparency, democratic legitimacy and the limits of the integration process are all back on the agenda for debate at the same time as the Community prepares for enlargement.

Membership or association?

There is an expansive logic to the European Community; a logic symbolised by the various forms of pre-membership relations other states in Europe now maintain with the Community. There are three categories — the inside track of the EEA, the Euro-agreements with Poland, Hungary and the Czech and Slovak Republics and, finally, the association agreements with the other countries of Eastern Europe and with the Mediterranean applicant states of Turkey, Malta and Cyprus.

In the short term, the shape of the enlarged Community is easily discernible. If the current negotiations go well, and providing the final agreements are ratified, the EFTA states will enter by 1995. By then, or soon thereafter, the question of Malta and Cyprus will arise. Both have formally applied for membership. There is little dissent about the 'European-ness' of Malta and Cyprus. But there are fundamental questions posed with regard to their size and the implications for the management of Community business.

In the case of Cyprus, there are clear political difficulties arising from the division of the island. The vital question is the respect of the *acquis communautaire* — hardly feasible in a country where freedom of movement of goods and persons is restricted.

Turkey is also a candidate, but Turkish membership is a more complex issue. The differences Turkey, as an Islamic culture, would bring into the Community are vast. Many would welcome the diversity. But there is no doubt that the process of adaptation would not be simple. Add to this the Turkish level of economic development, difficulties associated with the application of the *acquis communautaire* and the political differences with Greece, and it becomes clear that early Turkish membership, however desirable, might be fraught with difficulties. Successive European Councils have, of course, stressed the desirability of strengthened economic and political relations with Turkey. To quote the Lisbon European Council conclusions again

'With regard to Turkey the European Council underlines that the Turkish role in the present European political situation is of the greatest importance and that there is every reason to intensify cooperation and develop relations in line with the prospect laid down in the Association Agreement of 1964 including a political dialogue at the highest level'.

The opening of the Community to the East was formalised by the 'Europe Agreements' with the Czech and Slovak Republics, Hungary and Poland. Other East European countries have benefited from association agreements establishing new trade arrangements. As the Lisbon European Council concluded in June 1992, cooperation through these agreements is the first stage in a process intended to lead to Community enlargement 'Cooperation will be focused systematically on assisting their efforts to prepare the accession to the Union which they seek'.

After EFTA, the next enlargement wave is therefore likely to include the states of Central Europe — the Czech and Slovak Republics, Poland and Hungary — the so-called Visegrad states. And thereafter the European Community will have to consider the Baltic states and many of the component parts of the former Soviet Union. With the defining line of 'Europe' likely to run along the Ural mountain range, the size of a resulting European Community would be vast. The question is whether it would be unwieldy too.

Some implications for the future

The problem about enlargement is the timescale within which it is to occur. The applicant countries (and those who have indicated that they will be applicants in the near future) have no time to lose. Given the criteria for membership I have outlined, various alternatives to full membership have been canvassed.

Alternatives include maintaining the EEA as an ante-chamber to the Community. Prospective Member States could move into the EEA, having progressed through an association agreement. The EEA may well prove a sensible option for those applicants where full acceptance of Community rigours would be counter-productive — both for the Community and for the country concerned. The Europe agreements are already intended to be a stepping stone to full membership. They may prove an acceptable alternative to full membership in the medium term.

But, alternative scenarios such as a multi-speed Europe or a Europe of concentric circles are seen by federalists as potentially dangerous for the integration process. Member States and applicants choosing from a menu of dishes they can most easily digest would detract from the aims of European integration set by the original six. It could prove tempting to take the benefits of integration without participating in the costs. This is why the debate about enlargement goes hand in hand with a debate about the future of the Community itself. The Community now has the rendezvous of 1996 set by Maastricht for a further review of the need for institutional reform in the light of the post-Maastricht experience. The parameters will also be set in 1996 for the future shape of an enlarged Community.

There are clearly many implications of enlargement. A major issue is the guarantee of the efficient management of Community business. A Europe of 17, 21 or more members will mean some hard thinking about the efficiency of the Commission, the Council and the Parliament.

Some will argue that there is no intrinsic need for each Member State to have a Commissioner. After all, the Commission represents the European interest and not that of the Member States. As for the appointment of the Commission President, Maastricht provides for Member States' agreement on the proposal of Commission President and subsequent endorsement by the European Parliament. The Parliament may wish to take matters even further and consider a system of appointment of the whole Commission by itself after consul-

tation with the Council. This would require rethinking the question of national balance, looking at the implications of the current political majority in Parliament, the removal of states' right to a Commissioner and limits on the numbers of Commissioners. These would be far-reaching measures and are certainly not on the cards at present. Indeed, some argue that the number of Commissioners will have to be reduced if managerial efficiency is to be increased.

As for the Council of Ministers, with 12 members, the Presidency and the Commission, a *tour de table* with 10 minutes each already takes 2 hours 20 minutes and the question of working languages and interpreting costs also raises many thorny issues. The implications of an enlarged Community need thorough consideration.

The enlargement chronology

- The first wave*
- 1958 Treaty of Rome in force
 - 1961 Denmark, Ireland and the UK apply
 - 1962 Norway applies
 - 1963 French veto UK entry
 - 1967 New applications from Denmark, Ireland, Norway and the UK
 - 1969 Hague Summit agrees on principle of enlargement
 - 1972 Norway referendum 'No'
 - 1973 British, Danish and Irish accession
- The second wave*
- 1975 Greece applies
 - 1977 Portugal and Spain apply
 - 1981 Greek accession
 - 1985 Withdrawal of Greenland
 - 1986 Portuguese and Spanish accession
- The third wave*
- 1987 Turkey applies
 - 1989 Austria applies
 - 1990 German unification
 - 1990 Cyprus and Malta apply
 - 1991 Sweden applies
 - 1992 Finland, Norway and Switzerland apply

This is also true for the operation of the Presidency of the Council. This is currently held by each Member State for six months every six years. Four additional members would lower the frequency to once every eight years. Should Member States share presidencies? What are the implications for the European civil services — the Council Secretariat and the Commission. Would their roles need redefining?

The European Parliament will also be affected. The Edinburgh Council has already decided to change the balance of membership starting with the next European elections in 1994. The enlarged Germany, for example, will receive a further 18 members, thus converting the present 18 East German observer seats into full parliamentary seats. More Member States means more seats. Some have estimated at more than 650 the

number of seats required to do justice, proportionally, to an enlarged Community incorporating the EFTA candidates. This poses the question of how to maintain efficiency in such a dramatically enlarged parliament.

The Community has to start soon to consider the implications of a Community of sixteen and potentially of far more. One danger lies in discussion appearing to the outside world as a list of empty long-term promises. Open debate, as welcome as we must all find it, can easily create expectations which political reality may have to dispel. Certainly, the EFTA countries role in the 1996 inter-governmental conference needs careful consideration. The options need to be widely discussed.

We need to distinguish political rhetoric from technical reality. While expressing our readiness to help countries prepare for future membership, we must avoid the danger of dilution of the goals and effectiveness of the Community. This means a hard-nosed calculation of the current benefits of integration and the generation of potential new benefits. The benefits may well generate destructive conflict at the same time.

Above all, decision-makers will need to avoid increased tensions within the Community. There are many possible international disputes present in the countries on the potential applicant list. But the risks are not only in the international field. There are a series of implications for the internal policies of the Community. We shall need to reflect on the policy implications of the next round of enlargement. Finance, social policy, the common agricultural policy and the common foreign and security policy are obvious potential sources of stress. Even the definition of subsidiarity is not without problems.

If accession by stages or affiliate status forms part of the answer, as Commissioner Andriessen has urged, new thinking about alternatives to full membership may be needed. In the long term, Member States and the Community institutions will clearly have to consider how much diversity they can tolerate and which policies they can leave to other international organisations or see remaining at the national or sub-national level in the framework of 'subsidiarity'. The dangers for the Community are many. It would be sad if the process of integration and the construction of a supranational Europe risked dilution because of governmental overload and the impossibility of reconciling the ideal of closer union with the practicality of a wider yet more efficient Europe. ○ D.S.

Africa's new democracies

Democracy, according to Winston Churchill, is the worst form of government — except for all the others! The African people, who against their will, have had plenty of experience of all kinds of dictatorship and who, it must be said, have paid the price for this, are now increasingly following in the footsteps of others who have experienced the wisdom of Churchill's maxim. It has become commonplace to say that the fall of the Berlin Wall and the collapse of that other modern form of organising states — communism — has contributed to this democratic surge. The influence of events such as François Mitterand's famous La Baule speech in 1990 is also stressed. In retrospect, one can but regret that these 'liberating' remarks were not made much earlier.

While one African country after another embarks on the road to democracy, with varying degrees of enthusiasm and in the face of varying degrees of resistance, questions are increasingly being asked about the validity of Western-style democracy for the continent at the present juncture. As, here and there, the democracy movement suffers reverses, these questions become increasingly pointed.

Some suggest that Africa should work out a model for itself by marrying democratic principles to its own cultural heritage. This is a view which is put forward in several of the articles in this Dossier although the practicalities are deliberately left vague and those elements of African civilisation (if it is possible to talk of this in the singular) which ought to be incorporated in the model are not specified.

Others take a contrary view, believing that democracy is a set of universal principles which apply everywhere in the same way. They reject any idea of a specifically African dimension, fearing that this can only lead to a situation which the international community, having acknowledged the right to be 'different', will be much less able to condemn. Those who take this view find it difficult to understand why the former communist states, facing similar ethnic conflicts and economic crises, do not receive the same advice as that proffered to the African countries. The former, according to this logic, should be inventing a democratic system which also takes account of their particular history and culture.

An objection of a different kind is to be found in the thesis that Africa does not meet the optimum conditions for the establishment and development of democratic systems. African countries are indeed very poor, and none of the new democracies has been able to pay for the organisation of its elections. Even Senegal, which has a longer democratic tradition than most, had to have recourse to outside help for the financing of its recent presidential poll.

Without development, therefore, the future of the democratic process is, to say the least, compromised. What would happen if this providential support were lacking? And the situation is exacerbated by the fact that

African states, unlike countries elsewhere which have moved to democracy in recent decades, have not been able to meet the other important requirement for a successful democracy, namely, having a population the majority of whom are educated. Barbados, Jamaica and Trinidad/Tobago, to take just a few ACP examples, are countries where democratic alternation has been the rule since the 1960s. They are also countries where literacy rates are very high (90% in Barbados). It is a very different situation in Africa.

For people who are poor and illiterate, the temptation is consequently very great to regard democracy purely in terms of utility. If the new system delivers a noticeable improvement in living standards, they will support and defend it. If it does not, can we really be surprised if they view it as something which is alien to them? And it is this risk of rejection which underpins the arguments of those who support adapting democracy to African realities — so as to give it sure foundations.

Using the same line of reasoning, there must be the fear that the people will be prepared to accept limits on their freedom if their material needs are satisfied. This is one of the lessons that one can draw from the past experience of Côte d'Ivoire, Gabon and Malawi. For much of the period from the 1960s to the 1990s, these countries experienced steady growth. This was reflected in social stability which only began to crumble — albeit rapidly — when the government coffers emptied because of the economic crisis. Côte d'Ivoire and Gabon were in fact, the first countries in the period after the La Baule speech to face upheavals and to hold multi-party elections. Democratic aspirations may not entirely merge with economic ones, but they clearly intermingle to some extent.

It is interesting to speculate whether the experience of Lithuania may not hold some lessons for Africa. The people of this Baltic state recently elected the ex-communists — under whose earlier management, they had faced fewer hardships — in place of the 'champions' of democracy.

In this issue of *The Courier*, we seek the clues, if not the answers, to some of the main issues arising from the flowering of democracy in Africa. Two case studies are presented. In the Country Report on Zambia which precedes this Dossier, we look at an English-speaking state where power was transferred peacefully following elections — although since this Report was prepared, a state of emergency has been proclaimed which illustrates only too clearly the vulnerability of the democratic process. And at the end of the Dossier, we consider the case of Mali, a French-speaking country where blood had to be spilt before democracy could put down roots and where major difficulties have still to be overcome.○

Amadou TRAORE

The patterns of transition to democracy

by Tesfatsion MEDHANIE *

There is no uniformity in the way political change is occurring in Africa. The goal in all cases is democracy. But the mode or the process of the democratisation varies.

There is a marked difference between the Francophone and the Anglophone states as regards the mode of launching the process. As will be discussed later, the National Conference is the 'norm of re-democratisation' in the former, while in the latter constitutional revision and direct elections is the form.

Each African state — whether it is in the Francophone or the Anglophone zone — has its specific political history and 'unique internal dynamics'. These certainly affect the mode of launching, the transition and the outcome, thus distinguishing them to some extent from each other.

The intensity of the struggle for democracy is not the same in all the African states. This means, among other things, that in some states authoritarian regimes are able to preempt situations and entrench themselves, at least for some time.

Within every African state concerned the movement is not evenly spread. It does not encompass all communities and social groups to the same degree. For one thing, it is still concentrated in urban areas; rural communities are not yet significantly involved.

Patterns of transition

National Conferences:

This mode of transition, which has been termed 'the Jacobin model', is in the style of France's 18th century Estates General. Its theoretical elaboration is founded on a credo echoing the ideas of the French philosopher, Jean-Jacques Rousseau, that 'all power emanates from the general will of the people'.

The National Conference is a forum in which not only the political parties and elites but all of 'the country's social,

ethnic, economic, regional, religious and occupational groups' are represented. The aim is to launch a process that would subject the authoritarian leadership (if it is not removed) to the will of the people, and eventually to revise the constitution and hold 'fully fledged multi-party elections'.

It was Benin that set the example of transition through National Conferences. President Mathieu Kerekou was stripped of his powers but was granted full and irreversible amnesty.

As developed on the basis of the Beninois experience there are internal and external prerequisites for the success of National Conferences. In the case of Benin (i) *internally*, the financial and economic situation had collapsed. The elites and the components of civil society had not only defied the regime, but also demanded that a meeting be held which was *sovereign* and in which all the social and economic groups were represented; and (ii) *externally*, the regime was denied financial and other help until the sovereign meeting was held.

The conjunction of such internal and external factors enabled the consummation of National Conferences, which, as in the case of Benin, led to multi-party elections following a transitional government. In Benin, by the time elections were held, the old ruling party was dissolved.

In several Francophone countries, including Côte d'Ivoire, Gabon, and Togo, the National Conferences did not succeed fully. To some, these cases only show that the internal and external prerequisites were not fully met. But to others they only confirm that National Conferences are not as effective as they were initially thought to be. It is not easy to mobilise forces from the various social groups and hold National Conferences. Entrenched authoritarian regimes easily find time and space to frustrate the planned meeting and derail the process.

Constitutional revision and multi-party elections:

This is the model of transition in the Anglophone African states. It was first applied in Zambia, which became the pace-setter in Anglophone Africa in the

same way that Benin was in the Francophone states.

In this model a loose coalition of parties emerges, becoming the dominant — but not the sole — opposition force. Examples of such coalitions are the Movement for Multi-Party Democracy (MMD) in Zambia, and the Forum for Restoration of Democracy (FORD) in Kenya.

In Zambia such a coalition, the MMD, defeated the incumbent regime, which was constrained by internal and external pressures similar to those that had beleaguered Kerekou's government in Benin. The MMD made several demands including the holding of free elections attended by international observers. After some resistance Kaunda's regime agreed. The elections were held and won by the MMD.

In such a model the incumbent regime cooperates in the process risking its own ouster. But it cooperates more because of lack of choice than genuine conversion to the principles of democracy. Unlike in National Conferences, in such cases the old ruling party is not dissolved. Rather it continues to exist as an opposition, as Kaunda's party does in Zambia.

Peaceful transfer of power in elections:

This is one situation where a ruling party in a one-party state freely and willingly cooperates in holding elections risking its own defeat. The incumbent regime is not as authoritarian, unpopular and isolated as Kerekou's was in Benin and Kaunda's in Zambia. Such a smooth transfer occurred in Cape Verde, where the situation was different in some important ways from those in Benin and Zambia.

Cape Verde's socio-economic situation was better than most others in Africa even though the country lacks 'virtually any natural resources' and is a victim of 'continuous drought'. There were significant achievements in this small island state, whose population is more or less homogeneous. The economy was relatively sound with income per capita increasing. Quality of life had improved, life expectancy had increased and infant mortality had dropped. The country had even embarked on a reforestation programme to rehabilitate the ecology. There was much less corruption than in the rest of Africa. Furthermore, the society had a tradition of rule of law and functioning parliamentary and judicial systems.

In Cape Verde too, the situation, though not bad, was ripe for change. The

* Post-Graduate Programme on Third World Studies — University of Bremen, Germany. This abridged article is part of the report presented in November 1992 during the 16th annual meeting of the ACP-EEC Social Partners in Brussels.

people were eager to carry out a political transformation and 'reduce external dependency'. There was also international support for a transition to multi-party democracy. Hence, in a fairly conducted election, the ruling party was defeated and handed over power to the opposition.

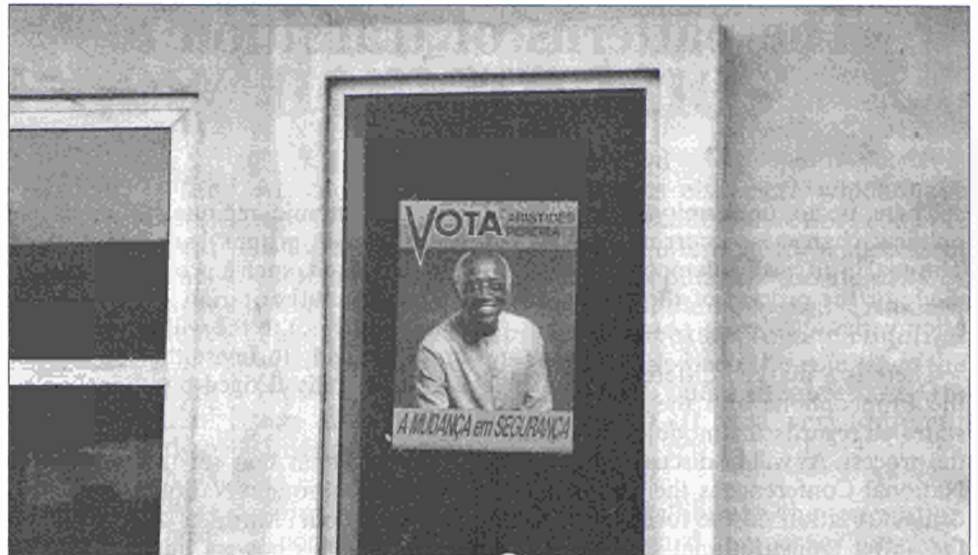
UN-assisted transition:

In this model, elections are held under the auspices of the United Nations. The sole example in the current process is Namibia, which attained its independence in 1990 following a multi-party election supervised by the United Nations Transition Assistance Group (UNTAG).

Namibia has proclaimed probably the most advanced constitution — and thus the most competent constitutional framework for multi-party democracy — in Africa. The constitution, which has been hailed as a 'model', is an epitome of conflict resolution, an outcome of a process of compromise — both internal and external. The Constituent Assembly which was set up following the elections comprised representatives of seven political parties. On the basis of the principle of Proportional Representation (PR) the parties were represented in the Assembly in proportion to the votes they received in the elections. As determined previously in the 1982 UN Security Council Document S/15287 (commonly known as the 1982 principles), motions on the drafting of the constitution could pass if supported by two-thirds of all the members of the Assembly. Each of the parties, including SWAPO (which had fewer than two-thirds of the seats) realised 'there was a need for a broad compromise'. After a 'wonderful give and take' the parties agreed on the contents of the constitution.

It is significant that each of the political parties involved, from the reformist or 'left-wing' SWAPO to the 'ultra-right' Action Christian National (ACN), had expressed reservations about the constitution; but still, in the spirit of compromise and national reconciliation, the Assembly adopted the constitution by acclamation.

The Namibian case benefited from the international situation which prevailed at the end of the 1980s. The thaw in the East/West confrontation had made possible a compromise between the US, the USSR, South Africa and Cuba concerning the implementation of Resolution 435 on Namibian independence.



Political poster of former President Aristides Pereira. Cape Verde was the first African country to organise a peaceful transfer of power after free elections

Transition following overthrow of a regime:

There are a few cases in which processes of democratisation are launched following the ouster of a regime by force. Mali and Ethiopia are two examples.

In Mali, popular discontent and demand for change erupted in early 1991. By order of the President, Moussa Traoré, measures were taken to crush the popular movement. But soon after this event some military officers staged a coup and arrested the president. Uniquely, the officers immediately started a process of effective transition to civilian rule. Multi-party elections were held in early 1992, resulting in the victory of the Alliance for Democracy in Mali (ADEMA), which now rules the country.

The case of Ethiopia is slightly different. A Transitional Council was established following the military defeat of the regime of Mengistu Haile Mariam. The Council, which comprises representatives of several organisations, is dominated by the Ethiopian People's Revolutionary Democratic Front (EPRDF), the armed movement that defeated the regime.

A National Conference held in Addis Ababa issued a Charter which is the supreme law for the transitional period. The Charter guarantees fundamental human, civil and political rights and has all the cardinal elements of a liberal democratic constitution. Freedom of expression and association are now realities in Ethiopia. The Charter also enunciated the principle of self-determination, recognising the right of any

nationality or ethnic group to determine its status, including the option to separate.

Ethiopia is making progress in political democracy, but it is also encountering severe problems as a result of power struggles and a politicisation of ethnicity — problems that sometimes appear to threaten its territorial integrity.

Cease-fire, multi-party elections and compromise:

This was a new pattern seen first in Angola. The Angola process was distinct in a few important ways: (i) A genuine multi-party election in which the party in power participated following a cease-fire; (ii) the parliamentary election, judged 'free and fair', was won by the incumbent (MPLA), which had been socialist-oriented for a long time. (iii) if there are going to be obstacles to the democratisation process they are more likely to come from the opposition than from the MPLA which, by almost all accounts has been cooperative in the process; (iv) efforts are being made to bring about compromise and understanding between the main protagonists in the Angola process. The MPLA declared its willingness to establish a coalition government even if it won the elections. The fact that there would be a run-off of the presidential election just because the MPLA received 49.5% and not 50% of the votes is itself a mark of compromise. (UNITA got only 40%.)

Limited and controlled democratisation from the top:

This is a process in which a regime in power presides over an election among

political parties of its own choice or even of its own creation. This approach to democratisation is being applied in Nigeria, where the regime has seen to it that only two parties are established — the Social Democratic Party and the National Republican Party. The former is described as 'a little to the left' and the latter 'a little to the right' of centre.

There is controversy about the process in Nigeria. Some describe it as a 'programming' of democracy from the top, suggesting that it is a genuine and realistic process of change. Others view it in effect as a pre-emptive device by the ruling elite. A few even focus on the control of the process by the regime and call it 'authoritarian democracy'. This characterisation sounds increasingly appropriate, especially in the light of the fact that the regime itself dissolved the leaderships of the two parties in late October 1992.

Nigeria's may be described as a situation which is half-way between democratisation and authoritarian retention of power. Other cases which can be categorised as such are those in Ghana and Uganda. But there are also other states — like Botswana and Senegal — which are usually referred to as multi-party democracies, but which are more of a blend of democracy and authoritarianism.

One-party-dominated multi-partyism:

This is the situation which obtains in Botswana and Senegal; it may also be what Tanzania is heading towards.

Botswana has important features of parliamentary democracy. For example there is some degree of freedom of association and of the press. And elections are held every five years. The problem seems to be that the opposition parties are 'not free to compete on equal terms with the ruling party' which has the monopoly of access to the media and other infrastructure necessary for political competition. In Senegal, the situation is similar. There are a few political parties, but the ruling party is by far the dominant one. Following the events in Benin, Senegal's ruling party has sought 'to build bridges' with the opposition and has taken steps towards a 'government of national union'.

Indemnity clause and multi-party elections:

This is the situation of Ghana, where for a long time, the government resisted the demand for democratisation. Given

the democratisation in several African countries and the pressure exerted by the economic and financial institutions, the government agreed to effect a transition to democracy. Political parties have now been legalised under the new constitution, which has been overwhelmingly approved in a referendum. A crucial provision in the constitution is the 'indemnity clause' which gives the incumbent regime, which has ruled Ghana for 11 years, amnesty for whatever crimes and abuses it may have committed. Besides, the constitution also makes it possible for the present leader, Jerry Rawlings, to run for the presidency as a civilian.



In Togo, where the democratic process came to a halt, this statue of President Eyadéma stood for a long time in the centre of the capital, Lomé

Blend of authoritarianism and 'participatory democracy':

This refers to the political system the government in Uganda is experimenting with. The government has not banned political parties. The parties still exist but they can 'function' only 'under restricted circumstances'. However, there are also structures for 'political participation'. These structures exist within the framework of the ruling National Resistance Movement (NRM), which actually controls them. They extend from the village level all the way to the highest body, the National Resistance Council. The elements of democracy in the Ugandan system comprise the 'preservation of personal freedoms' and 'popular participation'. Related to these are the government's efforts to realise 'national reconciliation and political stability'. The element of authoritarianism lies in the government's control of the structure and

its limitation of the extent to which the political parties can function. In this respect the regime is said to be similar to the government of Zimbabwe even though it does not claim or seek a 'complete political monopoly'.

The situations and patterns in Nigeria, Botswana (Senegal and Tanzania), Ghana and Uganda are half-way between authoritarianism and democratisation. But characterising them as such is not to underrate the significance of the positive in them. New political space is being opened up in these situations also, which is helpful.

Modes of resistance

Thus far, incumbent regimes have been resisting democratisation to varying degrees. A variety of modes or tactics can be identified:

Repression by force or intimidation:

In the initial phase of the democratisation wave, some African regimes, like Moussa Traoré's in Mali, resorted to open measures of military repression. A few regimes continue to use brute force against democratic opposition. Among them are the fundamentalist military regime in Khartoum, and to some extent, the regime in Malawi, which is still harassing and detaining leaders of the pro-democracy movement.

The fall of Moussa Traoré as well as the observed consequences of military resistance to change — as shown in Ethiopia, Somalia, and the Sudan — was a lesson to other regimes in Africa. Several have thus avoided the use of brute force, resorting instead to more subtle and calculated means of undermining or blunting the process of democratisation. And in order to accomplish this, they needed to appear supportive of democracy.

Pre-emptive elections or national conferences:

Some regimes have survived by exploiting the ill-preparedness and lack of organisation on the part of the opposition. Two such regimes are those in Côte d'Ivoire and in Gabon. The former hurriedly called for presidential and legislative elections before the opposition could organise itself and develop strategies. It won the election and hence, gave itself new legitimacy, at least in the formal sense. Likewise the Gabonese regime called for a National Conference when the opposition was still 'embryonic'. The Conference, which was not quite so-

vereign, decided on a multi-party system, but the President's powers were not 'affected ... in any way'. Elections were held subsequently and were won by the incumbent regime, whose status was even 'enhanced'.

Reversal of the democratisation process

A few regimes survived by reversing or halting the democratisation process. Examples are those of Togo and Algeria.

In Togo, the regime was on the verge of being ousted following a National Conference in which the president was deprived of some of his powers and elections were scheduled. But the president promptly acted through his supporters in the army and restored some of his powers and his party's legal status. He even brought pressure to bear on the interim legislature. Having blunted the process, the regime continues to stay in power.

In Algeria, democratisation was launched following the economic liberalisation of late 1988. A new constitution was adopted providing for multi-partyism and other political freedoms. Local elections and the first round of general elections were held in mid-1990 and late 1991 respectively. Both were won by the fundamentalist Islamic Salvation Front (FIS). Alarmed, the regime declared the second round of the general elections cancelled. It then proceeded to suppress the FIS, thus reversing the process of democratisation. This is not to suggest that Algeria would have been on the road to genuine democracy had the FIS become the government. The point here is only that the democratisation that was going on was halted and reversed.

Threat of election rigging

It is not difficult for ruling parties in Africa to rig elections. After all, the election officers are close to and appointed by the party in power. In a few cases the incumbent regimes appeared so determined to rig the election that opposition parties became discouraged. Several opposition parties have given up and withdrawn from the contest, which means the incumbents continue to stay in power. This was said to have happened, for example, in Cameroon. Surprisingly, the ruling party had already lost an election; it managed to stay in power only by establishing 'an alliance with an opposition group' in a nominally reconstituted government. Later, in October 1992 new national elections were

held and won by the incumbent regime. But opposition groups as well as international observers have insisted that the regime rigged the election; the former has asked for the cancellation of the election results.

Temporising

Some regimes hold on to power by temporising — i.e. procrastinating and delaying the process using one or other pretext. Their hope is that as time goes by, the pro-democracy challenge will 'dissipate'. An example of such a regime is that of Zaire. The President delays matters by concentrating on issues of preliminaries and 'dragging out the question of form'. In the meantime, he has worked hard to co-opt or neutralise some members of the opposition.

Situations of ethnic violence

Ethnic violence is rife in a number of African countries today. One of these countries is Kenya. The regime there had for a long time opposed multi-partyism, arguing that such a system is dangerous in a multi-ethnic society. Due to external pressure and increasing internal challenge, it finally agreed to allow political parties and hold elections eventually. But soon after the regime gave in, ethnic violence erupted in parts of the country where the opposition has some of its strongholds. As a result, people fled their homes, their usual places of residence, which means that they cannot be registered for voting. Many, especially those in the Kenyan opposition, suspect that the regime itself instigated the violence. Whatever the truth in this regard, the important point to note is that such situations are used in various ways to prolong the span of an incumbent regime. Two of the ways are: (i) the regime may declare a state of emergency to rationalise postponing the elections, thereby prolonging its stay in power; or (ii) it can hold elections when, in those regions it is not confident of winning, the people are still dispersed and cannot vote because they have not registered.

Manipulation of electoral law

The regimes in power easily manipulate electoral law to suit their aims. For example, they fix constituency boundaries and determine the laws on party organisation in ways favourable to them.

Fixing constituency boundaries is done in such a way as to give an advantage to the ruling party. For example, the section

of the country where the ruling party is strong will be divided into several constituencies, sometimes with each constituency having a very small population. Conversely, the parts of the country where the opposition is strong would be divided into a few constituencies (or just one constituency) even if it is heavily populated. In this way the ruling party gains more seats in parliament.

Definition of a party

One method is to leave the meaning of political party not clearly defined in the law. Any group of people, even a few friends or family members, could be organised and called a 'political party'. This means there can be a number of small entities that are in no sense viable and cannot really function as political parties. They are no threat to the regime in power, which uses them as 'evidence' of multipartyism, in the country. Some opposition groups in Botswana allege this is one of the methods the party in power uses.

Requirements the opposition cannot meet

According to journalists and the opposition movement in Kenya, this pattern of resistance is now being attempted by the regime there in a refined way. The regime has lately introduced a constitutional amendment bill. This bill requires that in order to be declared a winner in the presidential elections the candidate who receives the highest number of valid votes should also get 'a minimum' 25% of the votes in 'at least' five of the country's eight provinces. Critics argue this amendment is unfair to the opposition groups, who do not yet have the necessary infrastructure in various parts of the country. But the amendment would give the regime a clear advantage. Over the years the ruling party had established extensive machinery and networks for running its elections.

Opposition threatens civil war

This is a new pattern coming from Angola. One thing that makes it new is that it is the opposition (UNITA) and not the incumbent that seems poised to hamper democratisation. The UNITA leader threatened to go back to the bush and resume fighting, alleging fraud in the election, which, according to UN and other international observers, was largely free and fair. The fighting which has since erupted has brought the democratisation process to a halt. ○ T.M.

Africa in search of institutional revival*

by François VAN HOEK

From the independence period in the early 1960s until the mid-1970s, the practitioners and theorists of development swore by the theories, models and concepts of central planning and strong, centralised systems of government. Africa is still feeling the disastrous consequences of this blind application of ideas borrowed wholesale from other parts of the world with no concern for the specific realities of the continent itself.

Then, in the late 1970s, came the invasion of structural adjustment, with particular emphasis on reducing State involvement, political and economic liberation reigning supreme and the sacrosanct market economy set up, in the light of the principle of its comparative advantages. And with this movement, which was inspired by external forces in many cases, African politicians and theoreticians woke up to the fact that developing the continent meant completely changing domestic policies and structures to place the emphasis on democracy, good governance and participatory development.

So, internal and external factors set the scene for the sudden awakening of pressure for democracy in Africa today, with a mainly urban population anxious for a new political order. There has been a severe attack on the authoritarian regimes which took over most of the African countries with their single party systems and always attracted strong support at home and abroad by appearing as the means of overcoming ethnic and religious divisions and building up the nation. The present call for a complete overhaul of the organisation of the State and its relations with society can only be applauded by all those concerned with development. No country can achieve lasting development unless it has law and order, responsible, accountable leaders, room for the people to capitalise on their skills and express themselves freely and the right institutions, and strong ones too.

The importance of this last condition, one often lost sight of in the past, was brought home by Jacques Attali, Head of

the European Bank for Reconstruction and Development, recently, when he said that 'a democracy without institutions is anarchy and a market economy without institutions is a Mafia'. He was probably talking about the situation in Eastern Europe, of course, but, all things being equal, the golden rule applies to Africa today too. It is now clear that Africa has to have a new political, economic, social and institutional framework to manage its development process, but how should it go about obtaining it? Practical indications as to how to create a new institutional framework that will be efficient in the context of Africa are seriously wanting, although the pitfall of transplanting the principles and institutions of western democracy has always to be avoided. The past provides ample proof that grafts of this sort are not terribly efficient and more likely to be actively rejected as foreign bodies. But it is frightening to see just how little resistance the Africans put up to the idea of importing western models of democracy, constitutions and electoral procedures. So the present process of democratisation must be put back into the context of everything the African heritage has to offer with an attempt to strike a proper balance of tradition and modernity and native culture and foreign experience to shape genuinely African systems in which the people

can influence the political life of the nation and the region.

It is as well to beware of the current tendency to assimilate multi-party systems and democracy found among many of Africa's opposition parties and in the foreign agencies which are pressing the countries for reforms. Multiparty systems and competitive elections are neither a democratic panacea nor adequate guarantee of public affairs being run properly. An instrument as limited as the multiparty system is not enough to ensure a healthy political and democratic life. It is worth remembering that 'the single party system is not dead. It has merely multiplied', as one African commentator said recently. Rivalry and even violence between the members of different parties are already a feature of the new African 'democracies'. It is difficult to see how this can contribute to the vital development of the majority of a population which is now more concerned with having less repression, less arbitrariness and better basic services such as education, health and access to credit than with knowing that party X, Y or Z is in power in the capital.

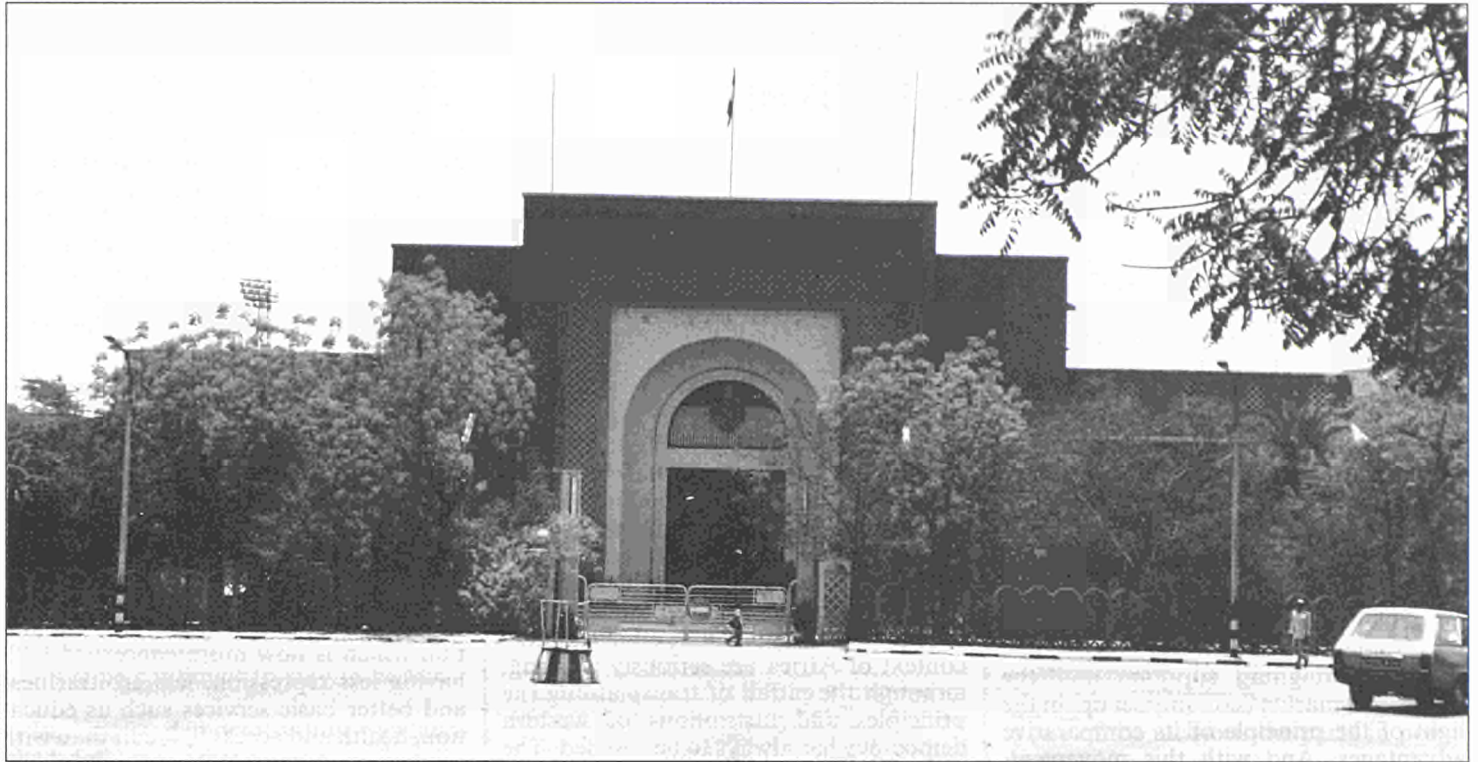
Rearguard fighting is common, as are attempts by the elite (and their potential successors, who are not necessarily a new generation of politicians) to impose the whole process of democratisation and reform or at least control it from above. This of course does nothing to help arouse or increase the interest of a large part of the population in public affairs and there is a risk of seeing democracy operate under a flag of convenience, with the African governments going through the motions of bowing to pro-democratic



L'Essor

'Multiparty systems and competitive elections (here in Mali) are not, a democratic panacea'

* This article owes a great deal to a similarly titled special study by the European Development Policy Management Centre in Maastricht (Netherlands) of which the author was the first Director-General. The special study is due to be published in French and English in March 1993.



Niger's National Assembly building

There can be no development without the appropriate — and strong — institutions

pressure at home and abroad, but failing to make the fundamental change to the rules of the game which is vital if they are to achieve a democratisation of conviction.

This, given the complications of managing the process of transition, will take time to achieve. Three decades of authoritarian regimes have created a gulf between State and society and there is no point in thinking that a great national conference or the legalisation of opposition parties will close it overnight. Developing what Olusegun Obasanjo calls a culture of democracy means, first and foremost, changing the outlook of both governments and governed and ensuring that everyone fully accepts the new rules of the game.

So when an author such as Etounga-Manguelle defends the idea that what Africa needs most for lasting democratisation is cultural adjustment, he is serious. The proof that the new institutional structures are efficient will only come when the people involved — and that includes women, young people, the rural population and the armed forces — manage to agree on the new roles of State and society and each is in a position to perform the new functions to the full, which means putting priority on literacy schemes and education at all levels. It means teaching the new political leaders to perceive the State's and their own jobs differently. It means teaching civil servants to relearn the basic principles of

State management and having a civil service that actually serves the people. And it means teaching the non-governmental operators to organise themselves better, to stop looking upon the State as an enemy and to see it as a partner in the common war on want and the common campaign for fair and lasting development. What Samir Amin calls today's canonisation of non-governmental organisations, as the only worthwhile agents of development, will not bring the partners in the development process any closer together. It is foolhardy to imagine that a host of NGOs operating outside a national political framework would be in a better position to solve Africa's present development problems.

That leaves two basic questions rarely raised in discussions of democratisation of Africa:

1) How viable a form of governance is democracy in a situation of economic and social decline with scant prospects of improvement in the short term? How conceivable is it to promote both structural adjustment with a high social cost and greater involvement of civil society in the formulation and implementation of development policies? The situation in some European countries suggests that a return to autarky can never be ruled out in conditions of this sort and that it does not take long for a population to stop believing in democracy. It can only be hoped that the poor African peasant, who

used to wonder: 'when will all this independence come to an end?' does not soon start asking: 'what is all this democratisation for?'

2) What part should the international community, never a neutral partner in the African development process, play? The international community facilitated, promoted even, the import of foreign structures and institutions for all the world as if precolonial Africa had no political, economic and social structures of its own. It propped up authoritarian regimes, considered to be strategic allies, for years, and then suddenly swerved to the defence of the democratic cause. If this is what it really wants, it must also set about creating the conditions that are vital if Africa is to develop in an ever more interdependent world. This does not just mean adapting and increasing aid. It also means taking a hard look at its relations with Africa in terms of trade, debt and the transfer of knowledge and technology. It is of course up to the Africans, above all, to define and set up their own democratic systems and structures, as indeed it is to get the process of development off the ground again.

But the international community can no longer be content to be the onlooker it was, well-intentioned of course, but also ready to impose conditions which rode roughshod over the realities of Africa and ignored all the time and money involved in this structural change to the continent. ○

F.V.H.

The future for the new democratic regimes

by Peter GAKUNU *

Today, in most African countries, there is increasing interest in the establishment of democratic regimes. There is a growing consensus that political leaders should be made accountable to the electorate. There is growing pressure to introduce democracy and restore human rights. In most African countries, autocratic governments have been forced to accept the idea that they should be seen to be safeguarding basic human rights and they are, therefore, releasing political prisoners, liberalising controls on the media, allowing for the establishment of opposition parties, organising and holding elections, tackling corruption and so on.

This rapid shift from autocratic to democratic thinking in the continent raises a number of questions. For example, what future is there for the new democratic regimes in Africa? Are the changes real and sustainable or are they simply another way of ensuring that desperate political leaders continue to cling to power?

The democratic banner in Africa is being raised by the common man, who is protesting and demanding political change, as well as by the press and other groups, including foreign governments, who are advocating good governance and improved government accountability in managing the resources of the country. The African people have shown their willingness to fight for democratic change; many have been tortured and even killed in the process. African rulers are converting to multi-party democracy and fair elections because they are under pressure from their own populations and face the threat that external interest groups and foreign governments will deny them financial and other assistance.

After independence, many African governments continued the autocratic rule which they had inherited from their colonial masters. This was necessary to preserve the nation. Independence and

self-determination had, in most cases, to be fought for and won. The new governments, composed in large part of persons incarcerated during the colonial period and, therefore, with no experience in government, were left to fend for themselves as best they could. The new leaders had to concoct ways to hold their states together and thereby remain in power: they declared their party the sole legal political party in the country and either co-opted or banned opposition groups. They arrested and detained their opponents without trial for protracted periods. The new governments took over or disbanded associations that had operated independently. The parliament was relegated to rubber-stamping presidential decrees and cabinet decisions. Cabinet appointments were based on an individual's obsequiousness to the ruling party and its president. The independence of the judiciary was often compromised. The government nationalised the media as a means of enhancing its propaganda and controlling information that was disseminated to the public. Once political power was centralised, economic power became concentrated in the hands of a few ministers, friends and relatives of the president. Africa's autocrats exercised absolute power and ruled by patronage and repression. The concentration of political and economic power provided them with resources (government appointments, lucrative contracts, import and export licenses, detention, imprisonment, forced exile, assassination, harassment, etc.) either to buy supporters or to silence opponents. The armed forces, the police and the rest of the law enforcement apparatus were blended into the ruling party's machinery and were used ruthlessly to crush any dissent.

Government bureaucracies grew incompetent and spawned massive corruption and inefficiency. The productive sector was sacrificed, the education system undermined and the emerging middle class forced into exile in search of better opportunities elsewhere. Foreign governments and investors, realising that the only way they could participate in the economic activity of the country was by

having access to those associated with people in power, encouraged and courted the autocrats.

Because political and economic power was concentrated in the hands of a few, foreign governments shied away from their responsibility of ensuring that resources given or lent to these countries were properly utilised. Foreign firms, concerned with protecting their business interests, offered bribes and other kick-backs to the ruling elite. Consequently, these autocratic regimes, realising that they wielded absolute power, legitimised their corrupt practices.

Economic activity either ceased or reverted to the parallel market for quick returns. Economic stagnation at home and a collapse in export prices led to an acute shortage of foreign exchange. Foreign governments and interested groups, realising the depressing effects that the policies pursued by these regimes were having on the people, began to demand minimum safeguards on the utilisation of the financial assistance given. The Bretton Woods institutions (the International Monetary Fund and the World Bank) imposed stabilisation and structural adjustment conditions on most African governments, requiring them to dismantle state-owned enterprises and rationalise government expenditure, forcing them in the process to acknowledge their past mistakes.

As the economic situation of these countries worsened, public discontent mounted. A shortage of government revenue undermined the ability of the regimes to buy support through patronage. Problems of governance and political instability came to the fore. The legitimacy of the 'African dictator' was profoundly undermined.

Perhaps the most dramatic influence for the wind of change now blowing across the African continent has been the realisation that it was 'people pressure' which brought about political change, even in the face of repressive authoritarian regimes, in Eastern and Central Europe and the former Soviet Union. Also, the realisation that rulers who had used the army or internal security apparatus violently to repress pressures for political reform had spurred more determined opposition, which had led to their own downfall, may have influenced African autocrats to agree to change.

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DOSSIER

Entrenched autocrats are struggling to maintain their untenable positions in the face of very stiff domestic and external pressure for change. Opposition groups, even though extremely divided, have considerable support. Popular demand for change has been fuelled by continued economic stagnation and decline, by the failure of government to reverse the situation, and by its failure to accede to the demands of the people for greater accountability.

Like most of their predecessors, the new political parties have formed around an individual, often a former leader who might have fallen from grace with the ruling party. Most of these parties have emerged along ethnic lines and are united only by their determined opposition to the poor record of the ruling party. They are, in most cases, weak because they have no access to the existing media, which are controlled by the ruling party. They are poor because they have no access to government funding and, therefore, depend solely on unpaid volunteers. They are inexperienced in politics, lacking grassroots organisation and leadership — a reflection of the fact that they were banned until very recently.

Interest groups are quite new, without experience or influence. A free and experienced press is also lacking since it had either been nationalised or banned altogether, or because the investment, both human and financial, necessary for setting up viable media organisations can only be undertaken with assistance from the government. An independent judiciary and an effective legislature and civil service will also need to be developed and strengthened. Under autocratic rule, these institutions only served the ruling party. One of the difficulties that has to be resolved now that the democratic process has been established is to define a role for the opposition in parliament and for the existing administration and civil service. A further difficulty is the absence of a political culture tolerant of an effective democracy.

Many of the preconditions necessary for an effective democracy, including widespread literacy, a high level of *per capita* income, a sizable middle class, a vibrant and organised civil society, strong independent public institutions, nationally-based political parties with viable programmes and a political culture of tolerance, debate and compromise, are

lacking in Africa today. Since these conditions are not in place, what is the future for the new democratic regimes?

In cases where fair elections have been allowed to take place, with one of the parties winning a respectable majority and a viable, albeit inexperienced, opposition, it can be reasonably argued that the necessary conditions for stabilising democracy exist. Political institutions should grow in experience and strength. In the African context, a number of countries have just one ethnic grouping but a large number of others comprise a multitude of ethnic groups with different languages and traditions. In a situation where the opposition wins, the sustainability of democracy depends on the quality of political leadership and on the relationship forged with the main grouping that volunteered their support. In this case, political institutions should grow in strength and experience as the new parties are allowed to expand their grassroots membership and the media are allowed to play a more neutral role. The success of the regimes in these scenarios, however, will depend on their ability to develop and present economic programmes acceptable to the electorate and to external financial donors.

Where governments continue to resist reform, domestic and external pressure for change is likely to persist and remain strong.

New democracies in Africa, arising either from old alliances or from newer ones, should avoid confrontation with their supporters. Failure to do so could undermine the foundation on which their coalition is based and thereby result in an entrenchment of old dictators or in their replacement with new autocrats. In other cases, a confrontational approach could result in a proliferation of political parties and render the government totally ineffective.

In recent years, governments of developed countries have decided that aid should be given only in cases where the local regimes have demonstrated good governance, a good record in upholding the protection of basic human rights, improved accountability in managing national resources and greater tolerance of the opposition as well as having embarked upon democratic reforms. The emergence of opposition political parties in Africa and the change towards more tolerant and democratic regimes have



The rapid shift from autocratic to democratic thinking raises a number of questions: are the changes real and sustainable or are they simply another way of ensuring that desperate political leaders continue to cling to power?

L'Essor



In most countries undergoing democratic change, foreign earnings are at their lowest ever levels as commodity prices plummet and remain depressed

come about because western governments have given the impression that once African governments had successfully embarked upon such reforms, restoring basic human rights and undertaking structural reforms, financial and technical assistance previously withheld would start to flow again. Most African governments have, therefore, either been forced, or have willingly agreed, to embark upon the path of democratic change because they expected that they would be generously rewarded or at least compensated for their efforts towards sustained democratic reforms.

Western governments and aid donors in general, including even non-governmental organisations, have tended to use aid as a sword of Damocles, to coerce recalcitrant African governments into introducing political, social and economic change. The impression was created that once democracy and human rights were seen to have been established, there would immediately follow a greater flow of financial resources and an alleviation of the debt burden. It was also supposed that, with democratic reforms, African countries would be transformed overnight. Corruption would be eliminated, and these countries would immediately become magnets, attracting foreign assistance and investment.

Regrettably, the advent of democratic regimes in Africa, while ushering in greater accountability by government, has not been accompanied by increased government revenues, either from in-

creased foreign assistance or from improved domestic savings. The African peoples, having fought for democratic change, are now called upon again to pay, at times with their lives, as many of them are now faced with natural calamities and human suffering at unprecedented levels.

Faced with growing unpopularity during the transitional period leading to democratic rule, governments have failed to maintain the rule of law. Indeed, in some cases, they fomented social and political unrest, either to avoid further unpopularity or because they felt that this would be one of the ways in which to undermine the credibility and popularity of the opposition. Most African governments, in their zeal to buy political support, overprinted money without the authorisation of the central banks, contrary to defined monetary and fiscal policies and in direct contradiction with existing structural adjustment programmes agreed to with donor institutions and governments. Available resources were diverted away from genuine needs such as health care and education, export support and promotion and from other productive activities of the economy to buying political patronage and blackmailing opposition groups.

During this period of uncertainty, when African autocrats were not sure of their future, a lot of damage was done to the economic and social structures in most countries undergoing democratic change and this has been inherited by the new democratic regimes. In cases where

the process of democratic reform took a long time, the damage to the economy and, therefore, to the welfare of the people, has been considerable. In short, the economic and social development of these countries has been set back by several decades. In the meantime, foreign investment, both from governments and from other institutions, including private investment, has dried up or remains frozen. Thus, it is now at levels well below those that prevailed during autocratic rule and during the transitional period, and it shows no signs of improving in the foreseeable future. Earnings from commodities, the major source of foreign exchange for most African countries, are at their lowest ever levels as commodity prices plummet and remain depressed. Efforts to renegotiate commodity agreements to boost prices have been frustrated by the reluctance of the governments of developed countries to accept agreements with economic clauses. The problems of indebtedness continue to haunt the new regimes. More conditions are being attached to aid, while stringent and unpopular structural adjustment programmes remain fully in force. Economic and social ruin arising from mismanagement by autocratic regimes thrown out by 'people power' through the ballot box has now become the responsibility of the newly elected democratic regimes.

The new governments, faced with this cruel dilemma and constrained by the inadequacy of resources at their disposal, have now become as unpopular as their predecessors. The success of democracy in Africa will, therefore, depend in large measure on international developments and on the ability of the new democracies to keep the promises that they have made to their electorates. Advocates of democratic reform in Africa (western governments, international financial institutions and pressure groups) must ensure that these fledgling democracies are successful so that they can be cited as examples worthy of emulation for other countries intending to embark on democratic reform. Otherwise, Africa will witness a return, either to autocratic, repressive and corrupt regimes or to military rule. However, to the extent that democracy has brought greater awareness about the rights of the individual and assuming continued external support for change, democratic regimes will survive. ○ P.G.

Applying the solutions of the 21st century to 10th century problems

by Josep Enrique PONS-GRAU *

Over the last few years the world has witnessed a series of democratic developments in developing countries, particularly on the African continent.

It already seems to have become a cliché to refer to the fall of the Berlin Wall and the consequent end of the Cold War when attempting to account for these new processes. *Realpolitik* was an accomplice to dictatorships, corruption and the sale of weapons of mass destruction; in short, it turned a blind eye to human rights violations worldwide.

Most international forums have seen the opening of a political debate on democracy, human rights and development. In some of those forums, however, the traditional rather hypocritical and misleading arguments persist. Some countries, too, particularly the traditional donors in the industrialized North, have been two-faced in their utterances while pretending to harbour only the best of intentions. At all events, there is a strand of public opinion in the donor countries which seeks to justify their traditional lack of interest in a genuine development cooperation policy by invoking the defence of human rights. This is a dangerous time for countries receiving aid, now that the onus has shifted from covering up a threadbare cooperation policy to justifying it under the much more progressive guise of defending human rights.

At the present stage of international economic and political relations, the capital markets are aware that a higher and faster rate of profitability can be achieved more easily if trade flows shift to countries in the eastern part of Europe, which has in fact been transformed into a political and economic South.

On the other hand, many well-intentioned people in northern countries are genuinely sick and tired of the fact that aid funded from their taxes fails to

bear fruit in the beneficiary countries and that it serves in many to prop up dictatorships that are economically ostentatious and politically bloody. In the worst cases, which are all too common, a large percentage of the finance provided is paid into bank accounts in the traditional tax havens, leading to a drain on the hard currency which is so necessary in the beneficiary countries.

Moreover, we are now seeing a change in attitudes in many of the traditional donor countries, where the feeling of guilt which used to motivate people to make penance for the past is in the process of disappearing. Equally, while it is generally agreed that there is no more fertile breeding ground for dictatorships than poverty, this cannot be taken as a permanent excuse for failure to respect human rights. No political leader today can continue to see himself as the owner of his people's sufferings and exploit them to block human development.

Quite apart from the above reasons and opinions, which are justified to differing extents, one thing is clear; the system of development cooperation and all its political and economic offshoots as they have developed hitherto have not been equal to the task of meeting the needs of the poor, and positive results — apart from a number of isolated cases — are notable by their absence. There needs to be a change of direction in commercial, cultural and political relations. There is a vital need for determined action from within the beneficiary countries to avoid a situation in which others impose reform from outside. This explains why — to venture a little optimism — we have recently witnessed a number of democratic changes in developing countries. Clearly, the right of each country to carry out the necessary changes in accordance with its culture, tradition and individual character is a principle which must be defended through thick and thin. In other words, we must abandon the universalising model of democracy and, of course, the Eurocentric and ethnocentric variant thereof. We therefore ad-

vocate an anthropological dimension to democracy not rooted solely in an economic model.

We cannot use talk of good governance, the rule of law and corruption as an excuse for abandoning cooperation with needy countries. We cannot speak of democracy in African countries while the institutions set up under the Bretton Woods agreement impose certain measures on governments as a *sine qua non* for economic recovery. These economic conditions are diametrically opposed to the basic needs of the economies of African countries.

The challenge for the 1990s and forthcoming decades will be to reconcile modernity with tradition, but a bridge must be created if the solutions of the 21st century are to be correctly applied to 10th century problems.

Deepening the Treaty of Maastricht

The Community institutions (Parliament, the Commission, the Council and the Economic and Social Committee) have definite views on the issue of democracy and human rights. Admittedly, a number of questions which will play an important role when it comes to applying corrective measures — 'who, how and when' — have yet to be considered in detail. At all events, it seems to us that Community policy could be more coherent and determined than has been the case hitherto with some of the main bilateral policies in this cooperation field. The disparity between bilateral and Community policy is evidence of incoherence and political short-sightedness, and it does not escape the notice of European citizens that their governments are motivated by utterly outdated geopolitical or strategic interests.

Maastricht must serve as a point of departure for a genuine common foreign and security policy including development cooperation issues. If fundamental divergences between the two policy areas persist, not only in the field of development cooperation but also in that of human rights and democracy, we shall continue to fuel contradictions and encourage the rise of tyrannical dictatorships.

The principle of subsidiarity cannot be interpreted in such a way that Brussels is responsible for implementing impossible

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UNHCR

'The challenge for the 1990s and forthcoming decades will be to reconcile modernity with tradition'

or unpopular policies (negative or restrictive measures in the field of cooperation) while the Twelve pursue the policies which best suit their currencies, banks, stock markets or enterprises. This is the great challenge with which the 1996 Intergovernmental Conference will present us.

We must, furthermore, deepen dialogue between the countries of the North and the South in order to change many of the outdated ideas underlying an antiquated system of international law. Certain components of a new system of international law, such as the right to peaceful and democratic intervention, must be examined in detail to enable the democratic concerns of North and South alike to circulate freely beyond the frontiers of each.

The new hopes for democracy and human rights which have been emerging recently must be reflected in political agreements and commitments of a new type, based on the revision and reformulation of agreements derived from the colonial past. Third-generation agreements containing clear specifications on human rights cannot co-exist within the European Community with first-gener-

ation agreements which take an ambiguous stance on the issue and which date back beyond the Berlin Wall era.

Whilst the European Community cannot fight the good fight on its own, it can and must make itself heard with a single voice in other organisations, particularly the UN. This represents a new challenge to innovate, reform and improve existing structures to enable them to adapt to the prodigious economic, social and cultural changes which have taken place in other continents. Solidarity cannot continue to operate in one direction only; many other countries which have been neglected hitherto are knocking at our doors.

We must lay the foundations for and continue to stress the need for genuine worldwide economic democracy. Let us start by condemning any element of obligation in the allocation of the economic roles hitherto imposed on each country or group of countries. We must champion the implementation of genuinely cohesive regional policies. How long will international economic and monetary institutions continue to determine the economic policy of sovereign countries without taking into account either their views or their interests?

We must continue to stress the need to establish a cultural democracy which will oppose cultural norms and standards foreign to the development of the countries concerned. Cultural and religious extremism cannot be viewed as offering hope to betrayed and manipulated peoples.

We would stress that political democracy, which must embrace the characteristics peculiar to each people or region, must be based on scrupulous respect for the rule of law. We know that while it is difficult to define democracy, it is easy to prostitute it. Democracy exists when the inhabitants of the country concerned experience it day-by-day and minute by minute.

In order to achieve these three forms of democracy, in the economic, cultural and political spheres, far-reaching reform of existing international institutions will be required, from the most universal — such as the United Nations — to the most specific — such as these derived from the Lomé Convention. This is the challenge facing the European Community. Its achievements will determine in no small measure the name and role which it decides to give itself. ○ J.E.P.-G.

Democracy and structural adjustment in Africa

by Bernard PETIT *

The African scene is dominated by two powerful ideas — the transition to democracy and the notion that economic reforms must be undertaken or pursued.

Economic reform, which began to be put into effect and attract support from external funders in the early 1980s, is a *sine qua non* of a return to growth in most of the countries concerned. Yet since deficits have to be reduced and imbalances righted, reform means bringing in measures to shrink demand, which may, and usually do, entail high social costs.

Human rights and democratisation, the vital underpinning of lasting, sustainable development, are changing African societies and plunging the continent into a new phase in its history.

These parallel trends are welcome, of course, but it must also be realised that running economic and political reform simultaneously poses difficult problems and is one of the major challenges for the African States and their external partners in the world today.

Why a challenge?

Because the opening to democracy has of course aroused enthusiasm among people who, in many cases, have been oppressed by authoritarian regimes, but also aroused great economic expectations. The 'forces in society' clearly expect a democratic process to make visible and rapid changes to their state of economic wellbeing.

But democracy itself does not bring growth. That should be the job of the structural adjustment process. Unfortunately, however, structural adjustment, with its trail of hardship and austerity and its slow-acting effects on growth, is ill suited to meeting the immediate expectations born in the transition to democracy, for there may well be a negative correlation between democratisation and

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economic reform programmes, in the short term at least.

Experience seems to suggest that, when it comes to enforcing programmes of reform, authoritarian regimes have more means of coercion available to them than democratic ones, which have to engage in dialogue with the other forces at work in the economy and society and cope with a free press, the right to demonstrate, the right to strike and so on.

The best-known example here is of course the Chilean 'success story', or the unadulterated form of adjustment devised by the economists of the Chicago school (who were unencumbered by either social claims or pressure groups), and which had such impressive results in terms of growth under the Pinochet regime — although those who were poor before Pinochet were still poor afterwards.

In fact, the dialogue which starts up under a democratic system — and it is absolutely vital that that dialogue should take place — is the very essence of what is

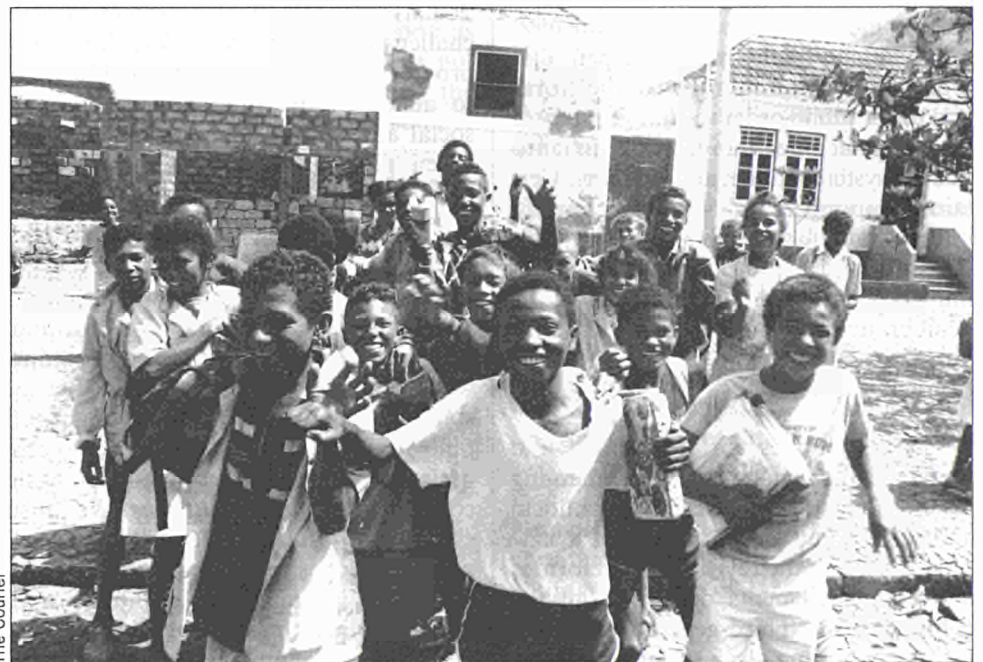
usually termed the internalisation of programmes of reform.

But if this dialogue coincides with what can easily be a fragile process of democratisation, it is bound to mean some degree of adaptation (particularly in terms of taking reform measures in stages and the need to take maximum account of their economic and social effects), which will take the country out of its adjustment process for a time or at least prevent it from fully meeting the performance criteria agreed on with its external partners.

In situations of this kind, its partners, and the Bretton Woods Institutions especially, tend to suspend or completely withdraw their financial support.

The State in question, now without the financing it needs to carry out the agreed reforms, sees arrears piling up and deficits mounting and ultimately abandons the structural adjustment programme, thus opening the way to inexorable economic decline, general discontent in society when expectations are no longer met and a serious threat to the stability and democratic viability of the State. This is an open door for the return of the authoritarian system and the countless excesses it brings with it.

This disaster scenario may be something of a caricature, but there are signs, here and there, of the transition to



The Courier

The end of the school day in Cape Verde

Structural adjustment programmes have often put severe strain on education budgets

democracy losing ground or grinding to a halt altogether as the economic situation in the countries in question declines. In a democratisation process, there is a very

fine line between the need to run growth-generating economic reforms and the demands which express the legitimate aspirations of the people.

Governments must, in fact, constantly adapt to the economic logic of structural adjustment programmes and the political logic of democratisation processes and reconcile the demands of their constituencies at home (the voters) with the demands of their constituencies abroad (the funders) ².

Lomé IV support for structural adjustment

With Lomé IV, the Community began providing support for structural adjustment in the ACP States. Specific resources in the form of grants (ECU 1150 million under the first financial protocol of the Convention) are available for this and they may, where appropriate, be added to from the national indicative programme of the country concerned.

The Community hopes to use this money to give a better differentiated, more pragmatic and more human face to adjustment. The six main concerns are:

— **the internationalisation of adjustment programmes**, which have to be designed and formulated by the leaders of the countries in question — a *sine qua non* of their viability;

— **priority to long-term development aims**. Stabilisation and adjustment policies must serve to back up the individual State's development aims and drives and not threaten its development priorities (development of human resources, food security, environmental protection etc.);

— **differentiated programmes**, which must be geared to local situations and the special features and constraints of each country;

— **a realistic, modulated rate of implementation that is geared to local potential**. If necessary, adjustment programmes covering a longer period can be set up, to allow for step-by-step adaptation;

— **incorporation of the social dimension from the start**. The purpose of adjustment must not just be growth. Fairness and social justice are also important and special attention should be paid to the most vulnerable categories, in particular by ensuring that government social spending can be maintained;

— **full consideration of the regional dimension of adjustment**, so as to avoid measures implemented nationally without the proper coordination causing serious disruption and distortion that are difficult to overcome at regional level. The problem of structural adjust-

ment is closely linked to regional integration and the interaction between the two should be taken into account so that adjustment and integration are mutually reinforcing processes.

In 1991, 38 countries were potentially eligible for structural adjustment support and were able to draw on resources from the first allocation provided for 1991-92 (ECU 460 million). By 31 December 1992, ECU 305 million (66%) of this amount were committed and ECU 198 million (43%) spent. It is mainly because many governments find it difficult to be serious about getting reforms going and abiding by the special conditions negotiated for Community support that this first allocation was not all spent.

A new system was brought in for the second allocation (1993-94) with the idea of matching available resources to the needs and performances of the countries.

At the end of 1992, 14 countries ¹ — Benin, Burkina Faso, Dominica, the Dominican Republic, Ethiopia, Gambia, Ghana, Mali, Mauritania, Papua-New-Guinea, Tanzania, Uganda, Zambia and Zimbabwe — qualified for financial support from the second allocation right at the beginning of 1993. Manuel Marín has told their Heads of State how much they can expect the Community to contribute towards support for their adjustment processes over this period. The full amount, ECU 417.5 million, will be adapted to reflect actual needs during 1994.

All the other countries will be notified of the amount of resources necessary (provided they press on with their structural adjustment) as soon as financing requirements stop being covered by the previous allocation and a new financial proposal therefore has to be prepared.

¹ Seven of them — Benin, Burkina Faso, Ghana, Ethiopia, Mali, Mauritania and Gambia — are moving to democracy.

A democratic approach should of course not be an excuse for displaying a high degree of economic laxity or allowing a government team to 'buy' its support or legitimacy with the wholesale granting of each and every exaggerated corporate or other claim, often from urban social groups and leading to demagogic policies which reject the reforms of substance that would reverse economic decline.

At the same time, however, it would be wrong for beneficiary States' external partners to ignore this democratic dimension, a feature of which should be that it prompts the international donor community to be more pragmatic and display more political sense, particularly when it comes to the rate and progressiveness of the projected reforms.

Above all, the democratic dimension should lead the Bretton Wood Institutions to seek a dialogue and look for systematic coordination with the State and the donor concerned, in order to see whether the mistakes and slippages which occur in implementing the reform actually threaten the economic viability of the structural adjustment process; before they somewhat mechanically withdraw financial support.

When the time is right, the Community will take the necessary steps to ensure that the donors involved maintain the continuity and coherence of the framework of support for the reforms under way in the States concerned.

The external partners of countries engaged in both a move to democracy and structural adjustment must be aware of the considerable danger and serious political responsibility involved in being excessively and sometimes unrealistically harsh in their perception of economic reform and thereby threatening a fragile democratic process and opening the door to the return of the previous regimes and all their excesses. ○

B.P.

² Thandika Mkandawire, Dakar, November 1992.

Community support for setting up and strengthening democracies

by Hans SMIDA *

Development cooperation must promote democracy

The Community's support for the democratisation processes in Africa is a practical illustration of its determination to make the promotion of human rights and democracy one of the linchpins of its development cooperation policy.

This is the logical conclusion of recognising the fact that human rights and democratic principles are vital to fair, balanced and sustainable development. Statements, resolutions and conclusions produced by the various Community bodies over the past few years have highlighted the importance of this recognition and made it clear that the demands arising from it are one of the cornerstones of cooperation and of the Community's relations with the developing countries.

It is indeed the importance of the link between human rights and participatory development focused on man himself that is behind the principles and objectives of the cooperation which the Community and the ACP States have agreed on in Lomé IV (Article 5).

The idea that development cooperation policy should put more emphasis on human rights and democracy took practical shape in the Treaty on European Union signed in Maastricht, which makes one of the aims of Community policy in this field to develop and consolidate democracy and the rule of law, human rights and fundamental freedoms. The Council of Development Ministers' recent statement (18 November 1992) on aspects of development cooperation for the year 2000 brought further confirmation of this in asserting that the development programmes of Community and Member States alike had to pursue these aims.

Resolution of November 1991 and priority for the positive approach

The 28 November 1991 Resolution on human rights, democracy and development is of course still the reference text in the field, as it lays down specific policies, procedures and lines of action. It is also important because in it, for the first time,

the Community and the Member States expressly recognise the need for a common, consistent approach in this area.

The November 1991 Resolution suggests giving high priority to a positive approach which will promote and encourage the establishment and strengthening of democracy in the developing nations, although it also makes it clear that the Community may react to any serious hiatus in the democratic process and even suspend cooperation if this is appropriate (as in the event of serious and persistent violations of human rights, obviously). The most important thing is therefore to set up and maintain an open, constructive dialogue with the governments of the developing nations. Practical steps should also be taken to provide active support for countries setting out on the path to democracy and, therefore, for their efforts to do such things as hold elections, create new, democratic institutions and consolidate the rule of law.

Another very important thing is for developing countries which are making positive, substantial changes on the

democracy-human rights front to receive extra Community aid.

When governments and NGOs run proper schemes to promote democracy in the developing world, they must be given the right financial assistance by the Community — and that is why the November 1991 Resolution stresses the need for an increase in the resources earmarked for this to be envisaged, in so far as the general development budget will allow, so that the Community can support operations designed to encourage the democratic process (and promote human rights and good governance) in the developing countries.

Positive action — means and priorities

It is with this in mind that, in addition to the series of changes and improvements to the use of existing resources, a new heading to cover support for schemes to promote human rights and democracy in the developing world was included in the budget last year. There was ECU 10 million for this budget heading in 1992 (most of which, as will emerge below, went towards supporting the democratisation process in Africa) and there will be ECU 16 million in commitment appropriations in 1993.



The Community intends to give preference to schemes which will have a lasting effect when it comes to development and human rights and democracy

* Director of development policy, DG VIII, EC Commission

Community support for positive schemes of this sort in the developing nations should also be entitled to draw on the general financial and technical cooperation funds (EDF, counterpart funds etc.) in addition to the resources under specific budget headings.

Combined, complementary use of these two types of financial instruments seems the proper course to take, particularly since the amounts available under the specific budget headings are often fairly limited.

The promotion of democratisation (and human rights) in the developing countries is one of the essential aims of our development aid policy, so we must go for a constructive and efficient approach, not just in specific and one-off schemes run with the various sources of financing available, but in the design and implementation of the Community's development cooperation projects and programmes.

As part of the positive approach, the Community intends to give preference to schemes which are basically essential to sustainable development. The key is for every operation to generate lasting effects when it comes to development and human rights and democracy.

In addition to the heavy priority given to strengthening the democratic bases of society, establishing a state based on the rule of law and encouraging good governance, special attention has also been paid to schemes to support the transition to democracy which has recently been and still is under way in a number of developing countries, especially in Africa.

In the short term, and because it received specific requests for help, the Community had no choice but to give support for the preparation and running of a whole series of elections, since it saw these formal political processes as the first practical expression of a desire for change and, therefore, as the first essential step towards more lasting democratic change.

Support for democratic processes

In 1992, then, the Commission decided to commit some ECU 6 million of the resources earmarked for support (through the provision of material and technical assistance and by means of prior or flanking measures) for human rights and democracy schemes in the developing countries, to help with the preparation, organisation or conduct of

elections in a whole series of countries in sub-Saharan Africa (Angola, Madagascar, Senegal, Mauritania, Burkina Faso, Lesotho,² Guinea, Ghana, Namibia, Kenya, the CAR, Mozambique and others).

In some cases, it was also decided to finance this type of support scheme through the development cooperation funds — using about ECU 6.7 million from the EDF national indicative programmes and about ECU 3.5 million in counterpart funds — either in addition to the special budget heading already mentioned (Angola, Madagascar, Senegal, Lesotho etc.) or as the only source of financing (Togo, Mali, Gabon and Zaire).

These various election support schemes were of course undertaken in close coordination with the Member States and the main funders.

Although at this stage it is fairly difficult (and in some cases premature) to draw final conclusions as to the practical effect of each of these schemes, it is nonetheless important to realise that the Community contribution has had a fairly important part to play in most of the countries concerned.

Difficulties and the risk of backsliding

It is well known that the results of the drive to start the move to democracy in some African countries have not lived up to expectations, despite initial hopes, and that there have been serious hold-ups and even a risk of backsliding, with opposition parties questioning the honesty of the count, reports of massive irregularity and fraud, refusal to accept the outcome of the polls, persecution and suppression of opposition supporters, the use of force and fresh take-overs by leaders representing the old political and ethnically based structures, a return to armed confrontation and so on.

Events that have given cause for concern in Angola, Cameroon, Kenya, Ghana, Zaire and elsewhere reveal the scale of the difficulties which various African countries have to tackle if they are to make a successful start on a proper democratisation process.

Generally speaking, the conclusion is that there is more to it than voting. The count has to be honest, the results have to be accepted with a good grace and the majority has to respect the rights of the minority.

A look at Angola, Cameroon and all other countries in the same situation should at least lead us to the conclusion that the future of the democratic process in Africa has less to do with what happens at the elections than with what agreements are put together afterwards and, most importantly, with the pre-existing balance of power.

This is a bitter lesson to learn, and an old one, but unless people actually learn it, it is likely to crop up again in other countries (the CAR or Mozambique, for example) where general elections are on the drawing board.

The difficulties and dangers of backsliding to be seen in various countries prove that, although the commitment to democracy which has taken hold of the continent of Africa over the past two or three years is by no means running out of steam, the path to democracy will be a far more tortuous one than was originally thought.

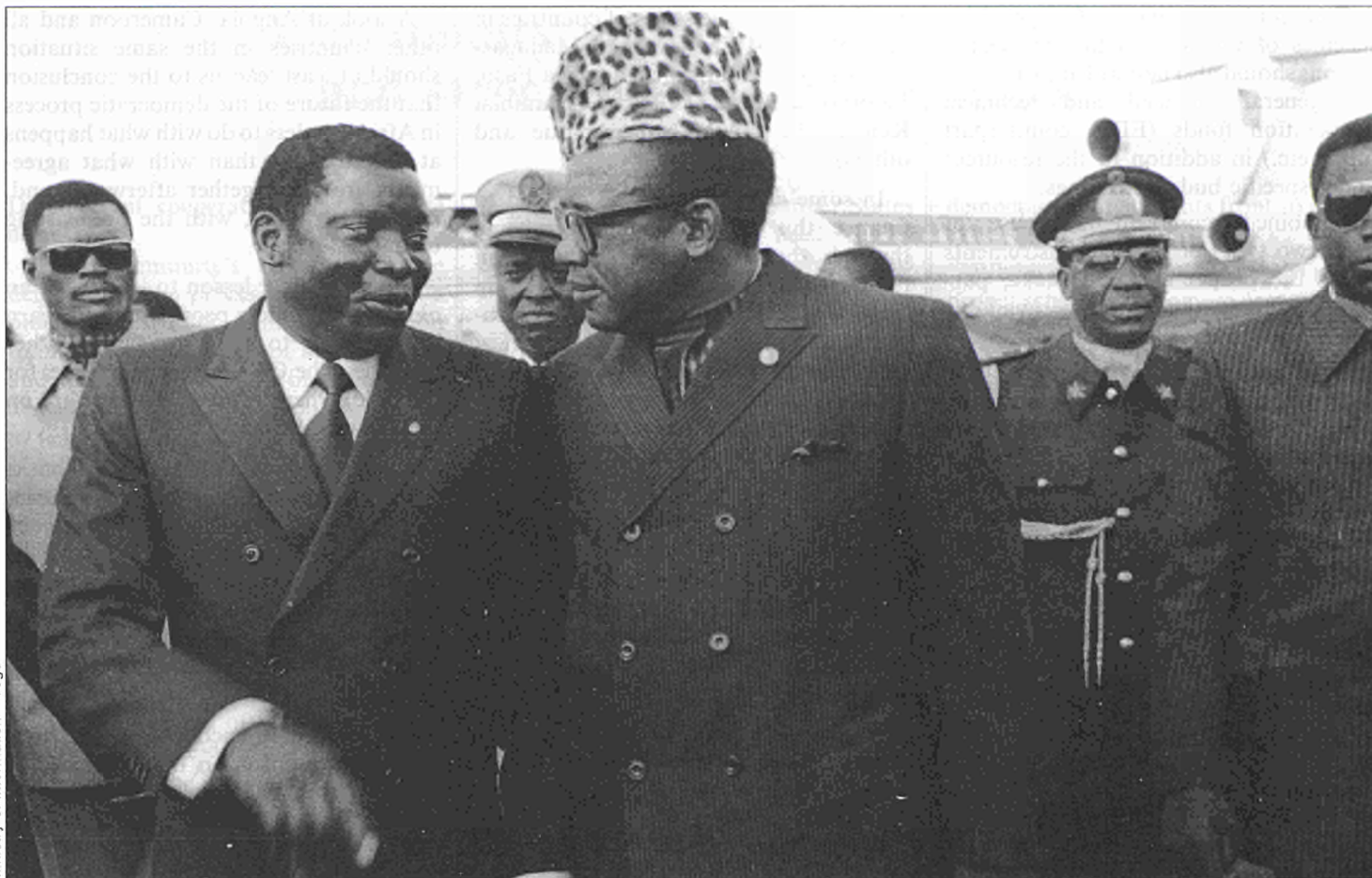
But there is an encouraging sign. The political consensus on the fundamental link between multi-party democracy, respect for human rights and development as a fair and sustainable process centred on the individual is gaining strength all the time.

The right conditions for democratisation and the role of the EEC

The Community knows that the political, economic and social structures on which democracy has to be based can only be set up gradually and sometimes fairly slowly, and it will have to look for the best way of achieving lasting results as quickly as possible while sustaining the African countries' drive to achieve this. So, as well as maintaining an active dialogue on these questions, the Community has to do its best to mobilise all its support, assistance and cooperation potential in the most consistent and effective way possible.

But it must also be aware of the fact that the success of a genuine process of democratisation has, above all, to be the result of moves made within the country concerned. Democracy cannot be imposed from the outside. Nor can it get a hold if it has no anchor in each country's domestic structures. It is up to the Africans, in fact, to shape their own history.

Although it is generally agreed that democracy, multi-party politics, respect



Ministry of Information - Togo

President Mobutu (Zaire) and President Eyadema (Togo), the Heads of two States in which the democratic process has broken down — which is why the EEC has suspended all assistance other than humanitarian relief

for human rights, institutions which are part of a constitutional system, accountable governments appointed after regular, honest elections and an acknowledgement of the legitimate importance of the individual in society are basic conditions for sustained economic and social development, the African countries must still be free to choose the particular forms of political democracy which are best suited to their social and cultural structures.

When looking at ways of providing the proper support for the African countries' quest for the most suitable form of political democracy, the Community should be careful to be politically neutral and strictly non-partisan in its assistance, and it must take far greater care than it has so far to establish whether the processes of democratisation in certain countries are genuine ones or merely facades.

Just one of the things this means is that it has to beware of political changes which are mere window-dressing. It must avoid rubber-stamping the sort of situ-

ation which occurs when the leaders of some authoritarian regimes try to mislead the outside world or to counter international pressure by setting up pretences at parliamentary democracies, capitalising on the immaturity of the opposition and hanging on to the reins of power with the help of their former single parties.

Greater Community commitment called for

The Community should respect the principles and policies behind earlier developments, take every proper precaution and be even more determined than before in its continuing provision of every kind of support for the democratisation of the developing countries on the African continent.

This is the background against which the conclusions of the Development Council of 18 November 1992 must be viewed. These emphasised the need for the Community and the Member States to follow the guidelines of the November 1991 Resolution and devise strategies which give priority to positive action for

the establishment of new democratic institutions, the strengthening of the rule of law and the promotion of greater popular involvement.

The recent Edinburgh Summit (December 1992) reiterated this determination in its conclusions on the situation in Africa, which made it clear that the Community and the Member States would continue to support the efforts which a number of African States are making to apply the principles of democracy, ensure the proper management of public affairs, respect human rights and apply sound economic policies.

One more demonstration of the need for the Community to step up its commitment is the European Parliament's major resolution (16 December) on the conclusions of the Edinburgh Summit, which calls on the Council to take its common policy of support for democratisation in various countries of Africa further and to pursue a firm common policy towards African countries where the human rights situation is cause for major concern.○

H.S.

Mali: The other side of the pattern

To many Africans, the first thing about the Malian model of democratisation is the determination and heroism shown by demonstrators who took their lives in their hands and managed to overthrow a dictatorship they could no longer stand.

The next thing they think of is the transition to democracy, carried through at the double and culminating in a smooth transfer of power to the election victor.

The Malian model does have that bright side. But it also has a darker side to it, one where demands of every kind are being made against a backdrop of economic crisis.

This is the side which The Courier shows in the analyses which follow, by two leading observers of Mali's political scene — Gaoussou Drabo, head of the Agence Malienne de Presse et Publicité, and Souleymane Drabo, Editor of l'Essor. ○ A.T.

Autopsy of a Transition

by Gaoussou DRABO *

As time goes by and what are often short-lived attempts at democracy come and go, Mali's transition to democracy looks more and more remarkable. At 15 months, it was the shortest a changing Africa has seen and that record seems unlikely to be beaten. And it was the least stormy of changeovers, with its legitimacy virtually unthreatened and its sights never reset, leaving a far less explosive political legacy than Benin before it or Congo afterwards. Lastly, notwithstanding the obstacles and pitfalls which beset it, it could almost stand as a model of its kind.

Its progress could have been complicated by a National Conference whose only point, after the toppling of the Moussa Traoré régime, was a far-reaching catharsis. It could have been diverted from its path by the continuing Tuareg rebellion heightening misunderstanding among the people of northern Mali. And it could have seen its basic ideal, that of a clean change-over to an elected government, put at risk by worsening political struggles. But, (it would be tempting to say) miraculously, the transition in Mali went through without tension degenerating into breakdown and its internal contradictions were resolved with relative ease.

The relative smoothness of the transition to democracy may have been helped by factors which were specifically Malian, starting with the origins of the process.

In contrast with other democratic processes, ongoing or complete, on our continent, transition in Mali was not the outcome of a hard-won compromise between antagonistic political forces. It

emerged from a revolution which toppled the old order. The term 'revolution' here means a sudden, radical and largely forward-looking change and is well-suited to the combined action of four forces which came together from 22 to 26 March 1991. These were the democratic associations which were the first to develop alternative political thinking through the rallies and marches they held to demand the democratisation of the system; the school and university student movement whose marches and barricades triggered the insurrection of 22 March; the only trade union confederation of the time, the National Union of Workers, which joined forces with the two first-named organisations on 23 March and bolstered their action by calling an indefinite strike; and the army, which put an end to autocratic rule by carrying out a coup d'état during the night of 25-26 March.

Once under way, the process of political renewal in Mali managed to avoid

the cohabitation between the representatives of the old order and partisans of change which always spells conflict, and was spared the inevitable quarrels over the legitimacy and ranking order of institutions (the presidency of the Republic, the legislature and the government) headed by people with ideologically divergent viewpoints.

Another special feature of the transition was the way the army adapted to the ways of a republic. It had been involved in the bloody repression unleashed by the Moussa Traoré régime, won back some respectability by carrying out the coup d'état, but failed to neutralise all the feeling against it and so had to rehabilitate itself. It therefore practised strict political neutrality (other than for Commander Lamine Diabira's putsch on 16 July 1992), although it was a soldier, Lieutenant-Colonel Amadou Toumani Touré, who guided Mali through the whole delicate period of transition.

A third feature of the transition was that it neutralised the political ambitions of its leaders, for the basic Act promulgated on 30 March banned every



One of the main tasks during the transition was to organise the first multi-party elections

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member of the Committee of Transition for the Salvation of the People (the law-making body) and the government from running for office in the first Government of the Third Republic.

The advantage of this was that it guaranteed that the transition authorities kept the same distance between them and all the various competing parties and prevented State machinery being used for electioneering purposes. There were slips from grace, of course, but there would have been far more of them if the people in power during the transition had been able to stand in the elections.

The final great asset of the transition was that the different institutions did not pull in opposite directions. The March revolution did of course remove the opportunities for ideological dissent between decision-making centres, but it nonetheless set up a dual system at the head of the State, where a legislative body (the Committee of Transition for the Salvation of the People — CTSP) and a conventional executive, the Government, worked together, the former as the inspiration and moral tutor of the latter, which was itself jealous of its independence of action. There could well have been friction if Amadou Toumani Touré had not worn two hats, that of Chairman of the Committee of Transition and that of Head of the Government, a difficult combination which forced him to display uncommon tact in handling the two institutions and certainly made it possible to avoid conflicts of authority.

So the transition in Mali enjoyed considerable advantages over its equivalents elsewhere in Africa, and it made the most of them along its path to what was a generally positive record on political, economic and social affairs and the thorny question of the rebellion in northern Mali.

Politically speaking, there were two major tasks facing the transition process — holding the National Conference and organising Mali's first multi-party elections. The national conference was of course one of the opposition's main demands under Moussa Traoré's regime. Political groups saw it as a forum in which to make objective preparations for the transition which was bound to happen, but the single party, the Democratic Union of the Malian People, did its best to reserve the question of opening up the political arena to its own ordinary



When Moussa Traoré was overthrown, several of the objectives which the opposition had set for the national conference fell into abeyance

congress, which should have started on 29 March 1991.

The toppling of Moussa Traoré should rightly have done away with the need to hold the National Conference, since the basic law promulgated on 30 March 1991 met all the democratic demands which had been made, in particular by setting up a full multi-party system. But the new authorities preferred to go ahead with the Conference. They confined it to adopting the draft of the new Constitution, the new electoral code and the party charter, but, under pressure from public opinion, they added to the agenda a discussion of a report on the state of the nation briefly summarising the management record of the former regime.

But even with this clear signposting to lead the Conference away from pointless discussions that would go on for ever, there was still a risk of matters getting out of hand. Many political parties which had just been set up, and were unsure who their followers were, wanted to use the Conference to win some institutional legitimacy for themselves and get onto the CTSP, which was to become a sort of provisional parliament. And the school and university students association, which had sustained very heavy losses, turned some of the sub-committees into people's courts in which the army was among those put on trial.

But thanks to the firmness of Lieutenant-Colonel Amadou Toumani Touré, who was elected President of the Conference, they failed to raise the stakes and,

after looking as though it was spreading its net far too wide, the meeting once more focused on its main objectives and — unusually for this type of gathering — got through its agenda within the prescribed time (two weeks). On the last day, it recorded the Malian people's army's official apologies for its part in putting down the demonstrations in March, a gesture which did a lot for the reputation of a body of men who had come to symbolise the 23 years of Moussa Traoré's regime.

Barely was the National Conference over than there were the elections to prepare — no mean challenge with the coffers resoundingly empty and the administrative system paralysed by all the pretences at consultation set in motion under the single party. There was a never-ending trail of new political parties, most of them not conspicuous for their credibility, although three clearly stood out from the rest. Two them had originated in associations which had come to prominence between December 1990 and March 1991 — the ADEMA-PAS (African Party for Solidarity and Justice), which emerged from the Alliance for Democracy in Mali (ADEMA), and the CNID-FYT (Faso Yriwa Ton), which emerged from the National Congress Democratic Initiative (CNID).

The third leading party had been seen before. It was the Sudanese Union-RDA (the single party until the military took power), which had reactivated its party organisation but was soon faced with a leadership struggle which, broadly speaking, revived the old radical-moderate

confrontation which had been a feature of the party's history in the past. The exacerbation of internal dissent eventually caused the US-RDA to split down the middle (and each faction to put up its own candidate in the presidential elections), with Baba Akhib Haidara as spokesman of the orthodox group and Tiéoulé Konaté running for the liberals.

Other parties still managed to find a niche for themselves around the three big contenders, as is clear from the results of the local government, parliamentary and presidential elections. They were the Sudanese Progressive Party (PSP), the RDA's main rival in the pre-independence era, the Party for Democracy and Progress (PDP), set up by Idrissa Traoré, the Leader of the Order of Barristers, the Assembly for Democracy and Progress (RDP), set up by former international civil servant Almany Sylla, the Union of Democratic Forces (UFD), the party of lawyer Demba Diallo, a prominent figure in the events of March 1991, the Union for the Defence of Democracy (UDD), which was handicapped by having among its members people tainted by association with the old regime, and the Assembly for Democracy and Work (RDT), led by former top civil servant Amadou Niangado.

Alongside these parties with a national following, there were three parties which decided to stake everything on targeting regional audiences and were able to get themselves voted onto local government bodies and win parliamentary seats. Dr Sanogo's Malian Development Party (PMD) won five seats in Sikasso, for example, and the Union of Forces for Democracy and Progress (UFDP), set up by Colonel Youssouf Traoré, former member of the Military Committee of National Liberation, targeted San, won the parliamentary seat and gained an overwhelming majority on the city council in the local capital. Finally, the Malian Union for Democracy and Development (UMADD) concentrated on Menaka (in northern Mali) where it got its only representative elected.

The various elections confirmed the fact that the sudden appearance of the multi-party system and the shortness of the transition period meant that the political parties had not had time to cover the whole country effectively. The relatively meagre funds available did not make up for the flimsiness of local

facilities and the parties had to make do with what little there was to get their message across.

ADEMA-PAS did best in the elections, winning 214 local government seats out of 751, 77 of the 117 seats in the present National Assembly and the Presidency of the Republic. The Bee Party (as it is called after its emblem) began by relying on a network of volunteers, mainly teachers, and then, to back them up, fielded opinion leaders and local personalities from the old regime who still had influence and whose prestige had not suffered in the eyes of the native populations.

But, dynamic though it was, ADEMA-PAS only won over a small fringe of the rural population and, since its rivals did less well, the transition went ahead with an election turnout that many people found disastrous when measured against the challenge of democratising the political life of the nation. Such criticism is understandable. The elections, in which the local government electorates are fairly concentrated, attracted only 32.1% of the 800 000 registered voters and the turnout for the general election was still lower — 22.38% in the first round and 22.31% in the second. It was hoped that the presidential election, where individual personalities counted for a lot, would see an improvement on these figures, but the first round brought out 23.56% of voters and the second only 20.87%.

The figures should probably be revised upwards, however, as the census was done hastily by young, unemployed graduates who were unfamiliar with the procedure and, specialists claim, the numbers on the electoral registers were inflated. Keeping them up to date had never been a priority of the single party system, of course, when it was standard practice to fiddle the votes.

It had been intended that the transition process in Mali should be seen as a model for others, and the low turnout tarnished that image. With hindsight, this was inevitable. Organisationally speaking, there were bound to be problems, despite all the efforts made, when cumbersome administrative machinery, logistically under-equipped and not practised in meeting the demands of multi-party elections, had to be coaxed into top gear in only six months.

The practical difficulties faced by the civil service impacted especially harshly on newly formed parties with rather

modest administrative back-up. Voters were half-hearted after all the electioneering charades staged by the single party, they were only faintly interested in politics and clearly felt that the political parties were short on respectability. Calling in local opinion leaders to revive the flagging interest of the man in the street was only a solution in a limited geographical area and did nothing to solve the problems of identification faced by politicians most of whom were unknown to the public at large.

Where issues of society were concerned, the extraordinary upheaval which took place during the transition failed to bring about the standard of results anticipated. It would have been reasonable to expect organised civil associations to have emerged to provide credible front-men and act as a counterweight to the power of the State and the influence of the parties. But the anarchic way in which these associations burgeoned was a sign not so much of vitality as of a fragmentation of the forces in society, and all the special-interest groups (particularly those set up by jobless recent graduates and lawyers) which emerged during the closing months of the transition were signs of a basic corporatism at work rather than of a lasting stand being taken in the social arena. But despite being rudimentary and going too far, these forces at least had the merit of saying what they thought, in complete contrast with the inertia in social matters typical of the old regime.

Economically, the transition started with a clear handicap. The country's already difficult situation had been further worsened by the battering which the economic apparatus took in the events of January and March 1991, which caused damage estimated by the Soumana Sako Government at more than CFAF 30 billion. The Treasury lost 14% of its potential revenue, industrial production dwindled, GNP declined and budget deficits grew. On 29 April 1991, the Transitional Government started on a plan of action to rehabilitate the country's productive fabric and rescue the administrative and economic apparatus.

Special tax and customs regulations were set up for the private sector, which needed support for its self-financed recovery drive. The authorities also went further in removing controls on prices and marketing and with measures to improve and simplify the regulatory

framework. All price controls (other than on hydrocarbons) were removed.

The adjustment campaign continued with an interim programme produced with the agreement of the IMF, and Mali's development partners commended the authorities' determination to press on with the economic reform programme and redress the basic balance.

Budget aid in 1991 was CFAF 41 billion, CFAF 22.9 billion of it in grants and CFAF 18.1 billion in loans. The financing received under investment schemes brought external assistance to Mali during the transition up to just over CFAF 105 billion.

Prime Minister Soumana Sako had every right to be proud when he submitted his Government's resignation on 5 April. GDP had gone up by 5.6% in 1991, which, allowing for 1.7% inflation, was a real increase of 3.9%. This, Sako maintained, was thanks to very good recovery in the primary and tertiary sectors and to a drive to rebuild incapacitated industrial units and get them working again.

On the public finance front, the Prime Minister said, the budget deficit had been held at 11.1% of GDP, as against the 13.3% predicted in the programme, and the deficit on current transactions, excluding grants, was 13.3% of GDP, as against a predicted 16%. Overall, the report by the Head of the Transitional Government suggested, there was a large balance of payments surplus — CFAF 38 billion in 1991, as against CFAF 11.6 billion in the previous year — although Soumana Sako did admit that the exceptionally large amounts of external aid went a long way to explaining this performance.

The Third Republic authorities have never openly contested the picture which Soumana Sako painted, but they have hinted that it was an unlikely one several times since the Treasury affair, as they call it in Bamako, came to light. The facts emerged in June 1992, when a World Bank-IMF mission went to Bamako to finalise documents for the signing of an augmented structural adjustment facility for Mali and a letter of intent from Bamako to the IMF.

What should have been a routine procedure turned up two irregularities in the statement of the financial position as it was presented: unexplained extraordinary expenditure of CFAF 8.5 billion



The National Assembly of Mali

The 117 members were elected on a turnout of only about 22%

and a CFAF 5.5 billion hole in public revenue.

Although an explanation for the extraordinary spending was soon found (it had gone on reconstruction operations, election organisation and a series of major works), the hole remained a problem, but investigators traced it to the Treasury departments and embezzlement involving unsupported cheques and misuse of public monies.

In fact, the enquiry into the Treasury affair had begun during the transition and the investigation had concluded just before President Alpha Oumar Konaré was sworn in. But saying so did not stop political sniping breaking out over the affair or prevent a shadow falling over the economic record of the transition.

The Tuareg issue turned out to be far more important during the transition than was originally suspected. The new authorities thought they would get themselves well on the way to a negotiated solution by including representatives of the Azawad Arab Islamic Front (FIAA) and the Azawad People's Movement (MPA) in the CTSP, but persistent attacks forced the transition authorities to embark upon a laborious process of dialogue with the armed movements, with help from Algeria, which was sheltering one of the movements on its territory.

It all ended in Bamako on 11 April 1992, when the Malian Government and the Azawad United Fronts and Movements (MEUA) signed the National Pact, an agreement featuring a ceasefire, the Malian Army's withdrawal from the north, the formation of an independent commission of enquiry, the return and resettlement of displaced Tuareg popu-

lations, the integration of rebel fighters into the regular armed forces and the establishment of a decentralised system of administration in northern Mali.

The general public were highly unenthusiastic about the National Pact as originally drafted, as people were convinced that over-generous concessions had been made by the authorities. The Songhay and Peul majorities in the North also received it badly, believing that the way the negotiations had been conducted had been to their disadvantage. None of these reservations was ever expressed in public, however, and there was an unspoken national consensus that the priority should be to re-establish peace. But the Pact was put under severe strain in July and August 1992, when the army withdrew too soon, leading to renewed attacks by armed bandits, and a faction of the Azawad People's Liberation Front led by the dissident Rhissa Ag Mohamed. Troops were redeployed and the MFUA became more involved in maintaining security, so that things were quiet again by the end of 1992.

All in all, the Transition, as regards the spirit behind it, was a privileged period in the history of modern Mali. It came after a period of autocracy during which political, social and intellectual life had deteriorated, and it released energy in what was often a disorganised way. It can also claim credit for having laid the foundations of a democratic Mali. But what gave it strength also led to its weaknesses. It started like a bullet from a gun, but soon ran up against the constraints created by the deliberate choice that it should be short, and it did not change the underlying situation as profoundly as its roots in revolution had led people to hope it would. ○ G.D.

Society of tensions

by Souleymane DRABO *

In Africa, democracy does not have the reassuring tick of a Swiss watch. In Mali, it is more like a time bomb, with the repeat button switched on. Defuse one potentially explosive situation and you could well set off another, creating an even bigger risk of social upheaval elsewhere. There are so many fires raging at the same time that the Government does not know if it should be bomb disposal expert or fireman. And it forgets to govern.

New democracy in the tropics catalyses all the frustrations built up over the years, brings them to the surface and forces them, as priorities, on the new authorities. How could it be otherwise when freedom of speech and freedom of action are being thrust upon some of the world's poorest countries, where the poverty of the vast majority is being aggravated by structural adjustment programmes which, whatever the reasons for imposing them may have been, may well do wonders for public finance but have predominantly bad effects on the everyday life of the man in the street?

Bamako goes from one march, one stoppage and one demonstration to the next. School strikes have become part of everyday life. The jobless march for bank loans and the opposition parties march for a fairer allocation of television time. Taxi-drivers attack a private radio station when they feel they have been insulted, cars are set alight by swindled members of a share scheme, and tradesmen and other economic operators down tools to force the Government to accept their demands. Even the army stops work to press its pay claims. And there is more. There is something for every taste, every cause and every class of society.

Catharsis and all the excesses that go with it seem unavoidable after years of dictatorship, but a country so badly run down cannot afford to let it last. The outside observer has the impression of a boiler perpetually about to explode. There is nothing to reassure or attract potential funders and investors, although the Government is courting them nonetheless.

Although Mali has been successful in its official transition to a democratic state, it is still a fine testing ground for all

the tensions pulling the fabric of society this way and that, for all the currents and conflicting interests and for all the fires smouldering over an Africa on the road to democracy. And it is first-class terrain on which to observe the challenges awaiting new regimes when they are elected, the delicate balancing-act which governing entails in a situation of this sort and the dangers stalking all these countries forever on a knife's edge.

Here, the aftermath of bad management and the constraints of structural adjustment programmes create tension in every sensitive area of society. Youngsters, first of all, 3.5 million of them (with a working population of 3.8 million and 45% of the total population under 15), find it difficult to get a place at school and even more difficult to get a job. School attendance is no more than 30% and 75% drop out of their basic education — a problem area in that it caters for 94% of school attenders and gets barely 50% of the funding, most of which it has to spend on staff.

The Government of the Third Republic and the funders have agreed to concentrate on basic education. However, Mali's Association of Pupils and Students (AEEM), the all-powerful organisation which was decisive in bringing down Moussa Traoré in 1991, has a different approach altogether, not just in theory, but in action too, for only five of the points in its 26-point Memorandum have any direct bearing on basic education.

Pressure from the Association is such that more than a third of the 1993 education budget (CFAF 14.6 billion) is going into grants for secondary and higher study, which means that 6-7% of the students are getting nearly 35% of the money. This spells danger for the future, but the Association does not seem to care. If the 1992-93 academic year is still going through the upheavals which at one stage made it look as if there would be no teaching at all, it is because the schools have struck regularly in support of demands for smaller and smaller groups. The strikes in December and January, for example, which were strongly supported, were aimed at getting study grants for only a thousand high school pupils (out of a total school population of 400 000).

Fortunately for the State, other claimants are not being quite so active in putting the 'All now at any price' slogan into practice. But pressure is still very strong and people sometimes take to the streets — notably the Association of Volunteer Pensioners and the Association of Retrenched Workers¹. These names speak for themselves. Volunteer pensioners are the (virtually always consenting) victims of the civil service paring-down operations in which 4500 staff agreed to swap the safe but not very nourishing bosom of the State for a severance grant of between CFAF 1.7 and 4 million and go their own way. In practice, alas, there has often been no crock of gold at the end of the rainbow and the whole thing has ended in disaster.

But failure does not crush these volunteer pensioners. They have turned on the State with accusations of its failure to support them vis-à-vis the banks, for the banks' opinion is that most of them are not creditworthy enough to qualify for loans for their projects (only 33 out of 800 loan applications have been approved). So tempers are rising and the volunteer pensioners are back on the streets, just as they were in December, besieging the Council of Ministers although they have been unable to halt the retirement programme which, if what the Finance Minister said at the 1993 budget vote is anything to go by, means 2300 more job losses.

The retrenched workers are less vociferous, yet they too have their problems. These are the people, more than 3000 of them, who were laid off when public firms closed down and State companies went private and they are now seeking either the redundancy benefits (which have been divided up 'scientifically' to give them a theoretical guarantee of re-assignment) or another job.

This second possibility, another job, is a matter of complete chance with the public sector on a drastic diet and the private sector slow to take over because there are no viable markets, businessmen, capital or anything else. The pool of labour, swollen with the retrenched and the pensioned-off and each year's batch of school leavers, is impossible to reduce. More than half the 12 000 job-seekers registered in 1991 were between 20 and 30 years of age and 37% held at least a

¹ 'Retrenched' means made redundant in a staff-reduction exercise or for economic reasons.

* Editor of *L'Essor*, Mali's daily newspaper.

school-leaving certificate. baccalaureate. At the same time, the job supply was 36% down on the previous year and only 8% of the applicants were placed. It is true that 1991 was a disastrous year for the Malian economy, but the Labour Office itself, which analyses fluctuations in this sector, admits that the imbalance in supply and demand on the labour market is a persistent phenomenon.

Things could decline further if the private sector does not take off soon. But there is an obvious malaise here too. Economic operators, hit by the events of March 1991 (directly through sacking and looting and indirectly through lost trade), have also jumped on the bandwagon of public sector orders. They have been tainted by a massive scandal over funds misappropriated from the treasury, the banks are put off by their unfortunate experiences and view them with mistrust, and they are awaiting a recovery which is slow in coming.

They too blame the State which, they claim, has not taken the proper steps to ensure recovery in line with the recommendations made by the nation's businessmen at a so called 'round table' of trade and industry.

Although the two parties seemed to diverge widely on some issues (how many measures to apply — the Chamber of Commerce said 66 and the Government 45, for example, and how much to pay in

damages to looted businesses — 21 billion on one side and 10 billion on the other), agreement still seemed to be in prospect, because the authorities had made a big effort on many other fronts, with such things as tax and bank arrears and fiscal and tariff reforms. So when the economic operators announced a 72-hour strike for 28 December, it seemed not so much a genuine threat as a way of extracting more concessions from the Government. But the stakes rose and a curious 'tradesmen's strike' did in fact take place, although only for 24 hours, because the organisers carefully called a halt to the action — without getting anything from the Government.

The Third Republic authorities have been forced to put up more firebreaks and keep a watchful eye on the fever mounting in every class of society. The army, now the great unknown quantity in Africa's emergent democracies, needs particular attention. Organised, equipped and coddled by authoritarian or just plain military regimes, it is finding its feet in the new social and political context of the continent. And not without trouble either, as in Zaire and Togo, or tension, as in Congo or Niger. Local details vary widely, but the basic problem is always the same — what to do with an army used to privilege and with a habit of heavily influencing if not taking a direct hand in the management of public affairs.

In Mali, the army is a problem, but there is one very unusual thing about it — the fall of Moussa Traoré was hastened by a military coup but actually brought about by a popular uprising. The army which arrested Moussa Traoré on 25 March 1991 had previously fired on demonstrators, killing 106 and wounding 1000, official figures claim. The soldiers were fêted as heroes for what putsch leader and transition head General Amadou Toumani Touré called 'finishing off' the work of the popular insurrection but they were also suspected of trying to capitalise on the situation, put themselves in a better light and take over.

The temptation was undeniably there, and, in July 1991, only four months after the transition began, there was an attempted coup d'état. But in fact it was soon realised that the army's claims were far from being political. They were corporatist and came from the troops rather than the officers. In April 1991, soldiers from the ranks took to the streets to protest against badly equipped barracks and came into conflict with the students. From this emerged an influential group of NCOs and soldiers, which took part in the negotiations for better living conditions in the garrisons.

The army, which was aware of its disastrous image in the eyes of the public, and felt guilty about its part in putting down the demonstrations, officially made its apologies at the National Conference. This followed its open day operation, which was designed to woo the people by bringing them face to face with a poverty felt it bore a fair share. It was aimed at the media and backed up by the high authorities of the State, which, in the heat of the moment, granted a large pay rise to the ranks and launched a national barracks renovation programme.

All this helped calm things down, but it did not completely extinguish the fire kept burning by a never-ending rebellion in the north or quell the fear of heads rolling when the case of the killings in March 1991 got to court — which it did in June and again in November 1992.

On 3 June, the Third Republic, which had inherited this problem, went for continuity and appeasement. It prepared for the court case by setting up legal 'crash-barriers' to tighten the circle of responsibility and put the blame on those who gave the orders rather than those who pulled the triggers. This put the troops and most of the officers out of



The army which arrested Moussa Traoré on 25 March 1991 had previously fired on the demonstrators

L. ESSOR



The mosque at Djenné

Despite the Tamanrasset agreements (1991) and the National Pact (1992), there is still no peace in northern Mali

danger and the prosecution could focus on the people responsible for the country's defence at the time. Once the field of investigation had been circumscribed in this way, it stood up successfully to any challenge mounted by the defendants' lawyers — who obviously had an interest in implicating other people in the demonstrators' deaths.

This relative success was not repeated in the handling of the rebellion. There, the army was taken by surprise when the Tuaregs rose up, since it underestimated the weapons and state of preparation of the enemy. Under-equipped and ill-prepared for fighting in the desert, it met defeat after defeat and many lives were lost.

The Tamanrasset agreements (January 1991) and, above all, the National Pact (April 1992) were supposed to bring peace, but they merely contrived to turn direct confrontation into insidious guerilla warfare and disguised crime. Disconcerted by an elusive enemy which clearly had plenty of help from the population, the army began reprisals, which made feelings run far higher than the rebel attacks had done.

Torn between politicians calling for negotiations at all costs and the people calling for security, also at all costs, the

military was in an unenviable situation, with prestige dwindling and losses mounting. Some 10 months after the National Pact was signed, the cease-fire control system is beginning to be set up. The army, still champing at the bit, is forced by both law and political authority to cope with a rebellion which has broken up into many sub-movements. These, despite the Pact, do not always respect the law or political authority.

This 'more-war-than-peace' situation in the north is very much to blame for the latent tension in the army. And not always latent either. On 26 January, NCOs and troops downed tools in the barracks in support of a 32-claim memo focusing almost entirely on compensation for the families of soldiers who had lost their lives in the north and on better pay and social conditions. This action, intended to last 72 hours, was patchily supported and ground to a halt 24 hours later, following bargaining led by the Defence Ministry.

An unofficial source then announced that the bulk of the troops' claims were going to be met, a move which should be eased by the fact that the biggest chapter in the national budget for 1993, ahead of education and health, is defence. The defence department's CFAF 13.9 billion

has risen to CFAF 16.6 billion, with even the MPs voting to add a further 200 million to the sum proposed by the Government. Officially, however, the object of the rise is not to better the soldier's lot. It is to 'improve the human and material resources of the defence and security services'. But morale among the troops must be kept high, so it is reasonable to assume that many of their claims will be met.

This could of course cause discontent in other quarters, because the Government is also bound by a social pact which ties it to the unions and provides for various pay rises. However, the structural adjustment programme provides for the aggregate wage to go down by about 2.5% of the 1992 figure, with a ceiling of CFAF 41 billion. The Government thinks that juggling retirements will enable it to meet these two conflicting demands.

The daily round of the Government of Mali and the governments of many other countries of Africa is aptly encapsulated in the challenging task of reconciling the irreconcilable and making miracles an everyday event... and, of course, maintaining democracy, without which the impossible really would be out of the question. ○ S.D.

Survival economy

Malian TV has been showing a little educational piece at peak viewing times lately, urging all good citizens to pay their taxes. There is no question as to the actors' talent, but it does seem reasonable to wonder about the efficiency of the campaign, given that bald exhortation pays off very rarely and in any case very few homes have TV sets. What people are asking now is when this insistent appeal to the citizen's civic sense is to be followed by more traditional means of coercing the recalcitrant tax-payer. For the State has no choice. Its coffers are empty. For many reasons, including embezzlement in the top echelons at the treasury, declining customs receipts and tax recovery problems, it was almost CFAF 8 billion short on the revenue side in 1992.

The Government has to shoulder some of the blame for the tax problem, at least, because of its rush to keep new President Alpha Konaré's election campaign promises and do away with the basic levy which was so unpopular in rural Mali. This tax, a legacy of the colonial period, brought the State some CFAF 3 billion annually, collecting it was always the opportunity for abuse and it has indeed been repealed... as from 1993. But how can the rural population, which is unused to such gifts but is now cashing the first dividends of change, be made to understand it has to pay one more time? And how can tax officers, who may well have been called to account of late, be persuaded to redouble their efforts?

This is particularly difficult for them because they know that Malian peasants are feeling the pinch in early 1993. The cotton harvests, one of the only sources of foreign exchange, have been good, but the world price has collapsed. For the first time in years, CMDT, the Malian Textile Company, has been unable to pay the growers cash for their cotton fibre and has had to give out vouchers — which are exchanged, sometimes at half their face value, for goods from money-grabbing tradesmen.

The rice harvest was also good, but has sold badly and there are thousands of tonnes of it in Niger Office silos and rice-growers' barns awaiting customers who become more hypothetical as every day goes by. Here are the victims of the competition from the huge quantities of

Asian broken rice which the Transition Government unwisely let in to amass customs duties to finance its policy.

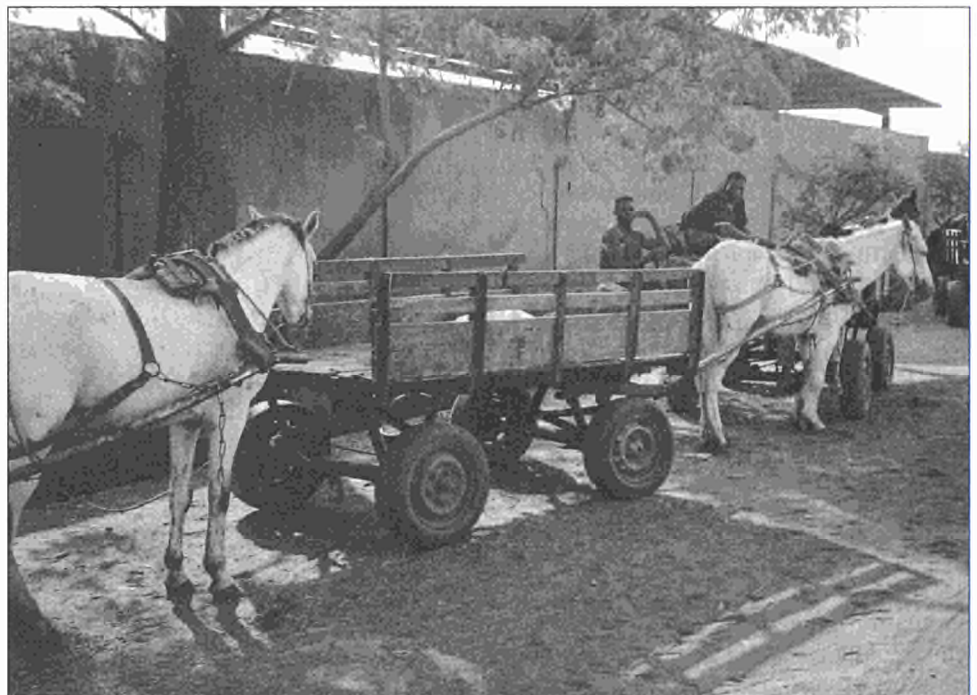
So the CFAF 24.7 billion overall budget deficit not covered by grants or a moratorium on repayments has had to be revised upwards, which augurs ill for the improvements projected for this year. The State is on the brink of bankruptcy and everybody knows it except the Malians. It is for all the world as if they did not want to believe in the financial crisis or were convinced that the Government could always manage to get the money it needed from abroad. Malians have never made so many demands for material advantages before and there are apparently 3000 interest groups, which, fortunately for the Government, are not all out demonstrating in the streets (although they are not all as whimsical as the organisation which looks after the material and moral interests of... twins!).

The students and the civil servants, two of the prime movers in the collapse of the previous regime, got the Transition Government to make promises that the recently elected powers are finding very

difficult to keep — and not just because money is short either. The new Government in fact told the IMF and the World Bank that it would keep the aggregate wage down to CFAF 42 billion in 1992, which it did, and to cut it to CFAF 41 billion this year, which will be more of a problem, particularly if voluntary retirements slow down as feared.

The study grants which are virtually wages for students in secondary and higher education cost CFAF 5.2 billion last year, CFAF 1 billion more than provided for in the structural adjustment programme, an effort which the students clearly find inadequate.

A shortage of resources also meant that last year's scheduled CFAF 1.2 billion civil service pay scale realignment on 1990 figures had to be dropped. But the most spectacular demonstration of anger in recent months was, perhaps surprisingly, not by the civil servants, but by the private sector (see also Souleymane Drabo's article). On 28 December, the economic operators — as the 23 477 people, many of them ordinary shop-holders, covered by the code of commerce are rather pompously called — triggered a 72-hour walk-out in support of a 66-point claim for tax and tariff reform, postponement or writing off of tax



A street scene in Bamako

This mode of transport from an earlier age — still widely used in the Malian capital — is a reflection of the country's economy

arrears, rescheduling of bank loans and economic rescue measures.

The tussle with the authorities only lasted 24 hours in the end, because the economic operators decided to stop what had in fact been fairly well-supported action. Many of their claims had in fact been met even before the dispute. On top of this, they engineered an end to the system of closing down firms which failed to pay their taxes and to the tax authorities' swoops on businesses.

Let us now take a look at the complaints of the private sector, which may have a decisive contribution to make to the success of the democratic process. It is generally agreed that it is on the economic field that the battle of democracy will be won or lost and the creation of a dynamic, enterprising private sector is at the heart of the economic strategy of every new democracy in Africa. State companies everywhere have proved to be inefficient and their structural adjustment programmes inevitably spell State withdrawal and economic liberalisation.

Mali's businesspeople lost a lot of money in March 1991, at the time of the riots which ultimately toppled the Moussa Traoré régime. Factories were sacked and burnt down, shops were pillaged and stores were robbed — losses of an estimated CFAF 30 billion that the State does not have the means to pay for and the funders are unwilling or unable to cover. The deduction of arrears on tax penalties and the rescheduling of bank loans over 10 years and 1990/91 taxes over three years are two attempts at making up for the failure to pay compensation.

But what the economic operators want the State to do first is restore a climate of security conducive to good business by re-establishing its authority. They maintain that 'democracy has not been explained properly and Malians think it means freedom to do what they like, so they won't pay tax, they fiddle at the customs and they go on strike all the time'. They are very clear that 'liberty doesn't equal shambles' and deplore the fact that 'the fraud squad doesn't dare control fraud any more, because it would be beaten up and nobody would object'.

The new Government, it is often said, does not like the idea of using force and it is trying to dissociate itself from the muscular approach which led to the



The manufacturers and tradespeople of Bamako suffered heavy losses during the events of March 1991. This confectioners fell victim to one of the most serious acts of pillage

bloody repression of March 1991 under the old régime. The forces of order are carefully keeping a low profile, their new-found discretion an attempt to wipe out the memory of the part they played in the events of two years ago. Now they are unwilling to take any initiative for keeping order, as the Mayor of one Bamako district regretfully informed me, and they want written instructions from the civil authorities, if not their actual presence at the hot spot.

Security is nonetheless a genuine problem in Bamako today, and there have never been so many robberies. A large number of prisoners took advantage of the events of March 1991 to break out of prison — which may partly explain the re-appearance of banditry. But denouncing mounting crime is one thing. Considering that exercising a basic right such as the right to demonstrate or strike helps weaken the State is quite another. Although the present leaders cannot safely allow the insecurity and anarchy which encourage the most uncontrolled behaviour to continue (and a day rarely breaks without the finding of two or three bodies, ostensibly those of thieves caught in the act and beaten to death by people never called to account for meting out this kind of rough justice), they have to be congratulated for their scrupulous respect for the freedoms guaranteed by the constitution.

The second big demand from the private sector in Mali is for the State to put an end to the widespread fraud which is throttling the economy, starting with the country's 30 or so processing indus-

tries. Over the past year, one of Bamako's biggest businessmen has stopped producing PVC pipes and his output of plastic bags and other articles is down to 10 % of capacity. Another has had to stop manufacturing insecticide because a similar product is available on the market at less than his cost price. The blame, of course, lies with the fraud at the customs when goods come in from Nigeria, where production costs have defied all competition since the currency collapsed. But the complainants are like the boy who cried wolf, because it is the businessmen themselves who are behind the fraud they are objecting to. The industrialists accuse the tradesmen of organising illicit imports to put them out of business and the tradesmen complain of unfair competition with industrialists flooding the market with the raw materials they need for their products without paying the customs duties.

They all belong to Mali's Chamber of Commerce and Industry. But instead of seeking the answer in that organisation, they have once again sent the ball back into the State's court and are querying the probity of customs and tax officers — as if they could hide the fact that there are no corrupt people without corrupters. The Government is not trying to duck responsibility for its departments either, for it is keenly rooting out the corruption which costs the public finances so much. But very little practical action has followed the verbal condemnation so far and the size and difficulty of the task, which reflection the extent of the social rot to be excised, no doubt have some-



The rice fields of Dioro in the Ségou region
Mali has the greatest potential for irrigated land in the Sahel

thing to do with it, as does the failure of previous public moralising and anti-illicit wealth campaigns. But can a Government which wants to establish its difference on stringent, transparent management of public funds afford not to make the fight against fraud and corruption a major feature of its action programme? This is a major consideration now it has had its first scandal — in the Niger Office, a State company, which used grossly falsified bank papers in a CFAF 300 million rice deal with a notoriously shady tradesman. Although the ringleaders are in prison, there is no trace of the money from the rice, which was immediately sold for cash. What is worse is that it could happen again, which goes to show just what a state the administration is in. As the new Government team took over, evidence of breathtaking embezzlement was already found in high places at the treasury, when unscrupulous businessmen were paid large amounts of money in exchange for bouncing cheques or over-valued goods, with the connivance of senior officials. It cost the State CFAF 6.1 billion, of which barely CFAF 1.2 billion of an anticipated CFAF 2.7 billion have been recovered.

The Government is about to bring out a report on the state of the country when it took over and, of course, it will bring other skeletons out of the cupboard. At least, that is the theory of the top customs official, very involved with the previous regime, who says that there were 'levies' of 15-20% on public contracts worth tens of millions of CFA francs signed with individuals under the Transition, although the commission was in fact 5-7%.

Even if the Government does manage to do its share of the vital spring cleaning, can the private sector do the same, including in its management bodies? It is public knowledge that some of its leaders have things to reproach themselves for in the big financial scandals (the 55 billion hole in the Mali Development Bank, the 2 billion slate at the Postal Cheque Office, the recent treasury embezzlement and all the damage to State companies) which have rocked the country since independence.

But spring cleaning it has to do if it is to win back the confidence of the banks and be the driving force of a market economy, which is its rightful role and one for which

it is qualified by many assets which it holds, particularly a class of rich traditional traders who are punctilious in their business dealings and have the confidence of their foreign partners. Many people hope to see men of this calibre move out of trade and property speculation and go into industry, particularly the sector of agricultural processing. The fact that Mali has the greatest potential for irrigated land in the Sahel, where food supplies are always precarious, is all too often overlooked.

These, briefly, are the things to bear in mind in any analysis of the present situation in what is one of the poorest countries in the world. Some people say that the ongoing democratic movement would have a better chance of success if Mali was richer and had a higher literacy rate. No doubt. But these are the very things which make Mali an example. Because if the process Mali has embarked on works despite all the constraints, then democracy can win through all over Africa. There is more to the Malian model than overturning a dictator.○

Amadou TRAORE

Feeding the world

by **Ellin BESSNER** *

The World Food Programme of the United Nations has a formidable task. Wars and natural disasters have brought many populations close to starvation in these turbulent times and the WFP are usually to be found in the vanguard of those seeking to pick up the pieces. In this article, supplied by the agency itself, we hear about its recent activities across the world, and its work — with the European Community as well as others — to supply the nutritional requirements of those most in need in the world's famine-stricken areas.

For nearly 25 years, the EC's Food Aid Service has been working closely with the World Food Programme (WFP) to transport and deliver the Commission's donations of food aid to millions of hungry people around the world. By the end of 1992, the EC was WFP's second largest multilateral donor after the United States, committing \$526 million in food and cash for the two-year period 1991-1992.

WFP — the food aid arm of the United Nations — has a dual role: it is a principal channel for mobilising and moving relief food aid to victims of natural and man-made disasters, while at the same time it is the UN's largest source of grant assistance for development in third world countries.

The Programme now provides one-third of all food aid moved globally. In 1992, this amounted to approximately 4.1 million tonnes of food, the bulk of which was donated by developed nations, including the EC.

As a result, WFP has a large and efficient transport and logistics operation, moving relief food by land, sea and air. The past year saw WFP commit and move a record amount of donated food aid to meet emergencies in 46 countries. Whether it was Somalia or Yugoslavia, Iraq or Pakistan, in 1992 the Programme raised and committed 2.8 million tonnes of life-sustaining food for emergency relief — including 552 596 t provided by the European Community — to feed 27.5m needy refugees and people dis-

placed by war, drought, tribal and religious conflicts, and natural disasters.

The bulk of WFP's emergency work went to help victims of man-made crises. In many countries in Africa such as Sudan, Ethiopia and Mozambique, drought combined with war to produce humanitarian tragedies.

Somalia

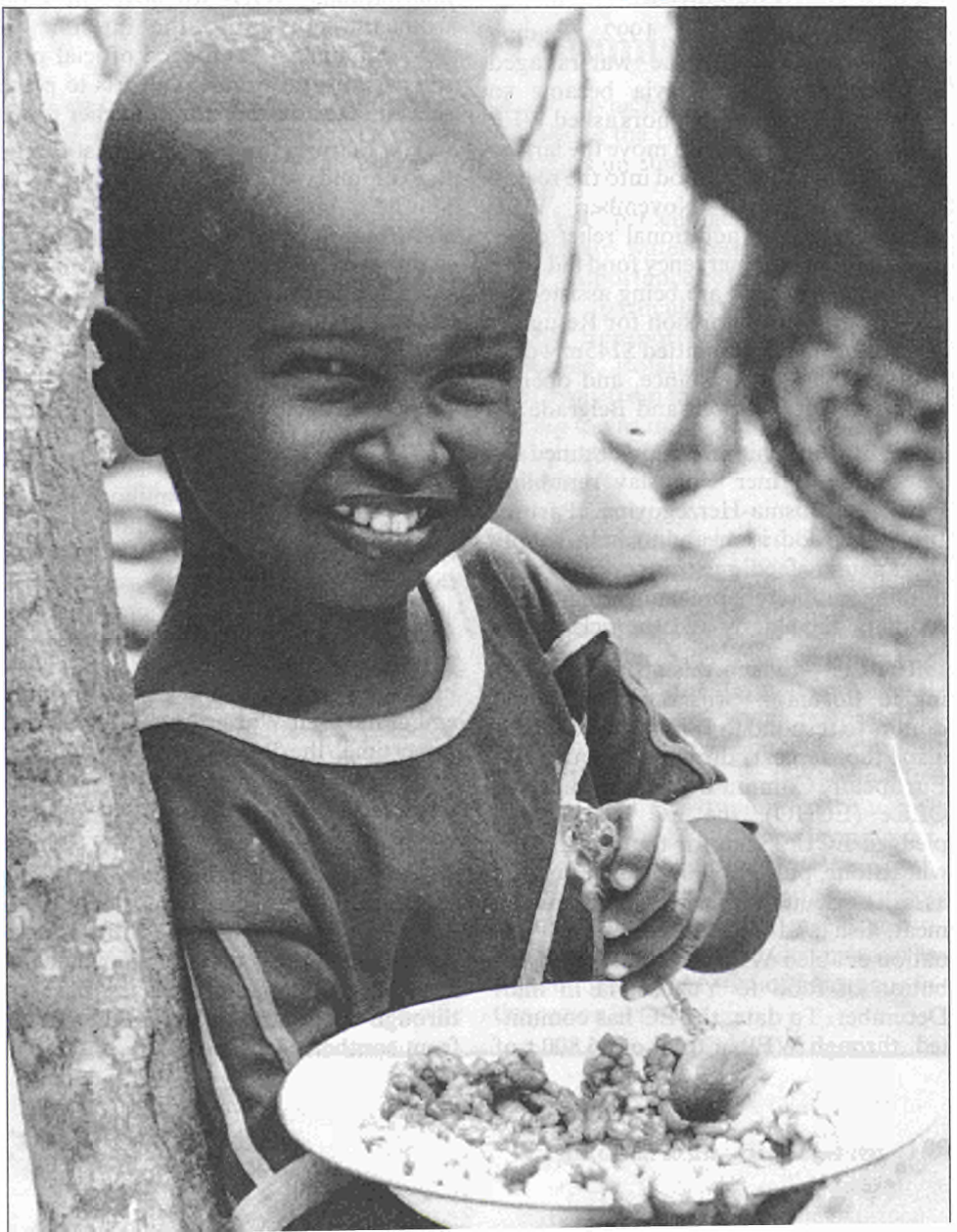
Delivering life-saving food to Somalia was one of WFP's most difficult and frustrating relief operations in the organisation's 30-year history. In May 1992, with 2.5 million people at risk of starvation in central and southern Somalia, WFP was the first international relief agency to open the port of Mogadishu to cargo ships carrying large quan-

ties of vital food aid. Despite the volatile security situation, WFP staff members remained in Mogadishu. In late August, the UN designated WFP as overall logistics coordinator for international relief efforts in Somalia.

At the same time, WFP launched an air bridge to shuttle food from Kenya to locations inside Somalia. Although moving food by air is usually a means of last resort, it provided a vital link in this case and was the only source of food for villages in the Somali interior. The airlift/airdrop operation used both privately chartered planes as well as military aircraft supplied by Germany, the USA and Canada.

The EC donated 32 500 t of wheat and several hundred tonnes of cooking oil and enriched, dried, skimmed milk to the WFP relief operation in Somalia. The Community also contributed \$3 million for transport and handling of the cargo to secondary delivery points — where local

WFP transports and delivers aid to millions of hungry people throughout the world



* WFP Press Service.

and international NGOs took over to supervise the free distribution.

Delivering relief food to Somalia was an enormous test of WFP's expertise in logistics. The challenges faced were formidable. For instance, armed looters in Mogadishu and Berbera made off with more than 15 000 t of relief rations while local and international relief staff were routinely threatened at gunpoint. Cargo ships and aircraft were also fired upon.

The turning point came in December, with 'Operation Restore Hope', the military intervention under the UN umbrella to secure transport routes for WFP's relief convoys. The Programme sent a fleet of trucks from Ethiopia to Somalia to boost delivery capacity — trucks normally assigned to WFP's long-standing operation in Ethiopia. By the end of 1992, WFP had delivered more than 103 000 t of food to Somalia and a further 113 000 t were scheduled for delivery in the first three months of 1993.

Yugoslavia

Towards the end of 1992, ongoing relief operations in the war-ravaged territory of ex-Yugoslavia became so complex that bilateral donors asked WFP to intervene to help them move the largest possible quantities of food into the region more quickly. In November, WFP launched its own additional relief operation to provide emergency food aid for 3 million people who are being assisted by the UN High Commission for Refugees. The programme committed \$145m worth of humanitarian assistance, and opened offices in Zagreb, Split and Belgrade.

WFP's food shipments are destined for six of the former Yugoslav republics, including Bosnia-Herzegovina. Part of the relief food is meant to help supply therapeutic feeding centres for malnourished children, pregnant and nursing mothers, the elderly and the sick.

The EC — which was already operating in Bosnia — was one of the first donors to respond to WFP's appeal and is also the largest donor. Through its European Community Humanitarian Office (ECHO), the EC has already pledged ECU 33.5m for the purchase of wheatflour, pulses, oil and sugar, as well as salt, biscuits, dried milk and canned meat, fish and cheese. This timely donation enabled WFP to accelerate distribution of food to Yugoslavia in mid-December. To date, the EC has committed, through WFP, a total of 66 800 t of

relief food for the former Yugoslavia, valued at \$41m.

Southern Africa

In 1992, Southern Africa faced the worst drought in living memory. WFP was asked by the UN to mobilise relief food and to help donors channel it to the region. The reason was to ensure a continuous flow of food and to avoid backlogs or gaps in the food pipeline.

WFP established a regional Logistics Advisory Centre in Harare, Zimbabwe, to monitor the flow of all international food aid entering the 10 affected countries in the region. It set up a similar monitoring office in Johannesburg and, in addition, committed itself to raising some 712 000 t of food for free distribution to famine victims.

WFP logistics crews were deployed across the region — directing, loading and unloading at the ports of Beira, Dar es Salaam, Durban and so on. The Programme worked closely with government emergency agencies and local and international NGOs to move the food from the ports into the interior. In Mozambique, WFP lodged official protests against government efforts to place special taxes on the entry of relief food.

The EC was the second largest donor to respond to WFP's 'Drought in Southern Africa' appeal. In 1992, the EC contribution of food and cash amounted to over 280 000 t and \$4.7m. For Mozambique alone, the EC gave, through WFP, nearly 39 000 t of maize to be distributed among the 1.3 million drought victims and 1.85 million people displaced by 17 years of civil war. In Malawi, the EC committed 46 000 t of maize and several thousand tonnes of nuts, beans, sugar and salt — to help the 4.7 million drought victims and the nearly 1 million refugees from Mozambique temporarily living in the country.

Elsewhere

In northern Iraq, WFP has been providing aid to 750 000 Kurds since the end of the Gulf War in April 1991. At the same time, the Programme is providing basic food rations to 450 000 poor and displaced people in central and southern Iraq.

The operation in northern Iraq has been fraught with danger, as more than a dozen trucks carrying WFP food have been either blown up or endangered by bombs as they made the hazardous trip through the mountains across the border from southern Turkey.

WFP also has large emergency operations under way in other parts of the Horn of Africa, including Ethiopia, Kenya, Eritrea and Sudan. Indeed, Operation 'Lifeline Sudan' has been under way since the end of the 1980s.

WFP also participated in the UN's major refugee repatriation operations, working closely with the UNHCR in Afghanistan, Angola, Bangladesh, Namibia, Guatemala and Cambodia.

In nearly all the countries where WFP ran emergency operations last year, the EC had an input in the form of relief food donations. WFP's operations fall into two categories: short-term relief needs and long-term feeding operations. In 1992, the EC donated food and cash towards WFP's long-term refugee projects in 15 countries: Mozambique, Liberia, Malawi, Tanzania, Uganda, Pakistan, Senegal, Swaziland, Sudan, Algeria, Ethiopia, Zimbabwe, Kenya, Zaire and Rwanda. The food aid supplied benefited 8.1 million long-term refugees and displaced people.

Bilateral donations

Although most of WFP's emergency work is for moving multilateral donations, a growing number of individual donor countries are calling on the WFP's bilateral services branch to complement their emergency efforts. Many donors, including the EC, recognise WFP's expertise in monitoring food distribution, in shipping and in transport. Last year, for instance, the EC requested WFP to monitor the considerable donation of 109 000 t of wheat destined for victims of a cyclone in Bangladesh.

Bilateral donors use WFP for shipping and transport because the agency does such an enormous volume of business each year. International freight companies have designed a special weighbill for WFP cargo and the Programme enjoys competitive transport and shipping rates.

The EC is a flexible bilateral donor because it encourages WFP to purchase relief commodities locally or in the region, as well as ensuring that the donated rations meet locally accepted food-eating habits. It also helps to keep down external transport costs.

In 1992, the WFP handled approximately 180 000 t of food for the EC through bilateral donations and charged \$21m for its services. ○

AIDS in the South Pacific Getting the message across

What do theatre companies, comic strips, broadcasters, confessional groups, videos and male and female impersonators in the islands of Oceania have in common?

They have all been roped in by the South Pacific Commission, that veteran of Pacific regional organisations, to stop the spread of AIDS and other sexually transmitted diseases in the region.

The SPC works mainly for the development requirements of its 22 Pacific island members from its headquarters in Noumea (New Caledonia). Since 1991, when the AIDS-STD prevention campaign was launched in Oceania, the project organisers have been doing their utmost to ensure that information about AIDS spreads faster than the implacable disease itself.

'The AIDS project has been able to use the vast information network built up over the years through the SPC's different work programmes in fields as varied as fishing, rural development, health, the media and women's affairs', Hélène Courte, the head of the Commission's programmes, explains.

'We in the Pacific have been lucky enough to be able to draw on the experience of what have proven to be the most efficient AIDS and STD prevention policies in other parts of the world and one of the conclusions we have come to is that any drive to contain these diseases must rely heavily on local communities and associations', she says.

So, for instance, the AIDS project has supplied technical assistance and made grants of up to \$5000 to various groups and associations, as part of the South Pacific Commission's small grants scheme for AIDS-STD prevention, to enable them to run their own prevention programmes.

The theatre — a good way of promoting AIDS education

More than 20 associations in 12 countries have had help since the project began and 19 applications for small grants are currently being processed. Among the projects financed with these grants, seminars have been set up for women's

associations, information booklets have gone out to male and female impersonators and teaching aids have been produced for family planning organisations. Theatre groups in Papua-New Guinea have had grants to write scripts and put on plays about AIDS and the Wan Smolbag Theatre of Vanuatu has been able to tour the country to tell people about AIDS. 'When you realise that Vanuatu has 145 000 people speaking more than 100 different languages and Papua-New Guinea has 3.8 million people and 742 known languages, you begin to realise that the theatre is a good way of promoting AIDS education', Mrs Courte explains.

The AIDS project organisers are also working closely with other organisations

on setting up training activities. Broadcasting specialists and health professionals, for example, have got together to see if they can improve their production skills. Messages and radio plays on AIDS and STD-related subjects have been produced as part of this drive and all the region's radio stations now broadcast them regularly. Since 1991, the SPC and PIBA, the Pacific Islands Broadcasting Association, have awarded prizes to the stations organising the best AIDS-STD news and prevention campaigns on radio.

Youth organisers and artists had the opportunity to get together at a seminar run jointly by the Commonwealth Youth Programme and the Australian publisher, Streetwise Comics. They saw how useful comic strips were for health promotion and produced two of their own on AIDS-STD prevention, one in French and one in English. Mrs Courte hopes to see them translated into some of the languages of Oceania too.

South Pacific Commission

This truly international organisation, which combines all the peoples of the Pacific, has 27 members, all countries and territories committed to improving socio-economic conditions for all those who live in the region.

Since the allies set it up in 1947 to help develop their colonies and territories in the Pacific, the Commission has evolved in line with the economic situation in that part of the world.

The peoples of Oceania began to have their say when the first independent and autonomous States of the region joined the SPC in the 1960s and 1970s. Eventually, in 1983, all countries and territories in which the Commission ran programmes became full members of the organisation regardless of their political status. There are 27 members today, five of them the founder nations (Australia, France, New Zealand, the United Kingdom and the United States), in which no programmes are run, and the other 22 the countries and island territories of Melanesia, Micronesia and Polynesia, which get the benefit of the SPC's services.

More than 98% of the area covered by SPC activities consists of the Pacific

Ocean, which goes a long way to explaining the types of programmes the Commission runs for development.

A low percentage of arable land, inadequate water resources, the economic importance of the marine resources (particularly in the 200-mile EEZs), transport and communications problems, isolation and a population shift away from the countryside and into the big towns in the region all shape the policy and content of the Commission's activities.

The principal fields of Commission involvement are marine resources and public health followed by agriculture and the protection of plant life. In addition, the SPC has programmes dealing with rural development, rural technology, women, young people, statistical information, economic questions, population, training in the socio-educational field and training in the use of the media. The SPC's work programme is assessed and adopted at the South Pacific Conference, where the member countries and territories meet once a year to ensure that the Commission is providing the right sort of assistance in the region. ○



The Courier

Young villagers in Papua New Guinea. Parents are encouraged to be more open in discussing AIDS with their children

Publications

The SPC's AIDS project produces a number of regular publications, led by *Alerte au sida — Océanie*, a quarterly distributed widely in the region and elsewhere, whose success is such that, by the fourth edition, the original print-run of 2000 had to be increased to 5500. The AIDS project also brings out a quarterly list of acquisitions giving all documents received through the WHO-SPC data exchange network. There have been five printings of the 200 publications listed and sent to various resource centres, national AIDS control committees and other organisations in the region.

The AIDS project is also behind a number of publications in Oceanic languages. Friends of workers on the project took their cue from the theme of the WHO's World AIDS Day in 1991 — 'Let's join forces' — and agreed, as their contribution to the drive to reach as many people as possible in the region, to translate a children's booklet written during a series of WHO-UNESCO backed courses aimed at producing AIDS teaching aids for the countries of the region. By November 1992, the booklet, called *All about AIDS*, had already been

translated into 17 Oceanic languages and more translations are coming out.

With 'commitment from communities' being the theme of the 1992 World AIDS Day, SPC AIDS project staff called on all their partners to try out or translate the *All about AIDS* booklet.

Some churches criticise, others applaud

'There were problems, obviously,' Mrs Courte says. 'As has happened in other countries, we have been criticised by people who maintain that talking about sex is going against the values of Oceania. Some churches even complain that the very mention of using condoms is encouraging too much sexual freedom. We have backing from leaders of other denominational groups, very fortunately, and they tell those of their colleagues who do not support us that, while the Church opposes talk of sex in general, it certainly does not do so when it is a matter of promoting health and saving lives.' The SPC AIDS project is now planning to join with the Conference of Pacific Churches and the Catholic Commission for Justice to set up a meeting to help churches in the

region come up with a joint approach to the epidemic.

To encourage parents to talk to their children about these diseases more openly, the AIDS Project has made *Charlotte's Story*, a video of a moving and thought-provoking interview with Charlotte Frankovich, a Samoan, whose son died of AIDS. In December, it was presented at the 12th International Film Festival in Hawaii, where many Oceanians live. Charlotte knew that they would be readier to listen to someone who had lived through this tragedy and react to what she had to say and so she agreed to take part in the Festival and discuss questions the video raised. 'We were very lucky to find an Oceanian who was brave enough to talk about these things in public so that other people could benefit from her experience,' Mrs Courte says.

The SPC AIDS project distributes videos on AIDS and sexually transmitted diseases widely in support of the education and prevention campaign in the region. The video of a play, a joint AIDS project-Wan Smolbag Theatre of Vanuatu production, was to be premiered on 1 December 1992, World AIDS Day. ◯

Derek Walcott

The 1992 winner of the Nobel Prize for Literature

"He believed the swelling came from the chained ankles of this grandfathers. Or else why was there no cure? That the cross he carried was not only the anchor's but that of his race, for a village black and poor"

(from 'Omeros' by Nobel laureate, Derek Walcott¹)

Although Derek Walcott — with typical modesty — was reported to have been 'shocked and surprised' when he heard that he had won the 1992 Nobel Prize for Literature, the news was perhaps less of a surprise to his colleagues in the literary world. The 63-year old poet and playwright is widely recognised as one of the greatest living writers in the English language and he already has a number of prestigious awards to his name. But the fact that the Nobel success was not entirely unexpected does nothing to diminish the widespread sense of pride and pleasure felt throughout the English-speaking Caribbean.

For it is clear that Derek Walcott is a Caribbean whose attachment to the region transcends his feelings for any particular island state. He was born and raised in St Lucia, went to university in Jamaica and has lived much of his life in Trinidad where he set up and managed a theatre workshop. But above all, it is in his works that the spirit of the Caribbean — where African and European cultures have clashed and coalesced for centuries — shines through. His manipulation of language is masterful, creating images which are so perceptive that they catch the reader's breath.

¹ Printed by Faber and Faber, London and Boston, 1990.



The Courier

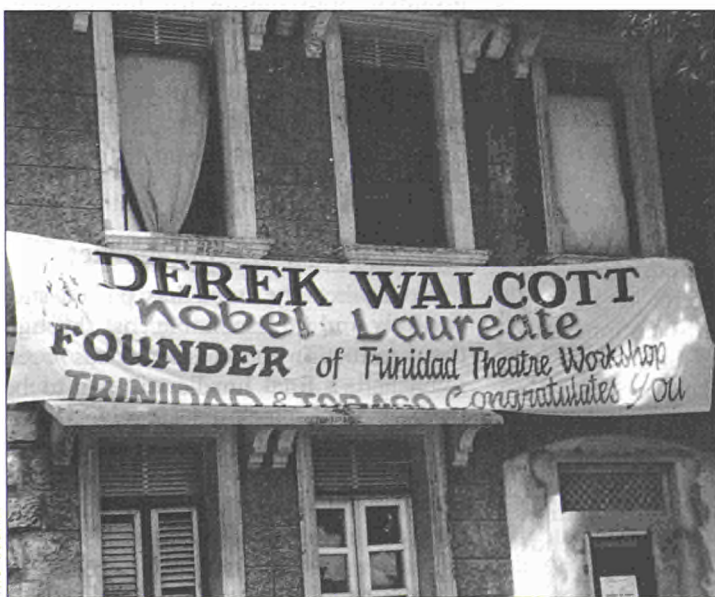
Walcott's loyalty to the Caribbean is matched, according to the Swedish Academy's citation which accompanied the announcement of the prize, by his loyalty 'to the English language and to his African origin'.

Writing has always been a vocation for Derek Walcott. He had a literary and artistic family background and published his first book, entitled *25 Poems*, when he was only 18 years old. He went on to achieve international fame with works such as *In a Green Night* (1962), *The Gulf* (1970) and his highly acclaimed *Omeros* (1990). In this last work, which is an epic poem based loosely on Homer's *Odyssey*, the author recounts the voyage of two fisherman back to their African 'roots'. (The above passage refers to a shin injury from a rusting anchor sustained by one of the fishermen, Philoctete).

The new Nobel laureate also has had a distinguished academic career in the United States, having taught at Columbia, Yale and Harvard before taking up a Chair in English Literature at Boston University. It was here that *The Courier* caught up with him and discovered that he also has an aptitude for teaching — not always an attribute of great thinkers and writers. He clearly enjoys the dynamic interaction of performance, criticism and analysis as plays written and directed by his students are put through their paces on the purpose built theatre set.

Despite Derek Walcott's academic duties, he manages to spend a considerable amount of time in the Caribbean where he is also heavily involved in developing theatre ventures. The extent to which he is admired and respected in his 'home' patch is illustrated by the fact that St Lucia recently held a week of celebrations in his honour.

This is the first time that the Nobel prize has been awarded to a West Indian writer and, as the winner himself says, it shows that the literature of the region has now been recognised internationally. For the new generation of writers from the Caribbean, Derek Walcott's success and commitment must surely provide the best possible inspiration. ○ S.H.



The Courier

Derek Walcott's Nobel success has been fêted in the Caribbean. This is his Theatre Workshop in Port of Spain, Trinidad



Improving access to technical publications in Africa

Books are an essential part of human development. They are one of the essential tools, not only of cultural development, but of development in general and they create the catalyst by which the technical needs in Africa will be met. This was the central theme of a seminar on alternative approaches to publishing and distributing technical publications in Africa, held recently in Arnhem and organised by CTA.

Overall, the literacy rate in Africa today is about 50% but this is likely to fall as most countries experience rapid population growth. Yet 21% of children are of primary school age which demonstrates a potential increase in demand for literacy teaching and reading materials. The escalating cash crisis faced by most countries with debt restructuring has, for the most part, resulted in cutbacks of as much as 50% in education expenditure. So, while there is an expanding population that needs and even wants to be encouraged in the reading habit, financial constraints mean less money is available publicly and privately for book purchase.

A statement by the newly formed African Publishers Network (APNET) summed up the mood of the seminar. 'The future of publishing in Africa, including technical publishing, lies with indigenous African publishing companies and institutions. We believe that support from donors for technical publishing in Africa must concentrate on using the capacity that already exists within Africa.'

In this way African expertise can be strengthened and the future of relevant technical books for Africa will be assured.

Obstacles to be overcome

However, book publishing in Africa faces many constraints. These can adversely affect one or more stages in the publishing process from the original concept by the author or commissioning agent, through the printing and publishing process until the finished work is

distributed for sale. For example, it is not sufficient to pursue what is deemed by the author to be a 'good idea' for a book if that idea is inappropriate for the target readership. Furthermore, government fiscal policy in Africa can militate against a viable indigenous publishing industry: in many countries there are import taxes of up to 20% on most of the materials which are required in the printing process from inks to paper and printing plates, all of which may have to be obtained from overseas. In addition there is often a sales tax on books, including educational publications. Even computers, a vital component in desk-top publishing, are seen as a leisure component attracting up to 100% import tax and 18-20% sales tax. As a result it is a sad fact that books for Africa are often published at less cost outside Africa and there is an urgent need to redress this situation.

The Florence Agreement of 1950, under the auspices of UNESCO and the Nairobi Protocol of 1976 stipulate that

APNET

The African Publishers Network was formed in February 1992 to 'strengthen indigenous publishing in Africa'. Based in Harare, Zimbabwe, it has fourteen member countries with regional representatives from Anglophone, Francophone and Lusophone countries. APNET exists as an organisation bringing together indigenous African publishers. It works with African publishers' associations and individual publishers and seeks to work as a partner to assist in the coordination of efforts to develop technical publishing in Africa. At the Arnhem seminar, APNET offered to act as a clearing house for information on implementing the recommendations of the seminar.

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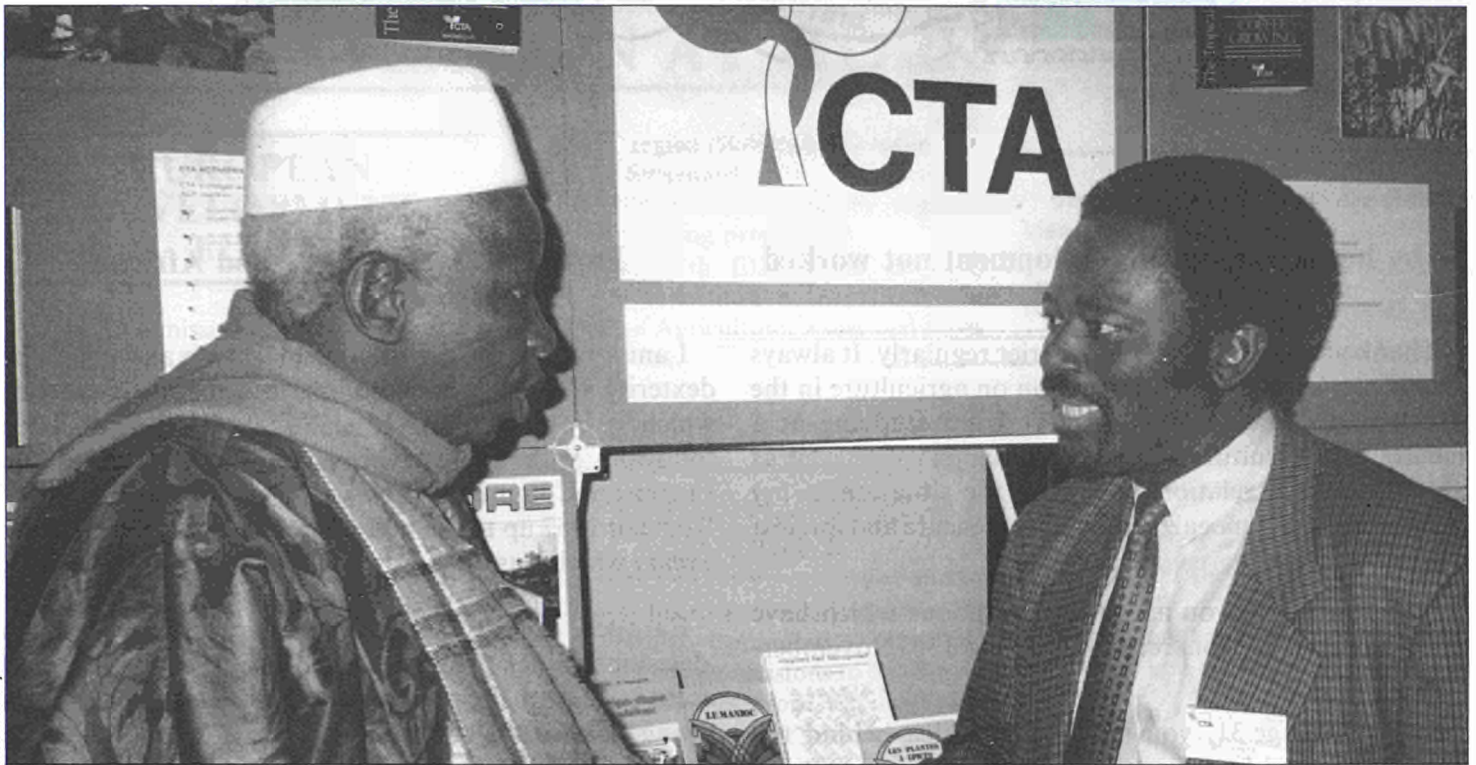
there should be no taxes on books. Most African countries are signatories but indigenous publishing continues to suffer from anomalous taxation which treats publishing materials and books as no different from imported wheat or tooth-brushes.

Fortunately, the adverse implications of these taxes have begun to be opposed with vigour in some countries and in at least two, Kenya and Zimbabwe, intense lobbying of government has resulted in some tax concessions. This has had an immediate impact on reducing costs and making books more affordable at the grass roots level.

Another area of contention between publishers and governments is where Ministries of Education are involved in the printing and distribution of school books. Educational books form by far the greatest market share of technical publications in Africa and if commercial publishers are denied access to this sector, there is little incentive for them to become involved in commissioning, printing and distributing in what remains as a very reduced market. Many educators and trainers believe that technical information is a development resource and that, just as roads and trucks are needed to deliver goods, and clinics, hospitals and medicines are needed to deliver health services, publishing and books are an essential pre-requisite for the dissemination of knowledge. Therefore governments should consider giving books and their indigenous publishers the same consideration and priority as they do to infrastructure development in transport and health.

Appreciating the market

Even when the book has passed successfully and at reasonable cost through the production process and has been published, a final hurdle still has to be overcome: the lack of effective distribution to accessible points of sale. It has been observed that while regular supplies of soft drinks, beer, cigarettes and even highly perishable commodities such as fish are readily available for purchase in the remotest villages of Africa, there has been a failure to develop an effective distribution network for books. Obviously suppliers serviced a perceived



Mr Amadou Traoré of Librairie Traoré Mali in conversation with Mr Dominique Hounkonnou of CTA at the recent International Workshop on 'Promotion of Technical Publishing in Africa'

demand and either there is not sufficient demand for reading materials beyond urban centres or the demand has not been recognised.

Price, design and format all influence potential book purchasers. In the past, Northern donors, publishers and NGOs have played an important role in meeting some of the shortfall in purchasing power by the free distribution of technical books. Undoubtedly the availability of free books has met a need and encouraged the reading habit, but indiscriminate 'dumping' of inappropriate books from the North has led to the undermining of local publishing industries, which are already in a fragile economic situation. Struggling publishers and distribution chains may also face competition from 'street bookstores' and 'book tinkers' which are a growing phenomenon in Africa. This informal trade in second hand books and donor books, which have somehow by-passed the normal channels, is a serious challenge to the viability of the formal sector.

Finally, books sales can be inhibited by there being too few bookshops and by staff being poorly trained and therefore unable or unwilling to help customers to select the books they need. Access to publications and the reading habit in

general may also suffer from the dearth of public libraries and the formalities required to borrow books. This discourages those with little formal education. There is also a failure to promote books by bringing them to the attention of the book-buying public. Book fairs, which are an excellent means of displaying wares and promoting new titles, are relatively rare in Africa.

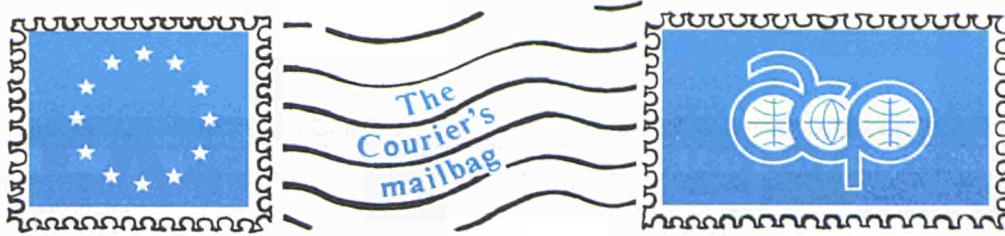
Realistic target

All these constraints make the realistic pricing of books hard to achieve. The cost must be affordable yet provide a reasonable margin to author, publisher and distributor. A survey conducted as a prelude to a conference on 'The promotion of technical books in Africa' suggested that an ideal was a book of 60 to 120 pages priced at between US\$4-US\$8. However delegates at the recent Arnhem seminar concluded, after much debate, that while readers were naturally concerned with getting value for money, the appropriateness of the content was the over-riding factor influencing purchase. It was felt that many people in Africa would be prepared to pay the equivalent of US\$15 or more for a well presented book that encompassed all the information they required of it.

The final recommendations of the seminar have yet to be published by CTA but in essence they include the need for:

- * a much greater degree of cooperation and understanding between publishers and distributors North to South, South to North and South to South;
- * a better understanding of the demand and the market for books;
- * restructuring book donation programmes;
- * lobby of governments, the World Bank, donors, NGOs and banks to overcome the fiscal, legal, and infrastructural obstacles to developing a viable indigenous publishing industry;
- * training in all sectors of the book chain: the lack of trained professionals was seen as one of the major weaknesses of the publishing industry in Africa and was a recurrent theme throughout the discussions.

Looking forward to a more dynamic and useful era in the commissioning, publishing and distribution of technical books in Africa, a delegate from Senegal concluded, 'We have been given the opportunity to discuss all the issues concerned with the promotion of technical books. The ball is now in our court to resolve these issues. And, if we want a viable book industry in Africa, we have to be worthy of the challenge.' ◯



Why has agricultural development not worked in Africa?

Thank you for sending *The Courier* regularly. It always provides a lot of useful information on agriculture in the developing countries — a subject I am studying at a faculty of agriculture in the Netherlands — as well as about ACP-EC relations and even the situation in my own country of Senegal, and I derive pleasure and interest from it.

I am writing to you about two questions which have arisen in my mind from reading issue No 136 (November-December 1992).

First, on page 31, you say that the idea behind the policies pursued by Senegal and other African countries was to disprove the generally accepted 'natural process' of economic development, namely that industrialisation cannot be achieved without first developing a strong agricultural sector.

In the Treaty of Rome, the EC countries pointed to the need to ensure the development of overseas countries and a lot of European funds have been spent on this since then. But it would seem that the African countries always use the money to develop areas other than the farm sector which should be their first priority.

Did the European Community countries — who know themselves how important it is to start by developing agriculture — always give the right advice before the 6th EDF in 1990? And if the developing countries were properly informed, or if they already knew it themselves as I imagine they did, why did they persist for so long in turning a blind eye to the basic inadequacy of their industrialisation policy?

My second short point relates to an inconsistency in the article on Senegal by that country's Minister of Economic Affairs, Finance and Planning. We are told that CFAF 33 billion has been channelled into the Podor Region but the five items subsequently listed do not add up to that amount.

Potin Diémé — Wageningen (Netherlands)

European integration... and African disintegration

I am a regular reader of your magazine and enjoy the dexterity you show in compiling information on Africa which is both rich and educational. I have also been following with interest the stages through which the European Community has passed from the Treaty of Rome in 1957 up to the present debate on the Maastricht Treaty which was due for ratification by January 1, 1993.

Europe is to become an 'ever closer union' in which 'decisions are taken as closely as possible to the citizen in accordance with the principle of subsidiarity'. But what is the agenda for the countries of Africa? Who decides the level of involvement of the people and who sets out the priorities for development?

I have calculated, with a sense of dismay, the huge sums of money in the form of grants and loans that have been transferred to African countries from Europe since Lomé I came into force. I seriously wonder whether the projects involved were those which the Africans themselves most needed.

While European integration is taking place on one side of the Mediterranean Sea, African disintegration is being encouraged on the other. There may even be a United States of Europe by 1999, but by then the African may not even be able to trade with his nearest neighbour for lack of roads and other infrastructure.

What Africa needs above all, to facilitate trade and prevent this disintegration, is all-season roads, both within countries and linking with neighbouring countries.

F.A. Akum — Yaoundé (Cameroun)

THE CONVENTION AT WORK

EUROPEAN DEVELOPMENT FUND

The Commission has taken decisions to finance the following schemes from the 6th and 7th EDFs.

— 22 January 1993

Angola: 7th EDF grant of ECU 950 000 to improve the services of the National Authorising Officer.

All ACPs: 7th EDF grant of ECU 1 380 000 for 'The Courier ACP-EEC'.

Pacific Region: 7th EDF grant of ECU 1 300 000 for the ACP-EC Second Pacific Unit

— 25 January 1993

Jamaica: 7th EDF grant of ECU 3 000 000 to develop trade and services (Target Europe Programme)

Niger: 7th EDF Grant of ECU 16 000 000 for small irrigation facilities in the Lower Tarka Valley (Phase II).

Burkina Faso, Cape Verde, Gambia, Guinea Bissau, Mali, Mauritania, Niger, Senegal & Chad: (7th EDF grant ECU 9 997 868 to improve the permanent diagnosis instruments for regional food security (Phase III)

Sao Tome & Principe: 7th EDF grant of ECU 1 300 000 to repair the S. Joao dos Angloares-Ribeira Peixe road.

— 2 February 1993

Cameroon: 7th EDF grant of ECU 22 500 for a road maintenance programme

ACP-OCT: 6th EDF grant of ECU 35 000 000 as a global commitment authorisation to finance (expedited procedure) technical promotion operations and schemes to develop trade and services, including tourism, in the ACPs and OCTs.

— 4 February 1993

SADC region: 7th EDF grant of ECU 2 000 000 for a SADC language training programme.

SADC region (Botswana, Lesotho, Namibia & Swaziland): 7th EDF grant of ECU 1 900 000 for a SADC regional customs training programme.

Namibia: 7th EDF grant of ECU 1 300 000 for institutional support for the Ministry of Agriculture, Water and Rural Development.

COMMUNITY BUDGET

After a favourable opinion from the Mediterranean Committee, the Commission has taken decisions to finance the following schemes from the European Communities' budget.

— 3 February 1993

Jordan: Grant of ECU 1 315 000 (2% interest rate subsidy) — ECU 645 000 for the Kafrein dam and ECU 670 000 for the King Abdullah canal.

— 4 February 1993

Lebanon: Grant of ECU 30 000 000 for technical assistance for the Lebanese authorities.

Lebanon: Grant of ECU 1 500 000 to access war damage and prepare dossiers of invitation to tender.

EMERGENCY AID

1 January — 5 February 1993

The Commission took the following emergency aid decisions between 1 January and 5 February 1993.

Tadjikistan: ECU 500 000 for displaced persons.

Sierra Leone: ECU 300 000 to finance the purchase of relief equipment following the recent fighting in the south west.

Fidji: ECU 1 million-worth of food aid for victims of Hurricane Kina.

Haiti: ECU 1 million-worth of humanitarian aid (purchase and transport of immediate relief, medicines, equipment etc) for Haitian populations following the embargo.

EUROPEAN INVESTMENT BANK

The EIB has just made the following loans.

Nigeria: ECU 75 million to develop small and medium-sized businesses.

Uganda: ECU 5.44 million for industrial development.

Swaziland: ECU 3.5 million towards the financing of investments made by small and medium-sized enterprises.

Tanzania: ECU 11 million to extend the container terminal at the port of Dar-es-Salaam.

Dominican Republic: ECU 3 million to help small and medium-sized enterprises.

Dominica: ECU 2.5 million towards the financing of investments by small and medium-sized enterprises.

Mozambique: ECU 3 million for a joint venture set up by Mozambican and European partners to develop cashew nut processing in Nacala in northern Mozambique.

Zambia: ECU 7 million to extend the cotton spinning installations and related thread dying facilities in Ndola.

Côte d'Ivoire: ECU 6.5 million to modernise and expand the tuna processing plant at Abidjan.

Cap Verde: ECU 5.4 million for the Nindelo electricity generating station.

Netherlands Antilles: ECU 3 million to lay on airline catering services at Curaçao.

Guyana: 5 million to reorganise the bauxite sector.

EIB President appointed

The Board of Governors of the EIB has appointed Sir Brian Unwin as President of the Bank, as from 1 April 1993. Sir Brian, who sat on the EIB Board in 1983-1985 and is President of the Board of HM Customs and Excise, takes over from Mr Ernst-Günther Broder, the German economist and banker who has headed the EIB since 1984.

ACP-EEC

Foundation for ACP-EEC cultural cooperation General Assembly meets

The plenary session of the General Assembly of the Foundation for ACP-EEC Cultural Cooperation was held in Brussels on 1 February 1993 under the chairmanship of Mr Giovanni Bersani, President of the Governing Board of the Foundation and Honorary President of the Joint Assembly.

Among participants were Mrs Aïssata Kane, a former Mauritian Minister, Mrs Maria Luisa Cassanmagnago Cerreti and Dr Erskine Simmons, Co-Presidents of the ACP-EEC Joint Assembly, Mr Henri Saby, chairman of the Committee on Development and Cooperation of the European Parliament, Dr Edwin Carrington, Secretary-General of CARICOM, and Mr Francis K. Muthaura, the Ambassador of Kenya to Brussels. There were diplomats, anthropologists, sociologists, psychologists, educational psychologists, lawyers, distinguished university teachers, as well as representatives from the Commission of the European Communities. The press was also in attendance.

The relevance of the cultural issue to the development process and in the struggle against racism and xenophobia was strongly emphasised by various speakers who recalled the role played by Ambassador Chasle in securing recognition of the cultural dimension in the Lomé III and Lomé IV Conventions.

These members emphasised the Foundation's daring objectives, which were sometimes perceived as subversive. Widening the range of partners, they say, is absolutely essential, so as to give more weight to the Foundation in the balance of power and reduce its financial dependence.

One of the anthropologists attending the meeting expressed the view that the Foundation should remain open to cultural nuances and cultural blending and that multidisciplinary research should be undertaken between the various con-

tinents without having to go through the West.

Addressing the Assembly, the Secretary-General of the Foundation, Ambassador Chasle, stressed the European Parliament's role in and contribution to the recognition of the significance of culture and its role in development cooperation, and he paid tribute to Angolo Narducci who, through his report to the Parliament, contributed to making his colleagues realise the relevance of cultural dialogue.

The Secretary-General added that if this recognition was now an *acquis*, the visions of culture and of cooperation were still radically different and that the conflict between these perceptions had led to certain tribulations and unsuccessful attempts to destabilise the Foundation which unfortunately impeded its progress and action. He indicated that, beyond the recognition of cultural pluralism, it would be proper to promote the concept of culture as a capacity for

reflection, analysis and upliftment, aimed at responding to current exigencies.

The Secretary-General also observed that Euro-ACP intercultural dialogue would contribute to the reconstitution of the vital fabric of European culture and to revitalising its profound and genuine values, which were essential for the construction of Europe.

The General Assembly was pleased to hear that Mr Manuel Marín, Vice-President of the Commission, had informed the Secretary-General that the various evaluations conducted on the Foundation were on the whole positive and that, following procedures now under way, the Protocol Agreement between the Commission of the European Communities and the Foundation provided for under Annex XXII to the Lomé IV Convention would be signed in the weeks to come — giving a clear signal of the Commission's determination to support the Foundation. The Assembly General moved that a letter of thanks and appreciation be sent to Commissioner Marín.

EUROPEAN COMMUNITY

EUROPEAN ECONOMIC AREA

The results of the Swiss referendum on 6 December were such that the agreement on the European Economic Area was not able to come into force as planned on 1 January. Under the terms of the accord, if one of the contracting parties fails to ratify, the other contracting parties have to call a diplomatic conference to look at the possibilities of adopting a protocol setting out the necessary amendments.

The Commission, the Council and the other EFTA States (Austria, Finland, Iceland, Liechtenstein, Norway and Sweden) made it clear that they were still committed to the EEA, which they wanted to see come into being soon.

If the procedure is to be speeded up and any further ratification complication avoided, the protocol which the other contracting parties sign will have to be confined to provisions made absolutely essential by the Swiss non-ratification.

The Commission has therefore sent the Council a draft recommendation for a decision authorising it to embark on negotiations with the EFTA States, other than Switzerland, with a view to an additional protocol to the EEA accord.

EUROPEAN POLITICAL COOPERATION

The Foreign Affairs Ministers of the Member States of the European Community have issued the following statements on the dates indicated:

8 January: Statement on Kenya

The European Community and its member States welcome the holding of multi-party elections in Kenya on 29th December 1992 as an important step in the ongoing democratization process in the country.

The Community and its member States have also noted with satisfaction that the Kenyan people exercised their demo-

cratic right to vote in great numbers and in a peaceful manner throughout the country, thus proving an impressive degree of political maturity. They have, however, noted with concern reports by international observers as well as national monitors of irregularities in the election process.

The Community and its member States hope that all parties will not turn to violence but use legal means to seek redress of all grievances related to the conduct of the election process.

The election results seem to represent a broad reflection of the choice of the Kenyan people, and the Community and its member States therefore urge all political parties to take up their seats in Parliament and find ways and means to work together within the constitutional framework, for the future peace, prosperity and unity of Kenya.

21 January: Statement on Haiti

The Community and its member States have consistently reaffirmed their commitment to the restoration of the democratic and constitutional government in Haiti as well as their will to support all efforts conducive to a settlement of the Haitian crisis.

They, therefore, welcome the efforts by the organization of American States and the United Nations to bring about the restoration of democracy in Haiti, and they urge all parties concerned to work towards this end.

The elections held on 18 January as well as those planned for 25 January do not constitute free and fair elections since the necessary preconditions, notably freedom of expression and assembly and the right to an open political dialogue, do not exist in Haiti.

For these reasons, the Community and its member States do not consider these elections to be a valid expression of the democratic will.

22 January: Statement on Angola

The Community and its member States deplore the outbreak of widespread and fierce fighting in Angola and the heavy losses of human lives incurred. They appeal strongly to the government and to UNITA to bring an end to the fighting, which constitutes a serious set-back for the peace process that culminated in the free and fair elections of September 1992. They also appeal to the countries in the

region to refrain from any act that could contribute to an internationalisation of the present conflict in Angola.

A solution to Angola's problem cannot be found on the battleground. A general cease-fire is the first and immediate requirement. On this basis they regret the refusal by UNITA to attend a meeting of military leaders due to have taken place in Addis Ababa last week thus jeopardizing the efforts of the special representative of the UN, the Secretary-General and the observers to the peace process and they urge UNITA to reconsider that decision.

The Community and its member States reiterate their earlier appeals to the parties, in particular UNITA, to abide by the results of the elections, observe the Bicesse Peace Accords and resume the demobilisation process. In this context, they urge the President of Angola and the UNITA leader to respond positively to the UN Secretary-General's call for an early meeting between them.

The Community and its member States consider that the United Nations should continue to play a key role in restoring and maintaining peace in Angola. They look forward to the report of the United Nations Secretary-General on the future role of UNAVEM. In the light of this report, the United Nations Security Council should consider the role and mandate of UNAVEM and the possibilities of strengthening the United Nations' involvement in the peace process. However, it must be underlined that cessation of hostilities and genuine willingness to reopen the political dialogue are prerequisites for a meaningful UN contribution.

21 January: Statement on Rwanda

The Community and its member States express satisfaction that, in accordance with the relevant provisions of the Arusha cease-fire agreement of 12.7.1992, the Rwandese Government and the Rwandese Patriotic Front have concluded a protocol agreeing on power-sharing during the transitional period.

They feel that this important stage in the political negotiations should quickly lead, in the interests both of the Rwandese people and the entire subregion and of fruitful international co-operation, to the restoration of peace and security and to the return of persons displaced by the

war to the land from which they have been driven. The progress achieved should also pave the way to the reconciliation of the Rwandese people with itself, the organization of free elections in the near future and the strengthening of democracy in Rwanda.

The Community and its member States pay tribute to the work carried out by the negotiating parties in their dynamic quest for a peaceful and lasting solution to the conflict. They urge all Rwandese political forces to continue to support the Arusha process and the agreements resulting from it and to work for pacification in unity and tolerance. They particularly appreciate the constructive role and positive contribution of Tanzania and of the other countries and international organizations which are observers in the Arusha negotiations.

1 February: Statement on Zaire

The European Community and its member States deeply deplore the outbreak of violence which has just occurred in Zaire and which has caused numerous deaths, including that of the Ambassador of France in Kinshasa.

While expressing their grave anxiety at this new trial facing the Zairian people, the European Community and its member States are also very concerned for their nationals and hope that the ongoing evacuation can be continued in good order.

The European Community urgently appeals to the forces involved to put a stop to the fighting.

Political forces in Zaire must do everything in their power to enable the democratic process to make a fresh start, and the transitional Government must exercise its prerogatives in all areas, including the maintenance of order in compliance with human rights, and the economic and monetary control which are necessary for the social situation to be restored.

In this respect, the European Community calls upon the President of Zaire to ensure that an end is put to the actions to obstruct the process of democratic transition. It supports the efforts of the President of the High Council of the Republic, Monseigneur Mossengwo, to promote a political settlement enabling this transition to free and democratic elections to be properly carried out.

1 February: Declaration on the follow-up to the Warburton Mission

The Community and its member States welcome the report submitted by the Warburton Mission on its findings during visits conducted on 20-24 December 1992 and 19-26 January 1993.

The decision by the European Council to establish this investigation is vindicated by the findings. Rape has been perpetrated on a wide scale in former Yugoslavia, in such a way as to be part of a clear pattern. The great majority of the many thousands of victims have been Muslims.

The European Community and its member States are appalled by these crimes and the inhumanity which marks the present conflict. They intend to implement the recommendations in the report on assistance to the Bosnian Muslim women victims of rape and other atrocities.

At a political level, the Community and its member States will approach the parties to the conflict, and in particular the political leadership, to impress on them the incontrovertible nature of the evidence and the imperative need to bring these abhorrent practices to an end. In this context, the Community and its member States will pursue full implementation of UN Security Council Resolution 798 and will endeavour to inspect the locations associated with the practice of rape.

26 January: Statement by Manuel Marín on Togo

Following the violent repression of a peaceful opposition demonstration in Lomé by the Togolese armed forces on Monday 25 January, in which at least 12 people were killed and 25 wounded, Manuel Marín, the Commissioner responsible for development and humanitarian aid, has issued the following statement:

'I have learned with great emotion of the drama to which the population of Lomé has again been subjected. I am deeply shocked by the upsurge of violence and of death in a peaceful demonstration. I hope the Togolese people will remain calm and find a peaceful way of resolving their political problems and resume as quickly as possible the democratic process.

In order to facilitate the return to calm, I now appeal to President Eyadema to declare the army neutral and to take measures to ensure that this neutrality is effective. I also appeal to the different political forces to restart dialogue as quickly as possible in view of elections which will allow everyone to express and determine themselves freely, in order to establish stable and lasting democratic institutions.

Once again, I remind that the Commission is ready to support this process, the only guarantor of a balanced and durable development.

Background to the Lorenzo Natali Prize for Journalism

The Commission set up the Lorenzo Natali award, with an ECU 5000 allocation, in memory of the former Vice-President of the Commission of the European Communities — he was responsible for development cooperation — in 1992 (Official Journal C182 of 18 July 1992).

Articles on development cooperation published in one of the official languages of the Community in a daily paper or a periodical from any country in the world are eligible.

The judges are particularly interested in journalistic work which makes an outstanding contribution to the defence of human rights and democracy as essential elements of economic and social development and may, on an exceptional basis, decide to award the Prize to a means of communication which has made an outstanding contribution to championing human rights and democracy in the developing world.

The judges, chaired this year by Manuel Marín, the member of the Commission responsible for development, are from the Commission staff and may consult members of other Community institutions as well as leading personalities from the world of development cooperation in making their decisions.

COLEACP meets in the Caribbean

For the first time in its 20 years of existence COLEACP has held a meeting in the Caribbean. From 11-15 January 1993 over 150 producers and exporters of fruit and vegetables (ACP, Caribbean and European alike) gathered in Santo Domingo to examine ways of improving the commercial position of Caribbean fresh produce in Europe.

The Conference identified five main areas of concern: market intelligence, organisation of the sector, transportation and logistics, quality of produce and promotion.

On market intelligence, the Conference agreed that there was a general lack of information on developments in the European market place, which meant that exporters often failed to respond to

GENERAL INFORMATION

Commission awards Lorenzo Natali Prize for Journalism to Reporters sans Frontières

The Commission has just awarded the Lorenzo Natali Prize for Journalism for the first time.

There were 53 applicants for the 1992 award, which the judges, chaired by Manuel Marín, the Commissioner responsible for development cooperation, gave to the Newsletter of *Reporters sans*

Frontières, an organisation which works for human rights and democracy in the developing world.

They also decided to make special mention of Mr Nicoué Broohm for his article on voluntary servitude and human rights in Africa, which appeared in the first issue of *Droits et libertés*, the journal of the Togolese Human Rights League. This was the judges' tribute to an article and a journal representing the fight for freedom now a feature of so many developing nations.

The Commission organised an official ceremony for the award of the prize and the special mention in January.

short-term windows of opportunity and niche-markets. The DECS Agricultural Diversification Coordinating Unit (ADCU) had developed scope for replication of the techniques used to benefit the wider region. The Conference recommended considering ways of improving the flow of information from its importer members, particularly as regards exotic and off-season fruit and vegetables with potential on the European markets.

The Conference noted, as regards the organisation of the sector, that this was undergoing a major upheaval with the general trend towards privatisation of marketing functions so that marketing boards and similar parastatals increasingly retained only quality control and certification. The emergence of numerous small, unsupported private operators entailed other problems. The meeting recommended the formation of professional exporters' associations for which successful experiences in the Dominican Republic and St Lucia could serve as models.

Transportation and logistics were viewed by many participants as the principal constraint to expansion of trade in non-traditional produce. Given the subject's importance, COLEACP had sent an expert on a preparatory assignment to the region and the item was thus covered in depth.

Generally, it was found that while regional shipping services remained geared to traditional exports (bananas), the facilities available could, at least in theory, be adapted to mixed cargo requirements to include non-traditional produce; there was an increasing tendency to switch to air freight where possible, but freight capacity was a direct by-product of passenger movements and the upper limits on fresh produce exports therefore coincided with those of the region's tourist industry. Moreover, there was a lack of containers for non-traditional produce and the fact that export volumes were small did little to encourage a greater supply. Intra-regional trade was severely hampered by very limited, expensive and slow transport and badly affected by the absence of storage and chilling facilities at regional ports/airports in the same way as extra-regional trade.

Recommendations included joint action by exporters' associations to

negotiate standard rate and service specifications with carriers, action to persuade banana companies to review their cargo configurations so as to accommodate more non-traditionals, expansion of port/airport facilities and better demand analysis in mainland Europe. The transport session was followed by a well-attended workshop on containerisation.

The Conference found that quality of produce needed to be monitored from producer to final consumer. Too often produce was spoiled by poor handling during packaging, transportation and distribution, an inadequate perception of what is acceptable in the marketplace and a failure to recognise the direct correlation between the standard of produce offered for sale locally and that of export-quality fruit and vegetables. A common

quality strategy and agreed standards were recommended for specific produce.

Last but not least, promotion was highlighted because of the need to combat the contraction of Caribbean market share in Europe relative to other sources (among which Europe itself was becoming a serious competitor for certain 'ethnic' produce such as pumpkins and yams). There was some disagreement on 'crossover' thresholds (the point at which an 'ethnic' product becomes part of general consumption) but there was general consensus on the need for point-of-sale information to the public and carefully targeted public relations to generate free coverage by the mass media. It was agreed that once quality standards were in place (and sufficient volume guaranteed) a logo could be introduced to denote top-grade Caribbean produce.

EUROPEAN PARLIAMENT

Development Committee encouraged by new Council President

Members of the European Parliament's Development Committee were pleasantly surprised when the new Danish Minister for Development Cooperation, *Helle Degn*, addressed them at their meeting in Brussels on 18 February. Representing the Danish Presidency of the Council, Mrs Degn set out an ambitious agenda designed to give greater impetus to development policy in the coming months. She began by outlining the general priorities of her Government in the development field, which included fighting hunger and defending human rights and democracy. Significantly, she also underlined the importance of achieving compliance with the long-standing commitment by developed states to provide 0.7% of their GNP for development assistance. In fact, Denmark is one of only two EC Member States to have met this target (the other is The Netherlands). Mrs Degn spoke of seeking 'to inspire countries which have not yet achieved the target to take their full share'.

Mrs Degn also served notice that certain specific issues which 'have been played down in recent months' would be given greater prominence. She focused specifically on the *role of women* and on the *environment*. As regards the former, the Minister said that the Danish Presidency would 'insist' that the Commission take steps to increase the role of women in development programmes. As for the environment, she argued that it was essential to build on the agreement which had been reached at the Rio de Janeiro conference. The Presidency, she said, intended to ensure there was a concrete follow-up to the commitments made by the Community at the Earth Summit.

Another thorny subject which Mrs Degn would seek to tackle was the issue of *tied aid* — in other words, assistance which is made conditional upon purchase of the related goods or services from the donor country. The Minister argued that this should be 'untied' so that 'the developing world can get more out of the aid that is available'.

Mrs Degn also dealt with a variety of other important issues including *effective coordination* between Community and national development policies, *population policy*, *emergency aid* and the importance of an *independent judiciary* and police forces that are *free of corruption* in the context of human rights and democracy.

In the subsequent question and answer session, the Minister was widely praised by MEPs from all sides although one member did suggest that she might be 'pushing her luck' in putting forward such a bold programme. Several members expressed doubts about whether her aspirations for other Member States to meet the 0.7% GNP target were realistic in the current economic climate.

Vice-President Marín looks to the future

Later in the day, Commission Vice-President *Manuel Marín* had his first meeting with the Development Committee since his reappointment. His development portfolio has been expanded to include relations with developing countries outside the Lomé system, that is to say economic cooperation with the countries of Latin America, Asia, the Middle East and the southern Mediterranean. He has also been appointed Commissioner with responsibility for humanitarian aid.

Mr Marín used the opportunity to sketch out the Commission's working programme in the development field for the coming two years. He began by stressing the complexity of development processes, pointing out that there was 'no miraculous solution'. He affirmed that 'respect for human rights and democracy are built into the very body of Community development policy' and praised the 'decisive work' of the Parliament in this area in recent times.

The Commissioner also sought to reassure the Committee that there was no question of excluding Parliament from the process currently under way leading to a reformulation of development policy. He said that the Commission 'is very attentive to the various criticisms and reservations of some MEPs as regards the content of the 'Horizon 2000' document whose only purpose was to provoke a comprehensive and open debate on the future of our development cooperation policy'.

Mr Marín spoke about making aid more effective in quality terms and emphasised the advantages of having all the Commission services dealing with cooperation and development policy under a single Commissioner.

Turning to more short-term issues, the Commissioner referred to the forthcoming negotiations with the ACPs on the second financial protocol to Lomé IV. (The Convention is valid for ten years, but the financial arrangements are set out in a Protocol which must be negotiated anew after five years.) He saw the negotiations as an opportunity to introduce changes elsewhere in the Convention, stressing that this would not be changed for its own sake, but in order to bring it up to date. He pointed out that it was impossible to ignore the transformation of the international scene, and the changes which had taken place inside the Community in recent years.

Mr Marín also spoke at some length about the growing area of humanitarian aid. The Community, he said, had helped people in the past without discrimination and this was something which must continue — the sole task in emergency situations being to help the victims. In this connection, he said that one of his immediate tasks was to get the EC Humanitarian Office (ECHO) working. The Office, he said, can act as a coordinating agency between the various Commission departments as well as in its work with Member States, third countries, international organisations and NGOs operating in the same field.

There then followed a lengthy session during which members of the Committee posed questions on a variety of issues. Several members expressed general concerns about the process leading to the reformulation of development policy and about the future of the Lomé system.

Responding to specific criticisms of the 'Horizon — 2000' document, Mr Marín said that the text was a 'starting point and not a conclusion' and urged committee members, as part of the debate, to come up with constructive criticisms.

As regards the possibility of changes to the fourth Lomé Convention, Mr Marín sought to reassure MEPs by stressing the 'open and transparent' way in which he was pursuing the initial debate — both with the ACP representatives and with the European Parliament. He reiterated

his view that a comprehensive updating of the Lomé Convention was needed.

Foreign Affairs Committee

Two days prior to meeting with the Development Committee, Vice-President Marín also attended, for the first time since the redistribution of portfolios within the Commission, the Foreign Affairs and Security Committee of the European Parliament. Both sides enjoyed the opportunity of having a first, frank exchange of views. Mr Marín highlighted, as he was to do later in the week, the guiding principles behind his development thinking: good governance, democracy, respect for human rights, and development as a long-term process, the ultimate goal being mankind and his well-being. He also reviewed recent development performance and set out the short-term priorities by respective geographical areas of cooperation (ACP, Maghreb, Mashrek, Asia and Latin America).

MEPs took the opportunity to put specific questions to Mr Marín. These ranged from such issues as humanitarian aid and the difficulties of putting it into practice ('15 000 tonnes of wheat intended for Armenia were stolen'), the problem of defining borders ('Africans ask how Europe can teach them a lesson when it is in Europe that borders are currently being fought over'), East-South competition for development funds ('private firms cannot be dictated to but as far as public resources are concerned, we will not abandon the South') and the renewal of the Lomé Financial Protocol ('Lomé needs to be modernised and brought up-to-date').

Commissioner Marín also criticised the Bretton Woods Institutions — the IMF and the World Bank — for their 'inflexible approach', insisting that young democracies needed support in order to avoid creating conditions that are worse than before. He pleaded for complicity between the Commission and the Parliament in order to try and avoid having 'Member States defending one policy in Washington and another in Brussels'. One field of cooperation between the two institutions which, as revealed in this first meeting, is already operational, is in respect of democracy and human rights. The Commission and Parliament are working hand-in-hand to keep these issues at the forefront of future EC development policy. ○



Mr. Paul FRIX,
Director of the CDI.

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Editorial

THE CDI'S PRIORITIES IN 1993

1993 will be a particularly important year for the CDI. After two years of fundamental rethinking and restructuring of the Centre's operational activities, the CDI's ability to respond to the needs of the ACP countries has increased substantially, in terms of both quality and quantity, thanks to the improvements in its working methods and the strengthening of its human resources. In effect, the number of experts and support staff has been increased by over 50%.

1993 will be a year of greater selectivity in the CDI's activities and reinforcement of its ACP and EC networks.

Selectivity

In terms of strategy, the CDI intends to focus its action on three fields :

1. ACP countries which, in liaison with the CDI, use a significant proportion of their national indicative programme within the context of the EDF (European Development Fund);
2. Assisting and following up projects over a sufficiently long period to ensure that they reach viability and the takeoff stage;
3. Specific industries in which the CDI has acquired particular expertise, such as fishing, agro-foodstuffs, textiles and garment manufacture, timber, non-metal minerals, foundries and building materials.

Networks

To consolidate its ACP network, the CDI will be giving special attention to strengthening or creating service companies and consultancies capable of operating as local CDIs. Close to firms and entrepreneurs, efficient, flexible and removed from political influences, these local support structures are essential to establish more effective co-ordination on the spot. They will ensure greater complementarity in practice between sources of international aid and/or domestic and foreign financial institutions concerned with industrial development in the ACP countries. In Europe, the CDI intends to continue with the mobilization and effective utilization of additional co-financing resources from member countries of the European

Community. With various partners it is studying the ways and means of reinforcing the management and follow-up of co-financing agreements for projects, and hopes to develop to this effect a network of organizers in each country responsible for implementing the main agreements.

One of the bases of the Centre's strategy remains its openness to other national and international bodies and institutions involved in the promotion of industrial development, and particularly with Community bodies such as the EIB and the European Development Fund. But this openness also extends, at international level, to cooperation with organizations such as the World Bank, the African Development Bank, UNIDO, the ILO, regional or local development banks, etc.

Anticipation

The CDI is endeavouring in fact to anticipate the changes that are proving necessary in order to take up the unprecedented challenge of company creation and industrialization in the ACP countries, especially in Africa, a continent going through a profound structural crisis. On this will depend the CDI's ability to play its role among the various tools of renewed cooperation. It is a question of responding more effectively to the tremendous hopes pinned on it by so many ACP countries. This approach has called for and will continue to call for constant questioning and changes in habits, which by definition are not and will never be easy.

Paul Frix,
Director of the CDI.

HEALTHY CROP OF PROJECTS TO BE HARVESTED



Mr. Georges Tatepo, CDI Geographical Officer for West Africa. We are now going to try to consolidate the "pairings" formed in Dakar.

No sooner were the doors to the EEC-West Africa Industrial Forum (FORDAK '92) closed than the follow-up to Dakar '92 began, a stage just as important and intense as the meticulous prepara-

tions for this major meeting in the region's business life. The CDI, in cooperation with the Commission of the EC, will be providing the ACP and European companies present at the Forum with its support in giving concrete shape to the partnership projects initiated at this event.

This Xth EC-West Africa Industrial Forum, held in Dakar at the beginning of December 1992, lived up to what is now a well-established tradition of high attendances. The five-day event brought together some 380 participants(*) from 16 African countries (including about 300 promoters and companies and over 50 public institutions or private organizations) and 150 participants from 11 EC countries - see Tables I and II opposite. On the menu for this enormous "business fair": the partnership possibilities offered by the 432 projects presented by the African contingent and the 84 cooperation proposals from European firms. It should be borne in mind that these projects and offers had been compiled and selected beforehand by the EC and the organizations involved in the preparations for the Forum(**).

Clear trend towards regional integration

These figures illustrate the interest shown by economic operators, African and European alike, in this two-yearly event. There was a significantly large attendance from English-speaking countries, which provided 144 industrial and institutional participants (over half of them from Nigeria). "For Dakar '92, prospecting for projects in these countries was particularly intense",

observed Mr. Georges Tatepo, the CDI's Geographical Officer for West Africa.

"This positive response from the English-speaking world is a clear indication of a trend towards the economic integration of West Africa. In addition, a survey conducted at the end of the Forum among African participants revealed that a third of them were also very interested in the "South-South" contacts at the Forum, another sign of this growing awareness of the regional potential of African markets".

First assessment

Just how successful was this gathering of industrialists? It is certainly too early at the moment to give a full picture of the results in the short and medium term from the 3,200 business meetings officially counted during the Forum.

The consultants appointed by the Commission of the EC to collect details on projects and offers have recorded some fifty letters of intent or agreements signed in Dakar itself (see Table III). These immediate prospects

Dakar '92 in figures
Table I. EC participation

Number of companies and organizations represented : 150	
Type of activity	%
Industrial companies	55
Design and engineering offices	13
Commercial companies	9
Promotional bodies	8
Consultants	7
Banks and financial institutions	4
Press	4
Total	100

concern 10 ACP States and 8 EC countries, over half of them in the agro-foodstuffs, chemical and pharmaceutical sectors.

CDI involvement in the organization of the EEC-Africa Forum - a high spot for the promotion of ACP projects - was substantial. Apart from actively cooperating in the

Dakar '92 in figures
Table II. African participation

Country	Total	of which promoters/ companies	of which public institutions and private organizations
French-speaking countries			
Bénin	8	4	2
Burkina Faso	16	13	-
Cape Verde Islands	13	6	7
Côte d'Ivoire	29	27	1
Guinea	16	12	-
Guinea-Bissau	18	16	2
Mali	30	23	3
Mauritania	40	36	3
Niger	6	5	-
Sénégal	55	50	-
Togo	4	3	-
Total	235	195	18
English-speaking countries			
Gambie	27	18	5
Ghana	23	20	1
Libéria	1	1	-
Nigéria	77	47	27
Sierra-Leone	16	12	2
Total	144	98	35
Total	379	293	53

selection of projects and the financial support given to numerous African and European industrialists to help them take part in the Forum, the Centre also provided logistical support on the spot in the form of technical and financial advice, legal assistance, etc. The CDI also organized the Partnership Day and took advantage of the presence of numerous representatives of development finance corporations to arrange a second meeting of the "Okoumé Club" (see boxes below) (**).

Strengthening company "pairings"

Post-Dakar activities are already under way, following up the contacts generated by this event. "Working in close synergy with the Commission of the EC, we are now going to try to consolidate the "pairings" formed in Dakar, especially with regard to seeking out sources of financing, through the contacts of our dual network of support bodies and development finance corporations in Europe and in the ACP countries", explains G. Tatepo.

(*) The term "participant" does not refer to the actual number of people present but the industrial, institutional and other entities represented at the Forum. All the figures given above were compiled by the ASIACO consultants commissioned by the EC to coordinate prospecting for projects and evaluation of the results of the Forum. These data are still provisional.

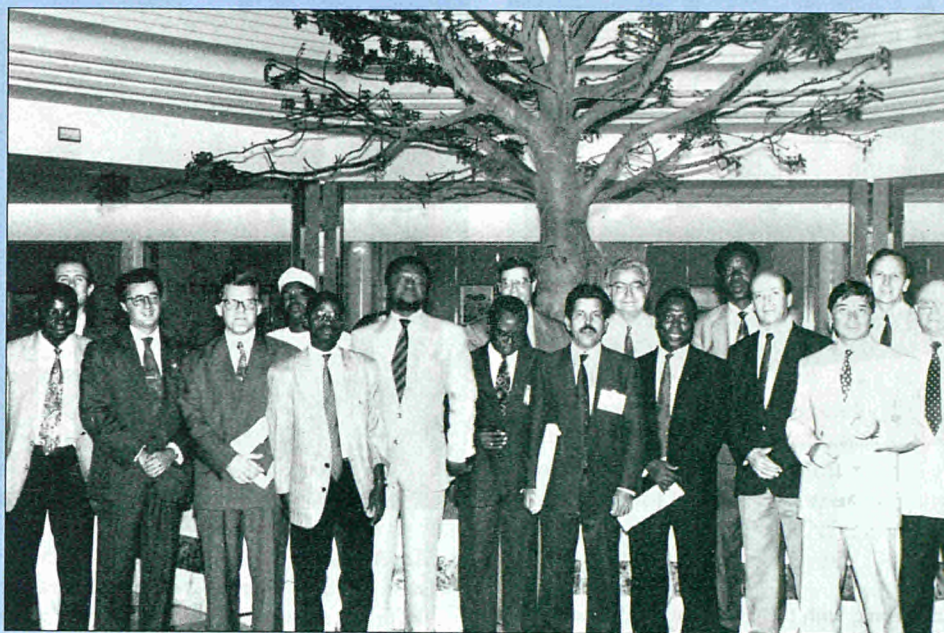
(**) See the article on Dakar '92 in *Partnership* No. 4.

(***) It should also be noted that the Forum provided a useful opportunity to organize a meeting of CDI antennae in the region: see the short report on page 8.

Future EEC-Africa Industrial Forums

- ◆ The next Forum will concern Central Africa and will take place in Libreville at the end of 1993. The exact date will be announced later.
- ◆ The EC is currently studying the possibility of organizing the first Forum for East Africa around June 1994.
- ◆ The EC is planning an industrial and mining Forum in Southern Africa, also in 1994.

Two important events held in parallel with the Forum



The "Okoumé Club" at Dakar '92.
To link up European, African and international development finance corporations with support and promotion bodies.

2nd session of the "Okoumé Club"

It will be recalled that the aim of this "Club", launched in 1991 at the Libreville '91 Forum, is to link up European, African and international development finance corporations with support and promotion bodies wishing to provide financial and technical backing to promoters of industrial projects in the ACP countries.

At the Club's second meeting in Dakar, the participants analysed in particular the problems posed by the insufficient level of capital and guarantees provided by promoters and the obstacles connected with the non-convertibility of national currencies. They also studied ways and means of bringing the development finance corporations and the support bodies together to meet these challenges by working out new guarantee mechanisms and developing joint back-up initiatives:

- ◆ creation of service and consultancy companies for local enterprises;
- ◆ more rigorous selection process for projects presented for financing;
- ◆ special support for the private sector and companies going through processes of restructuring or consolidation;

- ◆ co-financing of studies demonstrating the viability of projects in terms of markets and marketing strategy;
- ◆ training of promoters and industrial operators;
- ◆ assistance with technical, commercial and administrative management, etc.

Partnership Day

Using the same formula as for the Fora in 1990 and 1991, the CDI organized another "Partnership Day" in Dakar. During this day of talks and debates - "designed to compare experiences on both sides and to draw lessons from them", explains Patrick Keene, CDI Officer in charge of promotion and support for partnerships - four successful projects seen as yardsticks were discussed and commented on in depth(*):

- ◆ AGRIFA (Senegal) : manufacture of peanut paste
- ◆ SCS (Cape Verde Islands) : soap production
- ◆ NIGERIAN FOUNDRIES (Nigeria) : foundry extension
- ◆ ASTEK (Ghana) : production of fruit juices.

(*) A short description of these projects was given in *Partnership* No. 4.

Visit to five Senegalese companies



The product range of the Senegalese company SAFRISAND. Ex post evaluation of company health after receiving aid from the CDI.

In keeping with the CDI's concern to measure the impact of its interventions and to provide ongoing support to companies, the team that the Centre assigned to Dakar took advantage of their stay in Senegal to follow up five firms that have received or are currently receiving support from the CDI; technical, financial and commercial aspects were examined and, in some cases, further support from the CDI was envisaged. The companies visited were the following :

- ◆ SAFRISAND (manufacture of shoes and sandals), which has received commercial assistance to step up its exports to Europe;
- ◆ NSTS (Nouvelle Société Textile Sénégalaise), provided with assistance by the CDI to rehabilitate and restart the company;
- ◆ COSELEC (electrical engineering), a firm helped by the CDI when it was set up as a joint venture with a French partner and soon to receive assistance in improving the technical skills of the workforce;
- ◆ M'BAO (poultry farming), a French-Senegalese partnership resulting from the privatization and modernization of a State-run industrial farm;
- ◆ AGRIFA (peanut paste production), a company assisted by the Centre when it recently started up.

Various CDI staff members also made working visits to companies or organizations in neighbouring countries : Nigeria, Mali, Ghana, Gambia and Guinea Bissau.

Extracts from speeches at the Forum's opening session



Mr. Alassane Ndiaye, Senegalese Minister for Industry, Trade and Crafts: "With the opening up of world markets, the growing competition among countries and companies calls for real strategic management of industrial development within a permanent dialogue between the private sector, governments and investors".

Mr. Francisco Granell, Director at DG VIII (Development) of the CEC: "The Community wishes to play a leading role in encouraging the private sector in ACP States. And this policy is not just a passing fashion. It reflects a deep European conviction

as to the fundamental role that private enterprise and civilian society must play in order to promote the kind of development that will create jobs and fresh opportunities for nations and for their populations".

Mr. Paul Frix, Director of the CDI: "It is important to lay new and realistic foundations to consolidate Euro-African cooperation in favour of enterprises displaying a spirit of innovation. In particular, it is a question of promoting the creation of venture-capital investment companies and support organizations working together to provide aid to entrepreneurs".

Dakar '92 in figures
Table III. First assessment of the industrial meetings

Number of letters of intent/agreement signed between ACP and EC participants : 50					
ACP country concerned		EC country concerned		Sector concerned	
Benin	4%	Denmark	14%	Agro-foodstuffs	25%
Burkina Faso	3%	France	12%	Agro-industry	5%
Cape Verde Islands	3%	Germany	14%	Chemicals/pharmaceuticals	25%
Côte d'Ivoire	10%	Greece	24%	Elec./electronic	3%
Guinea	18%	Italy	5%	Engineering	4%
Guinea Bissau	12%	Portugal	5%	Non-metal minerals	16%
Niger	10%	Spain	16%	Paper	3%
Nigeria	18%	United Kingdom	10%	Textiles	15%
Senegal	14%			Wood	4%
Sierra Leone	8%				

CHALLENGES AND OPPORTUNITIES FOR ACP COUNTRIES

European union, the GATT world trade agreement and Eastern European economic reform spell change for ACP countries. Success in this new Europe will require a profound understanding of these developments, coupled with effective management and marketing skills. These topics were addressed in 'The New Europe', a 3-week seminar organised by the Trade and Development Institute of Ireland (TDI), to which the CDI sponsored 5 delegates from Papua New Guinea, The Gambia, Nigeria, Grenada and Botswana.

A Look into the Future

The European Economic Area (EEA) will involve 380 million people in an area stretching from Central Europe to the shores of the Arctic, Mediterranean and Atlantic. The EEA and GATT will change the face of international trade, while the reform process in Eastern Europe is moving the focus of many developed countries eastwards.

"Understanding these challenges is crucial to ACP countries," explains Mr. Ceesay, an economist from the Gambian National Investment Board. "The conference covered all these developments, as well as strategic management, attracting inward investment and targeting export markets."

The first of the five sessions, held in Germany, examined the EC Common Market and EEA, the new East-West relationship, Lomé IV and the GATT negotiations.

"One of the most interesting things I learnt was the importance of standards," commented Mrs. Grubbe, the new CDI Antenna for Grenada. "We will need to work harder to meet EC standards, but we will be rewarded with access to the entire European market."

A Case Study: Ireland

The seminar was practical in nature, and included an extensive case study of Ireland's successes in attracting foreign investment.

"Ireland is a very relevant model for Grenada," explained Mrs. Grubbe. "We are looking to attract offshore data services just as Ireland attracted computer companies. We can also learn from their tactics in marketing liqueurs, another domestic industry Grenada is developing with CDI's help."

The Irish case study is also relevant to Botswana. "Like Ireland, we have a powerful neighbour," Mr. Mpoloka pointed out. "When the dust settles in South Africa, Botswana is going to face strong competition in attracting investors. We will need the sort of skills I learnt at this conference."

"I think we were all worried about 'Fortress Europe'" agreed Mr. Mpoloka, from the Botswana Ministry of Trade and Commerce. "We've learnt, however, that the changes will stimulate competition, not bar us from the market. We also understand the system much better now, learning, for example, that you can prosecute a company for unfair trading."



(left to right) Mr. Anuk, PNG; Mr. Mpoloka, Botswana; Mr. Steketee, CDI; Mr. Ceesay, The Gambia; Mrs. Grubbe, Grenada; Mr. Chikere, Nigeria. In return for CDI's assistance, each is to write a report on what they learnt at the conference and how they plan to put this knowledge into action. In this way the CDI gets valuable feedback from its activities, from which it can judge their effectiveness.

Strategic Management

Later sessions, presented in the UK, covered the application of strategic marketing and management techniques to attracting inward investment and targeting exports.

The increasing attention being paid to Central and Eastern Europe is focusing the ACP countries' attention on new ways to attract investment. "Contributions have increased to cope with the new demand, but the scene is definitely more competitive," noted Mrs. Grubbe.

Partly as a result, all five agreed, they prefer technology and skill transfers to pure investment dollars. Mr. Chikere, of the Association of IMO-State Exporters, Nigeria, gave an example: "Nigeria is the world's largest exporter of yams. However much of the produce rots before being eaten or sold, so they need food processing technologies to improve efficiency. Feasibility studies, involving the CDI, are underway."

"Papua New Guinea," added Mr. Anuk, responsible for trade at the Papua New Guinean embassy in Brussels, "is experiencing a mineral boom, but we must focus on industries that will be there after the boom ends. We are diversifying from traditional agro-based industries into manufacturing, so technology transfer is vital."

"Eastern Europe will also compete with us in exporting to the West," observed Mr. Mpoloka. "The seminar introduced 'niche marketing' as an answer. So TDI presented new solutions, as well as explaining the New Europe."

HIGHLY PROFESSIONAL MEETINGS

Around the middle of December 1992, three days of "Professional Meetings" were organized by the CDI in collaboration with specialist consultants, bringing together around the same table a total of twenty Mauritanian companies and twelve European firms in the fishing sector, together with representatives of the national authorities and the EC. The purpose of this meeting, which focused on small-scale fishing in Nouadhibou, was to draw up a list of the problems faced in the development of this sector of prime importance for the country's economy and to identify potential partners likely to increase the value added of local fishing companies.

Priority for small-scale activities

It all began with a request for assistance made by the Mauritanian authorities during the official visit to the country by Mr. Paul Frix, the Director of the CDI, in April 1992. At the moment, one of Mauritania's main priorities is to develop the fishing industry and especially small-scale fishing activities. "This request immediately aroused the interest of the CDI", explained Paul Chotard, Technical Resources Officer in the Interventions Division. "It had all three ingredients upon which the Centre intends to focus its support activities:

- ◆ fishing represents an essential but poorly controlled resource for the Mauritanian economy;
- ◆ in spite of many structural difficulties, there is an established network of local private companies which constitutes a real basis for development;
- ◆ finally, the national authorities clearly have the political will to make an effort to support this sector".

The approach adopted - that of Professional Meetings - was aimed at acquiring first-hand knowledge of the practical problems encountered by Mauritanian firms and

analysing them in the light of the reactions from a selection of European companies wishing to develop business links with Mauritania. To prepare for this meeting, the CDI commissioned an in-depth study from the French consultancy firm Cofrepêche(*) on the current situation in this sector (state of resources, types of fishing, means of production, marketing methods, competitiveness, etc.). The Centre then carefully selected the participants, recruited from all the stages in the process, on the basis of their motivations.

Identifying bottlenecks

"The first positive result from these few days was pinpointing all the bottlenecks hindering the exploitation of these resources by Mauritanian companies", indicated Eric Rotsaert, a fishery expert appointed by the CDI. "The Mauritanians there described the conditions in which the local industry is operating at the moment and asked numerous questions about outlets in Europe, quality and packaging standards, distribution channels, the problems involved in air-freighting fresh products to mar-

Contact at the CDI

Further information on the meeting in Nouadhibou (details on the participants, preparatory report, etc.) can be obtained from the CDI.

Contacts :

- ◆ Hamed SOW, Geographical Officer responsible for Mauritania, Projects and ACP Network Division
- ◆ Paul Chotard, Head of the Technical Resources Department, Interventions and EC Network Division.



A prototype of the "Senegalese pirogue" modified and improved by the Breton firm Hauchard. Technology adapted to suit the traditional know-how of local fishermen.

kets, fishing and preservation techniques and boat-building technologies. For their part, the representatives of the European companies gave the fullest replies that they could, outlining the possibilities for developing partnerships, and, in turn, questioned the Mauritanian entrepreneurs on their capacity for supplying certain products".

"And the presence of officials representing Mauritanian fisheries was also extremely useful", adds Paul Chotard, "because this made it possible for numerous questions concerning weaknesses, contradictions or gaps in government policy concerning fishery regulations to be openly discussed".

Practical results

Another positive aspect of these three days' work was the concrete cooperation prospects that emerged.

◆ **Exporting to European markets.** The first possible type of partnership with EC companies is in the marketing of a wider range of products at competitive prices and meeting European quality standards. New sources of supply are very much in demand among EC importers. During the Meetings, an agreement was signed between two participants for the delivery of a stock of frozen products so that the commercial possibilities could be tested. "Other business contacts are also being pursued and the CDI Projects Division has already received ten requests for partnership assistance", reported Mr. Hamed Sow, Geographical Officer responsible for Mauritania. The CDI is also studying ways of helping local companies to bring their products into line with the standards in force in Europe.

◆ **Participation in fairs.** "The discussions brought to light a distinct lack of knowledge about the European market among Mauritanian operators", commented Eric Rotsaert. A major effort is required in this field and the CDI intends to help Mauritanian operators to take part in trade fairs in Europe.

◆ **Training.** In a country which has traditionally turned towards the desert



At the Nouadhibou "Meetings". The main possibilities of potential partnerships lie in exports to Europe, modernization of the fleet and equipment and training.

rather than the sea and its resources, training is essential for the development of small-scale fishing activities. The technical know-how of European companies can play a very positive role in this connection: for instance, a subject of great interest in Nouadhibou was the introduction of trawl line fishing, a technique unknown to Mauritanian fishermen.

◆ **Modernization of on-shore equipment and boat-building.** The Breton company Hauchard, which attended the Meetings, is already constructing a factory in Nouadhibou to produce light boats of the "Senegalese pirogue" type, adapted to suit small-scale fishermen (see photo opposite).

Other contacts between European manufacturers and local entrepreneurs have opened the way to possible projects for the manufacture of single-hull or multi-hull boats of aluminium or fibreglass, to replace and extend the existing fleet, which is very under-equipped. There are also possibilities of modernizing fishing equipment, harbour installations, etc.

A test for «Fishing» Meetings in other ACP countries

"The CDI has already adopted integrated sectoral approaches of this kind in a number of countries for different industries - wood and non-metal minerals in the Caribbean, tropical fruit processing in Africa and textiles in Madagascar, Burundi and the Pacific. But these meetings were a «first» in a sector which represents an important resource for other ACP countries", explained Paul Chotard. "Having seen the interest aroused by the experiment in Mauritania, which the Centre is now actively following up, we are studying the possibility of repeating the same formula in the near future for professionals on the coast of the Indian Ocean or in the area of the Great Lakes of Central and East Africa".

(*) Cofrepêche had already made an inventory of fishery resources and fishing grounds in Mauritania in 1991, within the context of a review of the fishing industry carried out by the World Bank with the support of the Commission of the EC.



European participants on a visit to fishing companies. Strengthening an existing structure of small local fishing companies must begin with modernization and diversification of products and markets.

Profile of an industry

The coastal waters of Mauritania are teeming with fish, and the fishing industry currently accounts for almost a third of the country's GDP and 70% of its exports. Over recent decades, this resource has mainly been exploited through industrial deep-sea fishing :

◆ either in boats flying a foreign flag, under agreements signed with certain countries (especially the former USSR, Romania, the former GDR and some Community countries within the context of the EC/Mauritania Fisheries Agreement);

◆ or under the Mauritanian flag. But most of the national fleet is in fact made up of foreign boats (East Asian in particular) chartered by Mauritanian shipowners with fishing licences. This fleet poses some major problems, especially due to the decrepit state of the boats, the high running costs arising from this, unsatisfactory returns, no local workers in crews, etc. In addition, Mauritanian operators are almost totally absent from the marketing channels, which pass largely through middlemen based in the Canary Islands, thus preventing the country from having any control over possible benefits for the local economy.

Consequently, along with the need to restructure the industrial fishing industry, the Mauritanian authorities are giving special priority to the small-scale fishing sector, which is largely underdeveloped and accounts for only about 5% of the total catch. These fishing companies, often operating on a very small scale indeed, have so far specialized mainly in catching octopus - a very abundant resource - almost all of which is sold on the Japanese market. This "single-species" fishing activity, centred on the port of Nouadhibou, is therefore dependent on this sole outlet.

For the fishing industry to inject more value added into the country's economy, the strengthening of this existing structure of small local fishing companies must begin with modernization and diversification of products and markets, especially in Europe, a close target but one under-exploited by the Mauritanian fishing industry. Local consumption and exports to neighbouring countries should also be taken into consideration.

ACP NETWORK



The 'family picture' of the meeting of West African antennae. The antennae play a very important role as "critical filters" in selecting projects. They represent a key link between financial institutions and local organisations.

1993, the year of the networks: A boost for West Africa

Reinforcing the role and the effectiveness of the ACP network - one of the CDI's major objectives for 1993 - was at the centre of discussions between the representatives of the CDI antennae in 14 West African countries(*) meeting in the wings of the Dakar Forum. The Centre has recently increased its Brussels staff of geographical officers for this region, which now comprises four people: Messrs. C.G. Tapedo, A. Ndiaye, S. Ditutala and H. Sow. These four officers explained the increased role that the antennae (private or public) are being called upon to play in project identification, preparation of CDI interventions and following up companies receiving support from the Centre.

Three aspects were underlined in particular:

- ◆ The CDI has chosen to focus its attention on projects with a real chance of success, avoiding too many sporadic interventions and favouring those based on the real needs of domestic and export markets. With their knowledge of local conditions, the antennae must serve as "critical filters" so that requests from the most efficient entrepreneurs can be selected.

- ◆ Second strategic choice: the Centre will follow the development of projects step by step, relying on local service companies or manage-

ment consultancies in countries displaying a dynamic policy towards private enterprise. A large proportion of contacts with the antennae must therefore concern the identification and establishment of such structures.

- ◆ Third strategic option: the CDI will work in close conjunction with local or international finance institutions operating in the ACP States. Here too, the antennae will continue to play a role of prime importance, especially through their close contacts with the local representatives of these institutions. Furthermore, in some countries the Centre will manage a portfolio of several projects, with the antennae being well placed to help the Centre to coordinate the activities of all the players involved.

The meeting of West African antennae also analysed the ways and means of stepping up regional cooperation in favour of industrial projects, particularly by developing exchanges of information and know-how between antennae. With this in mind, the CDI's budget for 1993 provides for the possibility of financing assignments among regional consultants who are well acquainted with the industrial potentials of a particular geographical area(**) and would work in close collaboration with the local antennae.

(*) Benin, Burkina Faso, Cape Verde Islands, Côte d'Ivoire, The Gambia, Ghana, Guinea, Guinea Bissau, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone.

(**) Such assignments could be given when they concern several countries in the same region.

EC NETWORK

Promotion of partnerships with ACP countries among SMEs in the South of France

The ADECI(*), which is an experienced link operating between SMEs in the region of Provence-Alpes-Côte d'Azur (France) and the CDI (together with other cooperation support bodies) organized an information day in Marseille in Mid-December 1992 on the theme of "Direct or indirect financial support for partnerships with the ACP and Mediterranean countries". Many industrialists from the region were able to question officials from the four organizations sponsoring this event, namely:

- ◆ Mr. F. Matos-Rosa, Officer in charge of European relations, Interventions and EC Network Division, for the CDI;
- ◆ Mr. A. Fiévet, representing Proparco, the financial instrument of the CCCI group (Caisse centrale de Coopération économique, France), who, apart from reporting on the group's interventions, also gave details to the participants on the ECIP (EC Investment Partners) procedures, sometimes known as the "Cheysson Facility";
- ◆ Mr. C. Guillemin, Director of UNIDO services for France;
- ◆ Mr. C. André, Director of the EC Office in Marseille;
- ◆ Mr. J.C. Sitbon, Director of the ADECI, and Mr. P. Francotte, this association's expert within the European institutions.

These organizations help SMEs in seeking out industrial partners, co-financing feasibility studies or technical assistance, investing their own funds or mobilizing equity loans or loans with interest subsidies for joint investments.

(*) Association régionale pour le développement de la coopération industrielle internationale.

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Operational Summary

No. 73 — March 1993



(position as at 12 March 1993)

EEC-financed development schemes

The following information is aimed at showing the state of progress of EEC development schemes prior to their implementation. It is set out as follows:

Geographical breakdown

The summary is divided into three groups of countries, corresponding to the main aspects of Community development policy:

— the ACP countries (Africa, the Caribbean and the Pacific), which signed the multilateral conventions of Lomé I (28 February 1975), Lomé II (31 October 1979), Lomé III (8 December 1984) and Lomé IV (15 December 1989), plus the OCT (overseas countries and territories) of certain member states of the EEC, which get the same type of aid as the ACP countries;

— the Mediterranean countries (Maghreb and Mashraq), which signed cooperation agreements with the EEC since 1976 and 1977;

— the ALA developing countries of Asia and Latin America, beneficiaries since 1976 of annual aid programmes.

The information within each of these groups is given by recipient country (in alphabetical order).

Note

As the information provided is subject to modification in line with the development aims and priorities of the beneficiary country, or with the conditions laid down by the authorities empowered to take financial decisions, the EEC is in no way bound by this summary, which is for information only.

Information given

The following details will usually be given for each development scheme:

- the title of the project;
- the administrative body responsible for it;
- the estimated sum involved (prior to financing decision) or the amount actually provided (post financing decision);
- a brief description of projects envisaged (construction work, supplies of equipment, technical assistance, etc.);
- any methods of implementation (international invitations to tender, for example);
- the stage the project has reached (identification, appraisal, submission for financing, financing decision, ready for implementation).

Main abbreviations

- Resp. Auth.: Responsible Authority
- Int. tender: International invitation to tender
- Acc. tender: Invitation to tender (accelerated procedure)
- Restr. tender: Restricted invitation to tender
- TA: Technical assistance
- EDF: European Development Fund
- mECU: Million European currency units

Correspondence about this operational summary can be sent directly to::

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Please cover only one subject at a time.

DESCRIPTION SECTOR CODE

A1	Planning and public administration	A5B	Industrial development banks
A1A	Administrative buildings	A5C	Tourism, hotels and other tourist facilities
A1B	Economic planning and policy	A5D	Export promotion
A1C	Assistance to the normal operations of government not falling under a different category	A5E	Trade, commerce and distribution
A1D	Police and fire protection	A5F	Co-operatives (except agriculture and housing)
A1E	Collection and publication of statistics of all kinds, information and documentation	A5G	Publishing, journalism, cinema, photography
A1F	Economic surveys, pre-investment studies	A5H	Other insurance and banking
A1G	Cartography, mapping, aerial photography	A5I	Archaeological conservation, game reserves
A1H	Demography and manpower studies		
A2	Development of public utilities	A6	Education
A2A	Power production and distribution	A6A	Primary and secondary education
A2Ai	Electricity	A6B	University and higher technical institutes
A2B	Water supply	A6Bi	Medical
A2C	Communications	A6C	Teacher training
A2D	Transport and navigation	A6Ci	Agricultural training
A2E	Meteorology	A6D	Vocational and technical training
A2F	Peaceful uses of atomic energy (non-power)	A6E	Educational administration
		A6F	Pure or general research
A3	Agriculture, fishing and forestry	A6G	Scientific documentation
A3A	Agricultural production	A6H	Research in the field of education or training
A3B	Service to agriculture	A6I	Subsidiary services
A3C	Forestry	A6J	Colloquia, seminars, lectures, etc.
A3D	Fishing and hunting		
A3E	Conservation and extension	A7	Health
A3F	Agricultural storage	A7A	Hospitals and clinics
A3G	Agricultural construction	A7B	Maternal and child care
A3H	Home economics and nutrition	A7C	Family planning and population-related research
A3I	Land and soil surveys	A7D	Other medical and dental services
		A7E	Public health administration
A4	Industry, mining and construction	A7F	Medical insurance programmes
A4A	Extractive industries	A8	Social infrastructure and social welfare
A4Ai	Petroleum and natural gas	A8A	Housing, urban and rural
A4B	Manufacturing	A8B	Community development and facilities
A4C	Engineering and construction	A8C	Environmental sanitation
A4D	Cottage industry and handicraft	A8D	Labour
A4E	Productivity, including management, automation, accountancy, business, finance and investment	A8E	Social welfare, social security and other social schemes
A4F	Non-agricultural storage and warehousing	A8F	Environmental protection
A4G	Research in industrial technology	A8G	Flood control
		A8H	Land settlement
A5	Trade, banking, tourism and other services	A8I	Cultural activities
A5A	Agricultural development banks	A9	Multisector
		A9A	River development
		A9B	Regional development projects
		A10	Unspecified

ATTENTION: The PABLI Service is temporarily suspended for technical reasons on the production side.

The reactivation of the Pabli Service will be indicated in due course.



PABLI — Blue page informatics

Direct access to the blue pages via on-line terminal or telex.

ACP STATES

New projects are printed in italics and offset by a bar in margin at left

Projects under way are marked with an asterisk and with words or phrases in italics

ANGOLA

Rehabilitation national roads in the South-West region: Namibe-Serra da Leba section. Resp. Auth.: Ministry of Construction. 18.5 mECU. Road rehabilitation by int. tender (conditional). Supply of equipment and T.A. Project on appraisal. 6th and 7th EDF. EDF ANG A2d

ANTIGUA AND BARBUDA

Road Rehabilitation Programme Phase 2. Resp. Auth.: Ministry of Works and Communications. 3.100 mECU. Reconstruction of the road from Golden Grove to Urlings (11.75 km). Project in execution. 6th EDF. EDF AB 6001 A2d

Livestock development. Phase II. Resp. Auth.: Ministry of Agriculture. 0.130 mECU. Supply of equipment. Project on appraisal. 7th EDF. EDF AB 5003 (7001) A3a

BARBADOS

Hospitality Studies Project. Resp. Auth.: Ministry of Education and Culture. 2.75 mECU. Construction of Tourism Training Centre-cum-Hotel and T.A. Project on *★ appraisal. Date foreseen for financing March 93.* 6th EDF. EDF BAR 6006 A5c

Livestock Development. Resp. Auth.: Ministry of Agriculture. 2.475 mECU. Renovation and construction of administrative buildings, supply of vehicles, equipment and computers. Line of credit and T.A. Project in execution. 5th and 6th EDF. EDF BAR 6004 A3a

National Development Foundation. Resp. Auth.: Ministry of Finance and Economic Affairs. National Devpt. Foundation. 0.250 mECU. Loans to SME, equipments, training. Project on appraisal. 7th EDF. EDF BAR 7102 A6ci, d

BELIZE

Community Development Programme. Resp. Auth.: Ministry for Social Services. 0.150 mECU. Project preparation study. Short-list done. Project on appraisal. 6th EDF. EDF BEL 6002 A6b

BENIN

Fish breeding. Applied research and popularization actions. Resp. Auth.: MDRAC. Estimated cost 2 mECU. Project on appraisal. 6th EDF. EDF BEN 6009 A3d

Support programme to the health policy. Resp. Auth.: Ministère de la Santé. 11.846 mECU. Rehabilitation of the health infrastructure, supply of equipment, medicines and T.A. *Project in execution.* 7th EDF. EDF BEN 7002 A7a

BOTSWANA

Wildlife Conservation in Northern Botswana. Resp. Auth.: Department of

Wildlife and National Parks. (DWNP). 6.800 mECU. New tracks, construction of administrative office quarters and accommodation. Supply of equipment (earthmoving — tractors — 4x4 pick-ups), T.A. and training. Project on appraisal. 6th EDF. EDF BT 6026 A3e, A5i

Geophysical survey in the Ghanzi-Chobe fold belt and Chinamba Hills. Resp. Auth.: Dept. Geological Survey. 1.6 mECU. Investigate mineral deposits and water potential. Production of geological maps. Project in execution. 7th EDF. EDF BT 7001 A1g

T.A. to the Department of Water Affairs. Resp. Auth.: Ministry of Mineral Resources and Water Affairs. 1 mECU. T.A. to the Dept. Project on appraisal. 7th EDF. EDF BT 6023 (7002) A2b

BURKINA FASO

Water resources development programme in the South-West. Resp. Auth.: Ministère de l'Eau. Estimated total cost 15 mECU. Drillings, water supplies, water points, hand pumps, vehicles, various equipments, T.A. for works supervision and programme implementation. Training. Project in execution. 5th and 7th EDF. EDF BK 6020 (7001) A2b, A3c

Douma Plain development. Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 2.050 mECU. EDF 2 mECU, local 0.050 mECU. Works, supplies, T.A. Project on appraisal. 7th EDF. EDF BK 6005/7002 A3a

Electrification of 3 secondary urban centres. Resp. Auth.: SONABEL — Soc. Nat. d'Electr. 7.100 mECU. Power centre and distribution network in Diébougou, Kongussi, Nouna. Works, supplies and T.A. for supervision and control. Project on appraisal. 7th EDF. EDF BK 7001 A2ai

Tougan — Ouahigouya — Mali border road. Resp. Auth.: Ministère des Travaux Publics. Modern earthenroad. Supervision: short-list to be done. Estimated cost 18.5 m ECU. Project on appraisal. 6th and 7th EDF. EDF BK 7004 A2d

BURUNDI

Structural Adjustment Support. General Import Programme. 12 mECU. Hard currency allowance to import ACP and EC goods. There is a negative list. Evaluation after 1st phase. Project in execution. 7th EDF. EDF BU 7200 A1c

Development of the health sector in the Mosso and Imbo regions. Resp. Auth.: Ministère de la Santé Publique. Total estimated cost 24.877 mECU. EDF 18 mECU, local 5.413 mECU. Counterpart Funds for G.I.P. 1.464 mECU. Health centres staff training, supply of equipments and health services rehabilitation. Constructions, T.A. Project in execution. 7th EDF. EDF BU 7003 A6bi, A7

Training for rural development programmes. Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 1.910 mECU. Management, planning, know-how, evaluation,

maintenance. T.A. 6 months. Project in execution. 7th EDF. EDF BU 7000 A6c, i

Ruvubu Game Development. Resp. Auth.: Ministère de l'Aménagement, du Tourisme et de l'Environnement. 4 mECU. Supervision and management. Elimination of conflictual sources between the game and population. Make the game accessible to the tourism. Works, supplies, T.A., training and awareness-raising. Project on appraisal. 7th EDF. EDF BU 6029 A5i

Support project for micro-entreprises. 10 m ECU. Support to prepare technical dossiers, management follow-up. T.A., training. Project on appraisal. 7th EDF. EDF BU 7004 A4, A5

CAMEROON

Rural development programme in the Logone and Chari. Resp. Auth.: Semry. Estimated cost 12 mECU. Consolidation and extension of existing actions. Project on appraisal. 6th EDF. EDF CM 6013 A3a

Rural development poles: Saa-ntui, Sang melima, Bafut. Resp. Auth.: Ministère de l'Agriculture et du Plan et de l'Aménagement du Territoire. Total estimated cost 14.625 mECU. EDF 10.300 mECU, local 4.325 mECU. Strengthening of the monitoring structures, improvement and extension of basic socio-economic infrastructures, training, education, popularization of rural development, health. Works: tracks, buildings; supplies for civil works, vehicles, crop inputs, rural equipment. Project on appraisal. 6th EDF. EDF CM 6012 A3a

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EC goods. There is a negative list. 29.5 mECU. T.A. for starting and follow-up. Project in execution. 7th EDF. EDF CM 7200 A1c

Support to the health services. Resp. Auth.: Ministère de la Santé Publique. 8.5 mECU. Works, supplies of medicines by *★ int. tender, T.A. by G.T.Z. Project in execution.* 6th and 7th EDF. EDF CM 6030 (7004) A7e

Road maintenance programme. Resp. Auth.: Ministère des Travaux Publics. 22.5 mECU. Maintenance in 3 regions: Tikar *★ plain, Ayos-Bertona, Yaoundé. Date financing February 93.* 7th EDF. EDF CM 6031(7005) A2d

CAPE VERDE

Improvement of urban management. Resp. Auth.: Municipalidad de Praia. Direcção Geral Cartografia e Cadastro. EDF 0.800 mECU, local 0.371 mECU, Sweden and Dienste in Übersee (German NGO). Strengthening of the land registration and cartographical services, creation of a Study and Planning Office in the Municipality. *★ Supplies, training. Project in execution.* 7th EDF. EDF CV 6001(7001) A8a, b

CENTRAL AFRICAN REPUBLIC

Support for the National Laboratory for Buildings and Public Works. (LNBTP) Resp. Auth.: Ministère des T.P. 1.200 mECU. Works, supplies training. Project in execution. 6th EDF
EDF CA 6011 A1a

COMOROS

Seed, support and market-garden development. Resp. Auth.: Ministère de l'Agriculture. Total estimated cost 5.650 mECU. EDF 5.5 mECU, local 0.150 mECU. Production of improved vegetable material. Rural development actions, infrastructures, training teams. Works, supplies and T.A. Project on appraisal. 7th EDF.
EDF COM 5002(7001) A3a

Line of credit for SMEs. Resp. Auth.: Banque de Développement des Comores, 1 mECU. Small loans for farmers. Project on appraisal. 7th EDF.
EDF COM 7002 A5b

Micro-projects. Estimated total cost 3.4 mECU, EDF 2.5 mECU, local 0.4 mECU, local communities 0.5 mECU. Warehouses, rural hydraulic and electrification, health, education, works, supplies, T.A. Project on appraisal. 7th EDF.
EDF COM 7102 A3a

CHAD

Support programme to revitalize primary education. Resp. Auth.: Ministère de l'Éducation Nationale. 10 mECU. Works by acc. tender or direct labour. Building materials, equipment, and educational equipment, by int. tender. Training programmes and support infrastructures. Project in execution. 7th EDF.
EDF CD 7001 A6a

Environmental conservation in the South-East. Resp. Auth.: Ministère du Tourisme et de l'Environnement. 3.5 mECU. Flora and fauna reconstitution in the Zakouma region. Integration, growing public awareness and participation of population for conservation of natural resources. Project in execution. 7th EDF.
EDF CD 7002 (4017) A8f

Support programme to improve maintenance and road infrastructure. Resp. Auth.: Ministère des T.P. 15 mECU. Works, bridges, Moundou-Toubo road study, institutional support to the Ministère des T.P. Training. Road study: short-list done. *Project in execution.* 7th EDF
EDF CD 6001 (7003) A2d

CONGO

Support to the private sector and S.M.E.'s promotion. Resp. Auth.: National Authorizing officer, Ministère for SME, EEC delegation, Associations. 10 mECU. Lines of credit, development, promotion, viability of micro — small and medium enterprises. T.A., supplies and line of credit. *Project in execution.* 6th and 7th EDF.
EDF COB 6005/7001 A4, A5

COTE D'IVOIRE

Central Region food crops programme. Resp. Auth.: Ministère de l'Agriculture. EDF 40 mECU. Irrigation, agriculture modernization, young settlements. Food crops production marketing improvement.

Works, soil improvement, supplies. T.A. studies, follow-up and evaluation. Project on appraisal. 6th EDF.
EDF IVC 6009 A3a

Support to the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury products). 15.5 mECU. T.A. for the Ministère de l'Économie et Finances and T.A. for the Ministère de la Santé. Project in execution. 7th EDF.
EDF IVC 7200 A1c

Health sector support programme. 11.2 mECU. Strengthening basic care, correcting balances between regions and support to decentralization. Project in execution. 7th EDF.
EDF IVC 6011 (7001) A7

Support programme to coastal cities. 28.5 mECU. Social and economic infrastructure, planning and management of municipalities. Project on appraisal. 7th EDF.
EDF IVC 7001 A8a, b

Research — development programme for market gardening, agro-forestry and fruit-trees sectors. Resp. Auth.: Ministère de l'Enseignement Supérieur et de la Recherche Scientifique and IDESSA-IDEFOR/DFO and IDEFOR/DFA. Ministère de l'Agriculture. 8.760 mECU. Supplies and T.A. Project on appraisal. 7th EDF.
EDF IVC 7003 A6f, A6c, i

Support to cooperatives. Resp. Auth.: G.V.C. Groupement villageois de commercialisation. 1.275 mECU. T.A. for 3 years, evaluation and training, supply of equipment and line of credit. Project on appraisal. 7th EDF.
EDF IVC 6101/7 A5f

DJIBOUTI

Fight against desertification and development of livestock husbandry in Western-Djibouti. Resp. Auth.: Ministère de l'Agriculture et du Développement Rural. 1.665 mECU. Supply of equipment, studies, T.A. Project on appraisal. 7th EDF.
EDF DI 6008 A3a

Handcraft promotion. Resp. Auth.: Office National du Tourisme et de l'Artisanat. Estimated total cost 2.371 mECU. EDF 1.960 mECU, local 0.071 mECU, France (Volontaires du Progrès) 0.340 mECU. Training, trade and technical advice, encouragement for forming professional groups, financial assistance. Works, supplies, T.A. for training, monitoring and technical support. Project in execution. 7th EDF
EDF DI 7001 A4d

DOMINICA

Structural Adjustment Support Programme. Resp. Auth.: Ministry of Finance and Development — Economic Development Unit. 2 mECU. General Import Programme. *Project in execution.* 7th EDF.
EDF DOM 7200 A1c

DOMINICAN REPUBLIC

Integrated rural development project in the NOROESTE (PROLINO). Resp. Auth.: Ministry of Agriculture. EDF 23.61 mECU. Building of earth-dams, infra-

structure, supply of equipment, T.A. and lines of credit. *Project in execution.* 7th EDF.
EDF DO 7006 A3a

Integrated programme to develop primary education at local level. Resp. Auth.: Secretaría de Estado de Educación, Bellas Artes y Cultos (SEEBAG). Total cost 8 mECU. EDF 7 mECU, local 1 mECU. Buildings, equipment, T.A. Works by direct labour or acc. proc., the equipment will be purchased locally. T.A.; short-list to be done. Project on appraisal. 7th EDF.
EDF DO 7007 A6a

Integrated health programme in the south-east. Resp. Auth.: Secretaría de Estado de Salud Pública y Asistencia Social (SESPAS). Total cost 9.8 mECU. EDF 8.8 mECU, local 1 mECU. Physical health infrastructure by direct labour or acc. proc., health materials and equipment by int. tender, training, health education, T.A. Project on appraisal. Date foreseen for financing March 93. 7th EDF.
EDF DO 7008 A7a, b, c, e

EQUATORIAL GUINEA

Essential goods import programme. Resp. Auth.: Presidency of the Republic. Estimated cost 1.5 mECU. Hard currency allowance to import essential goods. Project on appraisal. 5th and 6th EDF.
EDF EG 0000 A1c

Conservation and rational utilisation of the forest ecosystems. Resp. Auth.: Ministry of Agriculture, Livestock farming, Fisheries and Forests. Directorate General for Forests. 5.070 mECU. Land Classification and Use Master Plan — National System of Conservation Units — Forest Training and Research Centre. T.A. and supply of equipment. Project on appraisal. 6th EDF.
EDF EG 6001 A3c, e, i

M'Bini — Akalayong road. Rehabilitation and improvement of the road. 65 km. Int. tender for works (conditional). Estimated cost 1.6 mECU. Project in execution. 6th EDF.
EDF EG 6006 A2d

Rural development programme in the South-East. Resp. Auth.: Ministère de l'Agriculture. 4.500 mECU. Works, supplies and T.A. Project in execution. 7th EDF.
EDF EG 6005 (7001) A3a

ETHIOPIA

South Shewa conservation-based rural development. Resp. Auth.: Ministry of Agriculture. 26.2 mECU. Buildings, roads, rural infrastructure, agricultural inputs, consumer goods, training, T.A., micro-projects, credit line. Project in execution. 6th EDF.
EDF ET 6005 A3a

Coffee improvement programme III. Resp. Auth.: Ministry of Coffee and Tea Development. 38.1 mECU. Construction and civil works, supply of equipment, vehicles and agric. inputs, aerial photography, training and T.A. Project in execution. 6th EDF.
EDF 6003 A3a

Lake fisheries project. Resp. Auth.: Ministry of Agriculture, Fisheries Dept. 7.5 mECU. Provision of inputs to fishermen, development of cooperatives, establishment of marketing organisation and infrastructure, training, research and fingerling production centres. Works, supplies and T.A. Project in

execution. 6th EDF.
EDF ET 6008 A3d

Foreign trade development. Resp. Auth.: Ministry of Foreign Trade (MOFT). 1.5 mECU. T.A.: two-years marketing expert, a team of marketing specialists (short-term consultancy services in Ethiopia). Market research, training in international marketing and international trade, technical seminars. Equipment and supporting services. Project in execution. 6th EDF. EDF ET 6010 A5de

Sectoral Import Programme IV. Resp. Auth.: AISCO and ESC for agricultural inputs. Vice Minister of Industry in charge of private sector and handicrafts development, the National Bank, the Commercial Bank of Ethiopia, and the EDF Nat. Auth. off. for the hard currency line for the private sector. Fertilizers, seeds and chemicals by int. tender. Procurement Unit for 3-4 years. 27 mECU. Project in execution. 7th EDF. EDF ET 7200 A1c

Short-term support programme for the reconstruction and development of Eritrea. 19.800 mECU. Dams for irrigation, rural hydraulics, road rehabilitation. Works by direct labour, supplies by int. tenders. T.A. Project in execution. 7th EDF. EDF ET 7001 A96

FIJI

Investment and export development. Resp. Auth.: Ministry of Trade and Commerce (MTC) and Fiji Trade and Investment Board. 7.2 mECU. Land purchase for the Tax Free Zone, works, supply of equipment, T.A. and training. Project in execution. 6th EDF. EDF FIJ 6007 A5d

GABON

Construction of 95 classrooms (primary schools) in Libreville. Resp. Auth.: Ministère de l'Éducation. 6.5 mECU. Works, supply of equipment, work supervision and coordination. *Project in execution.* 5th and 6th EDF. EDF GA 5017 A6a

GAMBIA

Rural Development Programme. Resp. Auth.: Ministry of Finance and Economic Affairs. 14.5 mECU. Rehabilitation of water schemes, supply of road equipment and materials, T.A. and supervision. Project in execution. 6th EDF. EDF GM 6004 A3a

Training programme. Resp. Auth.: Office of the President. 0.800 mECU, Institutional linkage of the Management Devpt. Institute with a European institution for training in financial and economic management and administration. Project in execution. 7th EDF. EDF GM 7001 A6b

GHANA

Accra Plains Livestock Development Project (APLDP). Estimated total cost 4 mECU. EDF part 3 mECU, local 1 mECU. Provision of veterinary and animal husbandry extension services, including construction of cattle treatment centres, water points and other inputs. Project on appraisal. 6th EDF. EDF GH 6006 A3a

Twifo oil palm development. Maintenance aid 1988-1991. Resp. Auth.:

Ministry of Finance and Economic Planning (M.F.E.P.). Total estimated cost 12.6 mECU. EDF 5 mECU, local 7.6 mECU. Works, supply of equipment and T.A. Project on appraisal. 6th EDF. EDF GH 6007 A3a

Second microprojects programme. (Lomé III). Total cost 9 mECU, Ministry of Finance and Economic Planning 2 mECU. District assemblies - communities 1 mECU. Construction of schools, clinics, wells, sanitation facilities, markets. Local T.A. Project on appraisal. 6th EDF. EDF GH 6102 A6, A7, A8

Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury and environmentally hazardous products). 20 mECU. T.A. for procurement agent possible. Project in execution. 7th EDF. EDF GH 7200 A1c

GRENADA

Farm and feeder roads project. Resp. Auth.: Ministry of Agriculture. 1.580 mECU. Construction or rehabilitation. Works by direct labour. Project in execution. 7th EDF. EDF GRD 7002 A3a

Microprojects programme. Resp. Auth.: Ministry of Labour, Social Service, Community Development. 0.220 mECU. Water supply, road improvements, repairs and extension of schools, medical and community centre and sports grounds. Project on appraisal. 7th EDF. EDF GRD 7102

General Import Programme. Hard currency allowance to purchase EEC or ACP goods with negative list. 2 mECU. Provision of T.A. in the fields of legislative and/or fiscal expertise. Project on appraisal. Date foreseen for financing March 93. 7th EDF. EDF GRD 7200 A1c

GUINEA

General Import Programme. Hard currency allowance to import ACP and EC goods. There is a negative list of items not eligible (military, luxury and environmentally hazardous product). 14 mECU T.A. for implementation and follow-up. Project in execution. 7th EDF. EDF GUI 6009/7001 A1c

Improvement of living conditions in backward areas. Resp. Auth.: Ministères de Santé de l'Enseignement et de l'Agriculture. 20 mECU. Building, rehabilitation and equipping of health infrastructures (regional hospitals and health centres) education (teachers national schools, primary schools). Water points. Work, supervision. *Project on appraisal. Date foreseen for financing March 93.* 7th EDF. EDF GUI 6022 (7002) A6, A7, A8

Road Infrastructure Programme. Resp. Auth.: Ministère des Transports. Ministère des T.P. Building, reconstruction of national and secondary roads 50 mECU. Works, supervision, several T.A. *Project in execution.* 7th EDF. EDF GUI 6021 (7003) A2d

Rural Development Programme — Western Upper Guinea. Resp. Auth.: Ministère de l'Agriculture et des Ressources Animales. 15 mECU. Cotton, crop, stock-farming, rice-growing, bee-keeping, draught farming, market-garden, rural credit,

processing, feederroads, Works, supplies, line of credit. *Project in execution.* 7th EDF. EDF GUI 6002 (7004) A3a

GUINEA BISSAU

Rural development programme. 23.8 mECU. Improvement of food and fisheries production, line of credit, micro-projects, T.A. and training. Project in execution. 6th EDF. EDF GUB 6001 A3a

Project for the rehabilitation of social and economic infrastructures. Resp. Auth.: Ministry of Public Works. 11 mECU. Road rehabilitation, schools, health centres, urban roads, markets, water and sanitation. Construction of secondary bridges, access roads, supply of a ferry. Works, supplies and T.A. *Project in execution.* 6th and 7th EDF. EDF GUB 6013 (PRI) A7, A8

Support to Guinea-Bissau students abroad. Resp. Auth.: Office International pour les Migrations (executive organization), EEC Delegation in Bissau and Ministère de l'Éducation et de la Culture. 1.450 mECU. To repatriate or for payment of scholarships supplements, evaluation. Project in execution. 7th EDF. EDF GUB 7003 A6b

GUYANA

Sea defence programme. Resp. Auth.: Hydraulic Division. 12 mECU. Rehabilitation of 11 km of sea defences, procurement of materials and equipment. T.A. and training. Project on appraisal. 7th EDF. EDF GUA 6003 (7001) A8g

Immediate action programme for the Demerara Harbour Bridge. Resp. Auth.: Ministry of Finance. 3 mECU. Works, supplies, T.A. and training. Project on appraisal. 7th EDF. EDF GUA 6011 (7002) A2d

New Amsterdam water supply. Resp. Auth.: Ministry of Finance. 4 mECU. Construction of the ring main system, reservoir, supplies T.A. and training. Project on appraisal. 7th EDF. EDF GUA 6012 (7003) A2b

Credit development to S.M.E.'s. 0.250 m ECU. Line of credit, T.A. and training. Project on appraisal 7th EDF. EDF GUA 7001 A4, A5

JAMAICA

Negril and Ocho Rios sewerage schemes. Resp. Auth.: National Water Commission. 25 mECU. Negril: 17 km of trunk sewers, 13 pump stations and 2 treatment plants. Ocho Rios: 5 km of sewers, 6 pump stations, 1 treatment plant and deep sea outfall. T.A. for supervision. Works by int. tender. Project in execution. 5th EDF. EDF JM A8bc

Support for the Structural Adjustment Programme. General Import Programme. Hard currency allowance to import ACP and EC goods. 8.4 mECU. T.A. for follow-up, evaluation and procurement Agent. Project in execution. 6th and 7th EDF. EDF JM 7001 A1c

Road rehabilitation and Institutional Strengthening Project. Resp. Auth.: Ministry of Construction — Works (MOC-W) 13.5 mECU. Rehabilitation and mainten-

ance. Supply of equipment, T.A. to the Ministry. Works by acc. tender and direct labour. Supplies by int. tender. T.A.: short-list done. Project in execution. 7th EDF
EDF JM 6001 (7001) A2d

Return and reinstatement of qualified nationals. Project in execution. 7th EDF
EDF JM 7002 A1c

All-island beekeeping development. Phase II. Resp. Auth.: Ministry of Agriculture. EDF 1.700 mECU, local 0.230 mECU. Supply of equipment, vehicles, specialized T.A. research, training. Project in execution. 7th EDF
EDF JM 7003 A3a

Target Europe Programme. Resp. Auth.: 'Jamaican Promotion Corporation' (JAMPRO). 3 m ECU. Trade and investments promotion. Marketing, T.A., training.
★ **Date financing January 93.** 7th EDF
EDF JM 5021/7004 A5c,d,e

KENYA

Conservation and Management of indigenous forests. Resp. Auth.: Ministry of Environment and Natural Resources. Estimated total cost 67.5 mECU. EDF 4.4 mECU, ODA (UK) 11 mECU, World Bank 16 mECU, SDC (Switzerland), FINNIDA 17.7 mECU, local 18.4 mECU. EDF part: T.A., supplies and materials to the Kenya Forests Dept. (KFD). Works, supplies, T.A., training and evaluation. Project in execution. 7th EDF
EDF KE 6025 (7001) A3c

Assistance for the 1992 Electoral Process. Resp. Auth.: Parliamentary Electoral Com. Total cost estimates 27.8 mECU. EDF 1.96 mECU, EEC Budget 0.5 mECU, ODA (UK) 0.4 mECU, Kenya — Austria — EEC Member States 24.94 mECU. Promotion of human rights and democratisation through support to the preparation and execution of general legislative, presidential and local elections. EDF part: provision of security printed ballot papers and technical expertise. Project in execution. 7th EDF.
EDF KE 7001 A1c

Elephant and Community Wildlife Programme. Resp. Auth.: Kenya Wildlife Service (KWS). EDF part 4 mECU. Erection of wildlife proof barriers to protect neighbouring communities. Supplies, T.A. and training. Project on appraisal. 7th EDF.
EDF KE 6024(7002) A3a, A5i, A8f

LESOTHO

Structural Adjustment Support Programme. 2.5 mECU. Project in execution. 7th EDF.
EDF LSO 7200 A1c

MADAGASCAR

Rice and fish-breeding promotion and popularization. Resp. Auth.: Ministère de la Production Animale, des Eaux et Forêts (MPAEF). 2.300 mECU. Fish-breeding and research centres, excavation, rehabilitation, swamp reclamation, access roads, supply of equipment and T.A. T.A.: short-lists done. Project in execution. 6th EDF.
EDF MAG 6023 A3a

Livestock development in the South-West. Resp. Auth.: Ministère de la Production Animale. Estimated total cost 6.850 mECU. EDF 5.700 mECU, local 1.150

mECU. Buildings and feeder roads. Supply of equipment and T.A. Project in execution. 6th EDF.
EDF MAG 6013 A3a

Slaughter-house equipment programme for secondary towns. Resp. Auth.: Ministère de l'Elevage. 2.250 mECU. Construction of 7 slaughter-houses by acc. tender. Supplies by int. tender. T.A. for follow-up and coordination. **Project in execution.** 6th EDF.
EDF MAG 5024(6024) A3a

Kamolandy bridge reconstruction. Resp. Auth.: Ministère des Travaux Publics. 1.540 mECU. Submersible-type bridge. Project on appraisal. 6th EDF.
EDF MAG 6027 A2d

MALAWI

Strategic fuel reserve. Resp. Auth.: Office of the President and Cabinet. Contingency Planning Unit. 4.2 mECU. Construction of tanks for diesel, petrol, ethanol. Associated infrastructure and equipment. T.A. Project on appraisal. 5th EDF.
EDF MAI 5020 A2a

Programme for industrial products imports. 12.5 mECU. Supply of industrial equipment, raw materials and spare parts. Project in execution 6th EDF.
EDF MAI 6019 A1c

Aid for refugees. Resp. Auth.: Food Aid Coordination Unit in the Office of the President and Cabinet (OPC). 5.224 mECU. The programme concerns basic needs for refugees from Mozambique. Roads, wells, drinking water, health, education. Management by UNHCR, Red Cross, MSF, Concern Universal. Project in execution. 7th EDF.
EDF MAI 7255 A6, 7, 8

AIDS prevention programme Phase II. Resp. Auth.: Ministry of Health. 1.200 m ECU. Supply of information material, laboratory equipment, T.A. and training. Project on appraisal. 7th EDF
EDF MAI 7001 A7

MALI

Support programme for S.M.E. creation. Lines of credit, T.A. and follow up. 13 mECU. Project in execution. 7th EDF.
EDF MLI 6001 (7001) A4,A5

Health programme and population. Resp. Auth.: Ministère de la Santé Publique. Estimated total cost 51.7 mECU. EDF 12 mECU, F.R. Germany and France 6.4, World Bank 21.6 mECU, local 3.5 mECU, USAID 8.2 mECU. Rehabilitation of health centres. T.A. for pharmaceutical sector, supply of medicines (with anticonceptionals and condoms). Project on appraisal. 7th EDF.
EDF MLI 7022 A7

MAURITANIA

Support programme for the development of the Gorgol region (PDRG). 35 mECU. Improvement of the irrigated areas, support for traditional crops, regeneration of natural habitats, rural infrastructure, sanitation of Kaedi. Project in execution. 6th EDF.
EDF MAU 6007 A3a

First road programme. Resp. Auth.: Ministère de l'Équipement et des Transports. 17.5 mECU. Strengthening works, training works supervision. Works by int. tender.

Project in execution. 7th EDF.
EDF MAU 7001 A2d

Rehabilitation of Nouakchott and Aioun Hospitals. Resp. Auth.: Ministère de l'Équipement et Transports. 7.350 mECU. Works, supply of equipment, staff training. Supervision and audit. Project on appraisal.
★ **Date foreseen for financing March 93.** 5th, 6th and 7th EDF.
EDF MAU 6009 A7a

Gold-field prospection programme. Resp. Auth.: OMRG 2.5 mECU. Site identification in the Tasiast and South-Mauritanides regions. Equipment, T.A. and training. Project in execution. 7th EDF
EDF MAU 7002 A4a

Rehabilitation of the Nouakchott Wharf. Resp. Auth.: Ministère de l'Équipement et des Transports. 4.5 mECU. Works, supervision, follow-up and evaluation. Project on appraisal. 7th EDF.
EDF MAU 5002(7003) A2d

Support for the structural adjustment programmes. General Import Programme. Hard currencies allowance to purchase EEC and ACP goods with negative list. 18 mECU. T.A. foreseen for implementation of the G.I.P. Project on appraisal. **Date foreseen for financing March 93.** 7th EDF.
EDF MAU 7200 A1c

Institutional support to the Ministry of Planning. Resp. Auth.: Ministère du Plan. 1.562 mECU. Project on appraisal. 7th EDF.
EDF MAU 6015 A1b

MAURITIUS

Pamplemousse — Grand Baie Road. Resp. Auth.: Ministère des Travaux Publics. Road construction. 11.8 km. Works and supervision. Works by int. tender (conditional). Supervision: short-list done. Total cost 7.4 mECU. EDF 5.7 mECU, local 1.7 mECU. Project in execution. 5th and 7th EDF.
EDF MAS 5014 (7001) A2d

MOZAMBIQUE

Moamba region food self-sufficiency. Rehabilitation of infrastructures, supply of agricultural inputs. T.A. for 18 months. 2 mECU. Project in execution. 7th EDF
EDF MOZ 6034 (7001) A3a

Structural Adjustment Support Programme. General Import Programme. Resp. Auth.: Ministères du Commerce et des Finances. 54.7 mECU. hard currency allowance to import ACP and EEC goods. There is a negative list of items not eligible (military-luxury and environmentally hazardous products). T.A. for management, follow up and evaluation. Project in execution. 7th EDF.
EDF MOZ 7200 A1c

Training for railway staff. Phase II. T.A. for the regional School at Inhambane and the provincial centres of railway training. 20 mECU. T.A. and supply of equipment. Project on appraisal. 7th EDF.
EDF MOZ-REG 6409 A2d, A6d

Support for the electoral process. Resp. Auth.: Commission Nationale Electorale. 9 m ECU. T.A. supply of security printed ballot papers. **Project in execution.** 7th EDF
EDF MOZ 7004 A1c

Support for the rural health sector. 15.390 m ECU. Assistance to populations,

assistance for mutilated and disabled war victims. Management by existing N.G.O.'s.
★ **Project in execution.** 7th EDF
EDF MOZ 7255 A7

Support for road rehabilitation and water supply. Resp. Auth.: Ministère de la Construction et de l'Eau. Direction Nationale des Routes et des Ponts (DNEP) and Direction Nationale de l'Eau (DNA). 10 m ECU. Works and supplies. T.A. **Project in execution.** 7th EDF
EDF MOZ 7005 A2d

Reinstatement of displaced, refugee and demobilized people. 11 m ECU. For about 108,000 families. Supply of T.A., workshops, tools, building materials and equipments, 'Kits' for S.M.E's, agricultural tools, seeds. **Project in execution.** 7th EDF
EDF MOZ 7006 A3a

NAMIBIA

In-Service Training and Assistance for Namibian Teachers (INSTANT). Resp. Auth.: Ministry of Education and Culture. National Institute for Educational Development. 4.500 mECU. T.A. training, works and supply of pedagogical equipment. T.A.: short-list done. Project in execution. 7th EDF
EDF NAM 7001 A6b, d

Support programme for the mining sector. Resp. Auth.: Ministry of Mines and Energy. Day-to-day administration by the Industrial Development Corporation. 40 mECU. Mine development, expansion, drillings, tiling plant, recuperations, small scale mining. Works and supplies by int. tender. T.A. and training. **Date financing March 93.** 7th EDF.
EDF NAM SYS 9999 A4a

Institutional support for the Ministry of Agriculture, Water and Rural Development. Resp. Auth.: Ministry of Agriculture, Water and Rural Development. 1.3 mECU. T.A. for agricultural planning and marketing and production economics. Project on appraisal. 7th EDF.
EDF NAM 7003 A1c

NIGER

Support for the development of the private sector (S.M.E.). Resp. Auth.: AFELEN (Agence pour le Financement et l'Encouragement de la Libre Entreprise au Niger) - Niamey. 12 mECU. T.A. for the AFELEN and line of credit. Project in execution. 7th EDF.
EDF NIR 6023 (7003) A5b

Re-arrangement of the health services on the site of the old 'Maternité Centrale' in Niamey. Resp. auth.: Ministère de la Santé Publique. Estimated total cost 9.650 mECU. EDF 3.150 mECU, Spain 6.500 mECU. Works by acc. tender (EDF part), supply of equipments and T.A. by Spain. Project in execution. 5th EDF.
EDF NIR 6027 A7a

Sectoral Import Programme for medical supplies and inputs for the productive system. Resp. Auth.: Ministère de Finances et du Plan. 23 m ECU. Hard currency allowance to finance imports. T.A.
★ **Date financing February 93.** 7th EDF
EDF NIR 7002 A1c

Small-scale Irrigation in the Tarka Lower Valley (Phase II). Resp. Auth.: Ministère de l'Agriculture et de l'Elevage. 16 m ECU. Irrigation works, infrastructure,

environment, supply of equipment and T.A.
★ **Date financing January 93.** 7th EDF
EDF 6002/7001 A3a

NIGERIA

Export Development Programme. Resp. Auth.: Nigerian Export Promotion Council. 37 mECU. To transfer export know how to ± 250 Nigerian firms. Components: sectors, market, human resources and institutional development. Others: T.A. for management and supervision. Project on appraisal. 7th EDF.
EDF UNI 6011 A5d

General Import Programme. 55 mECU. Hard currency facility to import goods and equipment not specifically excluded via a negative list. T.A. foreseen. Project on appraisal. 7th EDF.
EDF UNI 7200 A1c

Oban Hills Programme. EDF 16.5 mECU, Germany (KFW) 11 mECU. Park management and conservation, support zone development, park research and monitoring. To give the local people an incentive to protect - support the park. Buildings-peripheral facilities, supply of equipment and vehicles, T.A. and research studies. Villages Development Funds and recurrent costs. Project in execution. 7th EDF.
EDF UNI 7001 A3c, e-A8f

Rubber Research Institute of Nigeria (RRIN). Resp. Auth.: R.R.I.N. 8 mECU. Works, infrastructures, rehabilitation of building, repair of roads, water supply. Supply of vehicles, tractors, laboratory and comp. equipment. T.A. and training. Project on appraisal. 7th EDF
EDF UNI 6012 (7002) A3a

University Libraries Project. Resp. Auth.: National Universities Commission. 11.500 mECU. Small repair work, supply of book, and scientific journals, equipment, T.A. and training. Project in execution. 7th EDF
EDF UNI 7004 A6b

Katsina Arid Zone Programme. Resp. Auth.: Governor of Katsina State. 25 mECU. Soils and forests protection, livestock, increase agricultural productivity, irrigation, rural and social infrastructure, management and coordination, training. T.A.: restr. tender after prequalification. Project in execution. 7th EDF
EDF UNI 7005 A3a

Urgent assistance for the News Agency of Nigeria (N.A.N.) Resp. Auth.: N.A.N. 1.300 mECU. Repair-reconstruction of N.A.N. communication building, procurement - installation of new telecommunication equipments. Works, supplies and T.A. Project in execution. 7th EDF.
EDF UNI 7007 A5g

NITEL Maintenance training programme. Resp. Auth.: Nigerian Telecommunications. 10.5 mECU. Rehabilitation works, supply of equipment, T.A. and training. Project on appraisal. **Date foreseen for financing April 93.** 7th EDF.
EDF UNI 7008 A2c

PAPUA NEW GUINEA

Second Structural Adjustment Programme. General Import Programme. 11 mECU. Foreign currency facility to the Bank of PNG. There is a negative list of items not eligible (military-luxury items). Project

in execution. 7th EDF.
EDF PNG 7200 A1c

Third Structural Adjustment Programme. General Import Programme. 8.5 m ECU. Same as 2nd programme. Project on appraisal. **Date financing February 93.** 7th EDF
EDF PNG 7201 A1c

RWANDA

Institutional Support. Resp. Auth.: Ministère du Plan. 3.5 mECU. T.A. by 4 experts for 4 years to strengthen administration capacities to implement Lomé IV. Project in execution. 7th EDF.
EDF RW 7001 A1f

Drinking water supply in the Bugesera East. Resp. Auth.: Ministère de Travaux Publics. 9 mECU. Pumps, treatment, tanks, renovation existing network. Works, supplies and supervision. Project on appraisal. 7th EDF.
EDF RW 6007 (7002) A2b

ST. KITTS AND NEVIS

Development of Social Infrastructure - Phase II. Resp. Auth.: Ministry of Education and Ministry of Works, Communications and Public Utilities. 0.872 mECU. Construction and supply of furnitures for primary schools, supply of equipments, T.A. for supervision of works. Project on appraisal. 5th and 6th EDF.
EDF SCN 6001 A6a

ST. VINCENT AND THE GRENADINES

Mount Wynne - Peter's Hope Land Resettlement Project. Resp. Auth.: A.R.D.P. - Agricultural Rehabilitation - Diversification Programme. Total estimated cost 3.329 mECU, EDF 3.2 mECU, local 0.129 mECU. Road realignment, cadastral surveys, allocation of small holdings on leasehold bases, works, supplies and T.A. for supervision. **Date financing February 93.** 7th EDF.
EDF SVG 7001 A36, A84

SAO TOME & PRINCIPE

Sectoral Import Programme for Structural Adjustment Support. Resp. auth.: Secrétariat d'Etat à la Coopération - Délégation de la Commission à Libreville et Antenne de la Commission à Sao Tomé. 1.5 mECU. Medical supplies, school equipment, foods and T.A. Project in execution. 7th EDF.
EDF STP 7200 A1c

SENEGAL

Consolidation of the livestock development programme. Resp. Auth.: SODESP. Estimated cost 1.6 mECU. Study under way by Bessel Ass. (UK). Project on appraisal. 5th EDF.
EDF SE A3a

Support for the Sectoral Adjustment Programme for Transport. Resp. auth.: Ministère de l'Équipement, des Transports et de la Mer. M.E.T.M. 70 mECU. Works by int. tender for 4 roads. Supervision: short-lists to be done. Training. General Import Programme (10 mECU). Project in execution. 7th EDF.
EDF SE 5046 (7001) A2d

SEYCHELLES

Tuna quay rehabilitation. Resp. auth.: S.F.A. 1.200 mECU. Supply of equipment and works. Project in execution. 6th EDF. EDF SEY 6008 A2d

SIERRA LEONE

North Western artisanal fisheries and community development programme. Resp. Auth.: Ministry for Agriculture and Natural Resources (Fisheries Division). 6 mECU. Infrastructure, supply of equipment, line of credit. T.A. Project in execution. 6th EDF. EDF SL 6004 A3d

Rehabilitation of the Telecommunications network. Phase 2. 7.5 mECU. Works, supplies and T.A. Project in execution. 6th EDF. T.A.: BRITISH TELCONSULT (UK) EDF SL 6006 A2c

Tourism development programme. Estimated cost 0.850 mECU. T.A. to the Ministry of Tourism and supply of equipment. Project stage: identification. 5th EDF. EDF SL 5026 A5c

Agricultural Sector Support Programme. Resp. Auth.: Ministry of Agriculture. 14.3 mECU. Construction of stores, rehabilitation of feeder roads, vehicles, agricultural inputs, materials, T.A. for project management, training. *Project in execution.* 7th EDF. EDF SL 7001 A3a

SURINAME

Rehabilitation Road Section Jenny - Ingikondre. Resp. Auth.: Ministry of Public Works. 4.5 mECU. New asphalt surfacing on 37 km and ancillary works. T.A. for supervision and tender dossier preparation. Works: acc. tender (conditional) launched. * Opening 27.1.93. *Date foreseen for financing February 93.* 5th EDF. EDF SUR 5011 A2d

SWAZILAND

Technical Cooperation programme. Resp. Auth.: Government of Swaziland (N.A.O.) 1.860 mECU. T.A. 12 person-years to selected agencies in the public and parastatal sectors. Project on appraisal. 7th EDF. EDF SW 7001 A1f

Support to Smallholder Agricultural Production. Resp. Auth.: Central Cooperative Union (C.C.U.) Total cost 1.315 mECU. EDF 0.950 mECU, local 0.365 mECU. Completion — renovation of 18 forming inputs — crop marketing depots. Supply of equipment, supervision and training. Project in execution. 7th EDF EDF SW 5005 (7002) A3a

Institutional Strengthening of Government's Central Agencies. 5 mECU. To achieve an appropriate level of institutional planning and management capacity in the central ministries. Three T.A. for 4 years under 'link' arrangement with a European Public Administration training institution. Fellowships. Project on appraisal. 7th EDF. EDF SW 5019/7003 A6c

TANZANIA

Management Assistance for Morogoro Canvas Mill. 1.950 mECU. Continuation of T.A. for the management.

Project in execution. 7th EDF. EDF TA 6002 A4b

Port development, Zanzibar and Pemba ports, phase II. Resp. Auth.: Ministry of Works. Zanzibar. Estimated total cost 13.4 mECU. EDF 10 mECU, Italy 3.4 mECU. Procurement and rehabilitation of cargo handling equipment. Rehabilitation of transit sheds, construction of passenger terminal with RO-RO facilities. Study: design of passenger terminal with RO-RO facilities for Zanzibar port. Short-list done. Project on appraisal. 7th EDF. EDF TA 6009 A2d

Structural Adjustment Support Programme - General Import Programme. Resp. Auth.: Central Bank of Tanzania. 30 mECU. Import of goods in the context of Tanzania's open general licence system, subject to a negative list. T.A. Project in execution. 7th EDF. EDF TA 7200 A1c

Support for Aids Control in Tanzania. Resp. Auth.: Ministry of Health. 3 mECU. To strengthen health and other support services. Supply of equipment and T.A. Project on appraisal. 7th EDF. EDF TA 08000/000 (7001) A7c

Serengeti Conservation and Development project. Resp. Auth.: Ministry of Tourism, Nat. Resources and Envir. 9 mECU. Road and water supply rehabilitation, supply of equipments, studies and T.A. Project on appraisal. 7th EDF. EDF TA 7002 A3a

TOGO

General Import Programme. Hard currency allowance to import ACP and E.C. goods. T.A. for management and implementation. 17 mECU. Project in execution. 7th EDF. EDF TO 7200 A1c

TONGA

Vava'u Airport Development Project. Resp. Auth.: Ministry of Civil Aviation 2.130 mECU. Works. supply of equipment and training. Works by direct labour, supplies by int. tender. Project on appraisal. 5th and 6th EDF. EDF TG 5003-6001 A2d

Vava'u development programme. Resp. Auth.: Vava'u Committee. 5 mECU. Construction of new market, road improvement and maintenance, education and health facilities, training. Project in execution. 6th EDF. EDF TG 6002 A8b

TRINIDAD AND TOBAGO

Sectoral import programme: industry. 12 mECU Allocation of currencies to import raw materials and intermediate products. Project in execution. 6th EDF. EDF TR 6002 A4b

Support to Structural Adjustment Programme. General Import Programme. Hard currency allowance to purchase EEC and ACP goods with negative list. T.A. for six months for GIP implementation and the use of counterpart funds. 9.7 mECU. Project on appraisal. Date foreseen for financing March 93. 6th and 7th EDF. EDF TR 7200 A1c

TUVALU

Electrification development programme. Upgrade existing diesel power

station — extend provision of electricity for home lighting to households on the outer islands. Supply of photovoltaic systems. 1.020 mECU. Project in execution. 6th EDF. EDF TV 6004 A2a, i

Tuvalu fuel import programme. Resp. Auth.: Tuvalu Electricity Authority Corporation (TEAC) 0.900 mECU. Diesel fuel programme purchase. Project in execution. 7th EDF. EDF TV 7001 A1c

UGANDA

Structural Adjustment Support Programme General Import Programme. 35 mECU. Hard currency allowance to import ACP and EC goods. There is negative list of items not eligible (military-luxury items). T.A. procurement agent. Project in execution. 6th and 7th EDF. EDF UG 7200 A1c

Human resources development programme. Resp. Auth.: Ministry of Finance and Economic Department. 12.8 mECU. Infrastructural rehabilitation, equipments, * T.A. and training. *Project in execution.* 7th EDF. EDF UG 7001 A6b, c, d

ZAMBIA

Smallholder development in copper belt region. Resp. Auth.: Ministry of Agriculture and water development. 12 mECU. Basic infrastructure by acc. tender Supply of vehicles and materials by int. tender T.A. Project in execution. 6th EDF EDF ZA 6004 A3a

Smallholder development in central province. Resp. Auth.: Ministry of Agriculture and water development. 12.35 mECU. Basic infrastructure and social facilities. Works, supplies and T.A. Project in execution. 6th EDF. EDF ZA 6005 A3a

General Import Programme. Resp. Auth.: Bank of Zambia. 41.5 mECU. Hard currency allowance to import ACP and EC good. T.A. already financed on previous funds still on the spot. Project in execution. 7th EDF. EDF ZA 7200 A1c

SYSMIN III - General import. Resp. * Auth.: Bank of Zambia. 60 mECU. *Project in execution.* 7th EDF. EDF ZA 999 - SYS A1c

Zambian Centre for accountancy studies. Phase II. Estimated total cost 5.200 m ECU. EDF 4.400 m ECU, local 0.500 m ECU, Centre itself 0.300 m ECU. T.A., supplies and Works Project on appraisal. 7th EDF. EDF ZA 6001/7001 A6a

ZIMBABWE

Human resources development programme. Resp. Auth.: Ministry of National Scholarships. 3.4 mECU. T.A. and scholarships, awards, seminars. Project in execution. 6th EDF. EDF ZIM 6020 A6

OMAY land use and health programme. Resp. Auth.: A.D.A. 6.031 mECU. Raising the standard of living of Omay rural population. Conservation and improved utilisation of the Wild Life resource, support to agriculture and improvement of social infrastructure. Road network,

water, sanitation, building of a district hospital, equipment and supplies. Project on appraisal. 7th EDF.
EDF ZIM 6004/7002 A3a

Structural Adjustment Programme. Resp. Auth.: Ministry of Finance, Economic Planning and Development. 28 mECU.
★ **General Import Programme and T.A. Project in execution.** 7th EDF.
EDF ZIM 7200 A1c

Overseas Countries and Territories (OCT)

ANGUILLA

Water Development Project. Resp. Auth.: Ministry of Communications, Works and Public Utilities. Total cost 2.905 mECU. EDF 1.710 mECU, UK 0.968 mECU, local 0.227 mECU. EDF Pert: works by direct labour, supplies by int. tender. T.A. by U.K.
★ **Project in execution.** 7th EDF
EDF AG 7001 A2b

ARUBA

Airport extension. Extension of airport facilities. Apron, taxiway, new arrival building, car park, access roads, platform buses, fencing, security, peripheral road, technical studies. Estimated cost 14.5 mECU. EDF 6.3 mECU, The Netherlands ± 8.2 mECU. Works, supplies and T.A. (final design, tender dossier, supervision). Project on appraisal. 6th EDF.
EDF ARU 6003 A2d

NEW CALEDONIA

Improvement of Magenta airport. Construction of Crash, Fire and Rescue Services (SSIS) building. Resp. Auth.: Civil Aviation Department. 0.700 mECU. Special loan. Building, parking area and slip roads, furnishing and technical equipment. Works by acc. proc. Project on appraisal. Date foreseen for financing March 93. 5th EDF.
EDF NC 6006 A2d

Educational buildings in the Loyauté Islands. 2.375 mECU. Works by acc. proc. (conditional). Project on appraisal. 7th EDF.
EDF NC A6d

ST. HELENA

Sea defences. Resp. Auth.: Public Works and Services Dept. 3 mECU, 2.5 mECU EDF, 0.500 mECU UK. To protect shore facilities at James and Rupert's Bay. Rehabilitation and reinforcement of existing sea walls. Project in execution. 5th and 6th EDF.
EDF SH 5001 A8g

Regional Projects

BENIN — BURKINA — NIGER

Regional project for the management of the 'W' national park and adjoining game reserves. Estimated total cost 10 200 mECU. To establish three management units and 10 bridges and 20 observation posts with their equipment. Building and rehabilitation of administrative, technical and social buildings, tracks and bridges. T.A., training and studies. Project on appraisal 6th EDF.
EDF REG 6122 A5i, A8f

TANZANIA — BURUNDI — RWANDA — UGANDA — ZAIRE

Tanzania Railways Corporation. Railway Restructuring Project. Resp. Auth.: Ministry of Communication and Transport. T.R.C. 33 mECU. Flood prevention works, quarry development, procurement of track maintenance and accident relief equipment, fuel tank wagons and trolleys. T.A. for supervision of works, tender dossier and training. T.A. short-list done. Project in execution. 7th EDF
EDF REG 7003 A2d

EAST AFRICAN COUNTRIES

Statistical training centre for Eastern Africa in Tanzania. Resp. Auth.: Secretariat of the centre. 2.0. mECU. Widening of capacity. Construction of classrooms, offices and housing. Project stage: identification. 5th EDF.
EDF REG 5311 A6b

Institutional support to Eastern and Southern Africa Management Institute (ESAMI). Resp. Auth.: ESAMI, Tanzania. Estimated cost 4.5 mECU. Extension of ESAMI installations plus provision of library, audio visual and printing equipment and improvement of kitchen and laundry facilities. Project on appraisal. 6th EDF.
EDF REG 6311 A6b

PALOP COUNTRIES — ANGOLA — MOZAMBIQUE — GUINEA BISSAU — SAO TOMÉ & PRINCIPE — CAPE VERDE

Support to improve educational systems. 5 mECU. Trainers training, production of pedagogical equipment, T.A. Project on appraisal. 7th EDF.
EDF REG 7901-001 A6b

Regional training for Middle Staff Statisticians. 3.5 mECU. Training of 900 middle staff statisticians in the five countries. Building-up a modular training system, training for trainees, workshops-newsletter. T.A. Project on appraisal. 7th EDF.
EDF REG 7901-002 A6b,j

MEMBER COUNTRIES OF C.O.I. — INDIAN OCEAN COMMISSION COMORES — MADAGASCAR — MAURITIUS — SEYCHELLES

Support for environmental programmes in C.D.I. countries. Resp. Auth.: Mauritius Regional Authorising Officer. 11 mECU. T.A. for the regional coordinating unit — for national coordinating units — for surveys on the coastal area and on the protection of plant biodiversity. Supply of equipment by int. tender, training. Date financing February 93. 7th EDF.
EDF REG 6511/7 A8f

Regional programme to develop tourism in C.O.I. countries. Resp. Auth.: C.O.I. — Comité Permanent du Tourisme — C.P.T. 6.239 mECU. T.A. for setting-up the training programmes, sale, promotion and marketing, back-up operations to assist management, transfer of know-how and intra-regional solidarity, specific studies. Supplies and training. Date financing February 93. 6th and 7th EDF.
EDF REG 6944/7 A5c

BURUNDI — RWANDA — TANZANIA — UGANDA — ZAIRE — KENYA

Northern Corridor-Rwanda. Rehabilitation of the road Kigali-Butare-Burundi border. Resp. Auth.: Ministère des Travaux Publics. Estimated cost 8 mECU. Project on appraisal. 6th EDF.
EDF REG 6310 (RW....) A2d

MEMBER COUNTRIES OF EIER-ETSHER

EIER-ETSHER — Housing and accommodation for teachers. 20 teacher's houses for EIER and 9 for ETSHER and 1 common for ETSHER. Works, by acc. tender. Studies and supervision. 2.8 mECU. Project in execution. 7th EDF.
EDF REG 7103 A8a

MALAWI — MOZAMBIQUE — ZAMBIA — ZIMBABWE

Regional Tsetse and Trypanosomiasis Control Programme: extension of preparatory phase. Resp. Auth.: Departments of Veterinary Services. 22.700 mECU. Research and development, training, environmental monitoring and assessments of the economic and land-use implications of tsetse control, T.A. and supply of vehicles, field, scientific and camping equipment. Project in execution. 6th and 7th EDF.
EDF REG 5420 A3a

MEMBER COUNTRIES OF ECOWAS

Improvement of postharvest utilisation of artisanal fish catches. Resp. Auth.: Sierra Leone National Authorizing Officer as Regional Auth. Off. Technical Secretariat in Abidjan. 8 mECU. Interventions in 16 countries. Project in execution. 7th EDF.
EDF REG 6126 (001) A3a

PACIFIC ACP STATES

Human resources development in energy sector. 4.400 mECU. T.A. to improve management, technical performance and regulation of conventional power supplies and petroleum import. Project on appraisal. 6th EDF.
EDF REG 5705/001 A2a,i

ANGOLA — MOZAMBIQUE

Training in the port and maritime fields. Training by experts and consultants. T.A., training and equipment. 0.950 m ECU.
★ **Project in execution.** 7th EDF
EDF REG 7403 A6b

SADCC

International Baccalaureate Studies. Resp. Auth.: SADCC Regional Training Council. 1.695 mECU. Supply of scholarship programme for selected secondary school graduates from Angola and Mozambique to study for the International Baccalaureate Diploma in Swaziland. T.A. and evaluation. Project in execution. 7th EDF.
EDF REG 6440 (7016) A6a

Senior Managers' Training in Road Traffic and Transport. Resp. Auth.: SATCC. 1.900 mECU. Supply of equipment, T.A. evaluation, Fellowships. Project on appraisal. 7th EDF. EDF REG 6426 A6d

Collaborative effort for a maize and wheat improvement network. Resp. Auth.: SACCAR — CIMMYT. 3.837 mECU. T.A., training, supply of equipment. Project on appraisal. 7th EDF. EDF REG 7402 A3a

SADC Regional Customs Training Programme. Long-term. T.A. to the Botswana, Lesotho, Namibian and Swaziland customs services. Training and equipment. 1.9 mECU. Project on appraisal. 7th EDF. EDF REG 5412/7 A1b

SADC Language Training Programme. Resp. Auth.: Institute of Languages in Maputo as Regional Project Coordinator (RPC). 2 mECU. English language training and Portuguese language training. Monitoring-evaluation. Project on appraisal. 7th EDF. EDF REG 6415/6430/6433/7 A6

SADCC — MOZAMBIQUE

Beira port dredging contract. Resp. Auth.: Ministry of Construction and Water. 15 mECU. Dredging for two years of the access channel to the port of Beira. Works: 2 years, 4 million m³/year. Supervision and training. Project on appraisal. *Date foreseen for financing March 93.* 7th EDF. EDF REG 7401 A2d

BENIN — COTE D'IVOIRE — GHANA — GUINEA — GUINEA BISSAU — TOGO

Regional programme to increase awareness in western coastal African countries of natural resources protection. Resp. Auth.: Ministère de l'Environnement-Togo. Estimated cost 10 mECU. Priorities: fight against bush fires and deforestation and for soil protection. Project on appraisal. 6th EDF. EDF REG 6113 A3e

OECS — TRINIDAD AND TOBAGO BARBADOS — GUYANA

Regional fruit and vegetable marketing programme. Resp. Auth.: Caribbean Food Corporation. 6.2 mECU. T.A. and supplies. Project on appraisal. 6th EDF. EDF REG 6620 A5de

ACP COUNTRIES

Programme for fighting AIDS. Funding of regional actions. 20 mECU. Support for regional structures, improvement of information, funding of research and training actions. Supplies, T.A. and training. Project in execution. 7th EDF. EDF REG 8000 A7

ACP AND OCT COUNTRIES

OCTs and ACPs participation in trade and services development actions. 6.650 mECU for ACPs and 0.950 mECU for OCTs. Participation in fairs, seminars, trade missions, documentation, T.A. and follow-up-evaluation. Project in execution. 7th EDF. EDF REG 70001/002 A5c, d, e

MEDITERRANEAN COUNTRIES

ALGERIA

Financing of artisanal enterprises from 'Société Nationale de l'Electricité et du Gaz (SONELGAZ)'. Resp. Auth.: Ministère de l'Industrie et de l'Artisanat and SONELGAZ. 9.060 mECU. Supply of line of credit for artisanal enterprises, supply of pedagogical equipment, T.A. for bank-office in charge of credits. Project in execution. SEM AL A4d

Structural Adjustment Support Programme. Sectoral Import Programme for building materials to finish 100,000 social houses. 70 mECU. hard currency allowance to cover CIF imports. Management by Crédit Populaire d'Algérie (C.P.A.). Special accounts in the Central Bank. Banque d'Algérie (B.A.). Purchase by a positive list (electrical equipment — spare parts). Project in execution. SEM AL 688-92 A1c

EGYPT

Ras Mohammed National Park Sector Development Project. Phase II. Resp. Auth.: Egyptian Environmental Affairs Agency (EEAA). 2.5 mECU. Supply of equipment, transport, T.A. and training. Project in execution. SEM EGT 692/91 A8f

Oil pollution combating emergency centre at the entrance of the Gulf of Aqaba. 4.300 mECU. Project in execution. SEM EGT 771/91 A8f

Channel Maintenance Project (CMP). Resp. Auth.: Ministry of Public Works and Water Resources (MPWR). 40 mECU. Integrated weed control, irrigation, biological control, institutional support, training, T.A. for general management, procurement and contracting, planning, monitoring and supervision, works, supplies and training. *Project in execution.* SEM EGT 881/92 A3c

JORDAN

Ground water investigation in the Hamad and Sirhan basins. Resp. Auth.: Ministry of Water and Irrigation, Water Authority. 4 mECU. Initial studies, drilling exploration, surveys and analysis. Project on appraisal. SEM JO 589/90 A2a, A9a

Cooperation project in science and technology. Resp. Auth.: Higher Council for Science and Technology (HCST). 3.5 mECU. Supply of specialized equipment, staff exchanges, T.A. training, evaluation. Project on appraisal. SEM JO A6f

Structural adjustment. Support programme. Hard currency allowance with negative list. 50 mECU. T.A. for follow-up and evaluation. Project in execution. SEM JO 440/92 A1e

LEBANON

T.A. to prepare reconstruction works. 2nd phase. Resp. Auth.: Conseil pour le Développement et la Reconstruction (CDR). EEC contribution 3.4 mECU. War

damages evaluation, preparation tender documents, T.A. to establish execution programme. Project in execution. SEM LEB 702.92 A8a

T.A. to the Administration. Resp. Auth.: Conseil pour le Développement et la Reconstruction. C.D.R. EEC contribution 30 m ECU. Establishment of consultant teams for CDR and various Ministries and Public Offices. Management Units and Implementation Units. Sectors: Water, electricity, sanitation, public works, finance, economic affairs. Studies. *Date financing February 93.* SEM LEB 1044/92 A1, A2

T.A. to prepare reconstruction works. 3rd phase. Resp. Auth.: C.D.R. EEC Contribution 1.500 m ECU. Sectors: oil and gas, agriculture, industry and non financial services. *Date financing February 93.* DEM LEB A8a

MALTA

Protection of Malta's coastline against oil pollution. Resp. Auth.: Oil Pollution Executive 2.4 mECU. Supply of specialized equipment, training and T.A. Project in execution. SEM MAT A8f

Strengthening educational and economic relations with the Community. 1.7 mECU. Scholarships and traineeships, establishment of a Euro-Information Centre, integrated marketing programmes and tourism promotion. Different T.A. and purchase of equipment. Project in execution. SEM MAT 91/431 A5c, d

SYRIAN ARAB REPUBLIC

Water Supply Bseira and Hama Rural Regions. Resp. Auth.: Ministry of Local Administration. Governments of Deir Ez Zor and Hama. EEC contribution. 7.5 mECU. Drinking water supply. Supply of pipes and fittings and electrical-medical equipment. *T.A. Date financing February 93.* SEM SYR 662/91 A2b

TUNISIA

Date-palm trees in the Rejim-Maatoug region. Resp. Auth.: Office de Mise en Valeur de Rejim-Maatoug. EEC contribution 15 mECU. Italy 7 mECU. Drilling works by int. tender. Drilling equipment— Italy. Electrical equipment: Italy. Irrigation equipment: int. tender. T.A. Italy Project in execution. SEM TUN A3a

Exploitation of water resources in the Kasserine Governorate. Resp. Auth.: Ministère du Plan et du Dév. Régional. Commissariat Régional de Développement Agricole de Kasserine. EEC Contribution 7 mECU. Water schemes, dams, drilling. Works by acc. tender. Project in execution. SEM TUN 254/91 A3c, A9b

Support for the Structural Adjustment Programme. General Import Programme. Hard currency allowance. T.A. for follow-up and evaluation. EEC contribution 40 mECU. Project in execution. SEM TUN 000/92 A1v

Water and soil conservation. Resp. Auth.: Ministère de l'Agriculture — Direction de la Conservation des Eaux et des Sols. EEC contribution 45 mECU. Works by acc.

tenders or direct labour. Supplies by int. tender. T.A.: ORSTOM (F) funded by France. Project in execution. SEM TUN 000/92 A3c

TURKEY

Improvement of health services. EEC contribution 5.8 mECU. Master plan, specialized medical equipment, scanner, vehicles. T.A. and supplies. Project in execution. SEM TU A7ac

Fight against environmental pollution. Resp. Auth. Prime Minister's Office. Directorate General of the Environment. EEC contribution 2.8 mECU. Purchase of mobile system to measure water, air, surface and soil pollution. Supply of laboratory equipment. T.A. Project in execution. SEM TU A8f

Vocational training programmes for tourism and mining. EEC contribution 5.4 mECU. Seminars, staff, trainers, supply of equipment, studies. Project in execution. SEM TU A5c, A4a, A6d

Programme to broaden relations between EEC and Turkey. EEC contribution 3.6 mECU. Scholarships, supply of equipment for the Universities of Ankara and Marmara. Training centre and language laboratory in Marmara. Establishment of a Euro-Turkish 'Business Council'. Project in execution. SEM TU A6b

WEST BANK AND GAZA OCCUPIED TERRITORIES

Assistance to the Palestinian population in the Occupied Territories. EEC contribution 10 mECU. Various projects, lines of credit, supply of equipment, T.A. and training. Project in execution. SEM OT 91 A8a, b, e

Exceptional Aid for the benefit of the Palestinian population of the Occupied Territories. 60 mECU. To counteract the negative consequences of the Gulf war. Grants to extend credit and to create revolving funds, supplies of equipment and other materials and contributions to operating costs, technical assistance and training. Project in execution. SEM OT 91 E A5e, A8a, b, c

EURONEWS DEVELOPMENT GROUP

Support for the Arab service for the EURONEWS satellite channel. Resp. Auth.: Euronews Dev. Group-Lyon. EEC Contribution 3 mECU. To improve knowledge and comprehension of Europe in the Arab world, and in the immigration world in the EC member states. Purchase of equipment by int. tender. Project in execution. SEM REG 441/92 A1e

EURO-MAGHREB COMMUNICATIONS S.A.R.L. PARIS

Euro-Maghreb training programme in communications. EEC contribution 1.400 mECU. Seminars, scholarships for young professionals from Maghreb countries. Project on appraisal. SEM REG 687.92 A5g

SOUTHERN AND EASTERN MEDITERRANEAN COUNTRIES

Support to I.P.P.F. (International Planned Parenthood Federation) to provide family planning services to reduce birth rates. Resp. Auth.: I.P.P.F. (UK). EEC contribution 10.500 mECU. Project in execution. SEM REG 680-92 A7c

MED-URBS PROGRAMME

Programme to support cooperation between European and third country Mediterranean local authorities. EEC contribution 5 mECU. Trans-Mediterranean cooperation network to solve specific problems of urban development: water management, transport, environment and waste-products, energy, urbanism, financial management, local fiscal system. Project in execution. SEM REG 480/92 A8a, b

MED-CAMPUS

Support programme for development cooperation actions among Universities and High Schools from Europe and Mediterranean third countries. EEC contribution 6.500 mECU. Teacher training and continuing training. 62 networks already selected. Project in execution. SEM REG 729-92 A6b, f

MED — INVEST

Programme to support cooperation in SME development. EEC contribution 10 m ECU. *Project in execution.* SEM REG A5e

A.L.A. developing countries ASIA and LATIN AMERICA

BANGLADESH

Population and Health IV: Upazila Functional Improvement Pilot Project (UFIPP). Resp. Auth.: Ministry of Health - Project Implementation Unit - P.I.U. and 4e Functional Improvement Teams - F.I.T. EEC contribution 18.75 mECU. Training, specialized T.A. supply of equipment, furniture, vehicles, drugs and medical supplies, monitoring and evaluation. Project in execution. ALA BD 9112 A7b, c

Population and Health IV: Contraceptive Supply Project (C.S.P.). Procurement of approximately 840 million condoms during the period from January 1993 to December 1996. Phase I approximately 30 million pieces at the rate of about 10 million pieces a month, followed by eighteen subsequent shipments up to 1994. The total quantity for phase 1 is 210 million pieces. Second phase (210 million pieces) in 1995-96. The project would continue to supply the Social Marketing Company 'S.M.C.' with the existing 'Panther' and 'Raja' type condoms. Given the magnitude, complexity and specialised nature of the procurement and supply operation and in order to minimise

risks of delays or other supply problems, the project will be implemented with the assistance of a specialised European Procurement Agency (P.A.). Condoms will be procured by the P.A. through restricted tenders after prequalification of EC condom manufacturers as well as manufacturers from India, Indonesia, Malaysia, Sri Lanka, Thailand and Vietnam. EEC contribution 20 mECU. Project in execution. ALA BD 9113 A7c

Cyclone Shelter-cum-Primary Schools Project. Resp. Auth.: Ministry of Education. EEC contribution 10.716 mECU. Construction and equipment, of about 150 cyclone shelters-cum-primary schools. Work, by acc. tenders. Supply of equipment and radio communication equipment. T.A. Project in execution. ALA BD 9116 A8g

Import and Internal Resources Support Project. Resp. Auth.: Bangladesh Bank. EEC contribution 16 mECU. The foreign exchange will be made available in ECU to and through the Central Bank for the import by private importers vegetable oils, seeds and cement. T.A. for monitoring evaluation and audit. Project in execution. ALA BD 9117 A1c

Cyclone Protection. Project II. Resp. Auth.: Bangladesh Water Development Board. Estimated total cost 78 mECU. EEC contribution 3.2 mECU. The EC will finance the existing T.A. provided by Kampsax International - BCEOM and the Danish Hydraulic Institute. The investment costs of the project will be financed by: Bangladesh (2.4 mECU), I.D.A. (19.6 mECU), Japan (17 mECU), Saudi Fund for Development (11.3 mECU). Project in execution. ALA BD 9118 A8g

BHUTAN

Support for the Ministry of Agriculture (MOA) for Human Resources Development. (HRD). Resp. Auth.: Ministry of Agriculture. Human Resources Development Unit. Planning and Policy Division. EEC contribution 5.5 mECU. T.A. to define the training structure and to implement the necessary action, to coordinate and assist and for management and administration locally and abroad. Overseas training. Project on appraisal. ACA BHU 9105 A6c, i

Integrated Pest Management Development. Resp. Auth.: Ministry of Agriculture-Dept. of Agriculture (D.O.A.) EEC contribution 2.6 mECU. Works by acc. tender. Supplies by int. tender. T.A. short and long term. Project in execution. ALA BHU 9212 A3a

Cultivation of Medicinal Plants for Traditional Medicine. Resp. Auth.: Ministry of Agriculture (MOA) - Dept. of Agriculture (DOA) - EEC Contribution 3.5 mECU. Short-term and long-term T.A.: coordination, agronomist, economist, pharmacology, processing. Supply of equipment by int. tender. Project in execution. ALA BHU 9222 A3a

BOLIVIA

Integrated development programme for the Andean zone and the upper Tarija valley (PRODIZAVAT). EEC contribution 14.155 m ECU. Works, supplies and T.A. *Project in execution.* ALA BO 92/34 A3a

Flood protection for the town of Montero. Resp. Auth.: CORDECRUZ and SEARPI. Total estimated cost 15.670 mECU. EEC contribution 12.500 mECU, SEARPI 0.674 mECU, CORDECRUZ 2.5 mECU. (SEARPI: personnel, logistics, ancillary services, maintenance of works - CORDECRUZ: works - direct labour, logistics, operating costs). Studies, monitoring, training programmes, defence works. Works by acc. proc. supplies by int. tender. Date financing March 93.
BO 9235 A8g

Consolidation - Rural auto-development. Rural programme in Oruro and Potosi. EEC contribution 12 mECU. Works, supplies and T.A. Line of credit. Project in execution.
ALA BO 9248 A3a

BRAZIL

Pilot programme for the conservation of tropical forests. EEC contribution US\$ 15 million (equivalent to approx. MECU 11.9. Contribution to Rain Forest Trust Fund. Project on appraisal.
ALA BR 92/4 A3c, A8f

CHILE

Integrated development programme for the northern regions. EEC contribution 10 m ECU. Works, supplies and T.A.
* **Project in execution.**
ALA CHI 92/33 A3a

CHINA (P.R.)

Land reclamation in Ningxia Hui autonomous region. Resp. Auth.: Co-ordinating Committee from Provincial Foreign Economic Relations and Trade Bureau, Agricultural Bureau, Water Resources Bureau and the Financial Bureau. EEC contribution 3.8 mECU. To reduce water infiltration in the fields, improve drainage, leach out the salt, improve the soil, water management and husbandry practices. T.A. and supply of equipment, training and evaluation. Project on appraisal.
ALA CHN 9132 A3e

Jiangxi Sandy Wasteland Development Project. Resp. Auth.: Nanchang Municipal Science and Technology Commission (NMSTC). Institute of Desert Research (IDR). EEC contribution 4 mECU. Supply of equipment, irrigation system, overseas training and T.A. Project in execution.
ALA CHN 9214 A3a

COLOMBIA

'Job creation' for urban youth. Resp. Auth.: National Planning Dept. Consejería de la Juventud, Mujer y Familia - Codirection with European expert. 6.3 mECU. T.A.: 3 European experts, supply of equipment, lines of credit and guarantee, operating costs and training. Project in execution.
ALA CO 9115 A8e

Silk production development. Resp. Auth.: Secretaría de Integración Popular and Unidad de Gestión consisting of a European co-director and a Colombian co-director. EEC contribution 8 mECU. Specialised T.A., supply of equipment for silk plants, revolving funds. Project on appraisal.
ALA CO 9131 A3a

Fondo Amazonico. Cofinancing of project with private or public institutions in different sectors: mining, forestry, agricultural, environmental, institutional development, information, educational, health, tourism. T.A. line of credit: EEC contribution 5 mECU. Project on appraisal.
ALA CO 9213 A3a

Drinking water - Sanitation - Pacific Coast. 7.5 mECU. Water conduits and sewers in 57 villages. Project in execution.
ALA CO 9239 A7c

ECUADOR

Rural development in the Bolivar region. FOEDERUMA 2nd phase. Resp. Auth.: FODERUMA - Fondo de Desarrollo Rural Marginal. Central Bank and co-directors (Ecuadorian and European). EEC contribution 8.7 mECU. Supply of T.A. (director-expert in integrated rural development programmes, civil works engineer and administrative expert), equipment for road maintenance, medical supplies, transport, infrastructure, line of credit. Supplies by int. tender, works by acc. tender.
ALA EQ 9126 A3a

EL SALVADOR

Support programme for micro-enterprises in marginal areas. 7 mECU. Project in execution.
ALA SAL 9129 A5e

Programme for the reintegration into the productive economy of the war wounded. EEC contribution 3 mECU. Supply of equipment, T.A., training, limes of credit. Project in execution.
ALA SAL 9216 A8e

Basic health and hygiene programme in the paracentral region. EEC contribution 10 mECU. Improvement of hygienic and sanitary conditions. Supply of equipment and T.A. Works by direct labour. Project in execution.
ALA SAL 9217 A7e

Urgent programme for productive reinstatement of demobilized people in agricultural activities. EEC contribution 15 mECU. For about 3,000 families of demobilized people from army and from FMLN, in the Usulután department. Rural credits via Banco de Tierras, supply of equipment and expatriate T.A. Project in execution.
ALA SAL 9218 A8h

National programme for vocational training. EEC Contribution 5.500 mECU. Supply of equipments, T.A., training and lines of credit. Project in execution.
ALA SAL 9219 A6d

Rural development programme in the Chalatenango Department. EEC contribution 7 mECU. Cofinancing with IFAD. T.A. for monitoring, coordination, commercialisation, soil protection, reafforestation, dynamisation of associations, specific action for women. Project in execution.
ALA SAL 9245 A3a

GUATEMALA

Rural development programme in the Huehuetenango department. Resp. Auth.: Ministerio de Desarrollo Urbano y Rural (MINDES) and local and European co-directors. EEC contribution 12 mECU. Supply of T.A., infrastructure, equipment

and vehicles. Works by acc. tender. Supplies by int. tender. Project on appraisal.
ALA GUA 9121 A3a

Support for agricultural reform in the Pacific Region (Coatepeque). Resp. Auth.: Ministerio de Desarrollo (MINDES). EEC contribution 9 mECU. supply of equipments, line of credit, T.A. Project in execution.
ALA GUA 9228 A3a

HONDURAS

Credits and T.A. to rural micro-enterprises (PROCATMER). EEC contribution 9.6 mECU. Project in execution.
ALA HO 91/24 A3a

INDIA

Kerala Minor Irrigation Project. Resp. Auth.: Irrigation Dept. of Kerala State. EEC contribution 11.8 mECU. Improvement of irrigation systems. Tank and lift schemes. Supply of equipment and T.A. Training, environmental impact studies. Project in execution.
ALA IN 9111 A3a

Sidmukh and Nohar irrigation project. Resp. Auth.: Rajasthan State Government. 45 mECU. Extensive irrigation network. Works in irrigation and associated agro-forestry and livestock activities. Work, by acc. tender. Supplies (equipment and vehicles) by int. tender. T.A. for project monitoring, agricultural development, animal husbandry and forestry and evaluation. The EC financing, except for expatriate expertise and contingencies, will be transferred as counterpart funds of commodity aid in a fast disbursement procedure (38 mECU). Project on appraisal.
ALA IN 9135 A3a

INDONESIA

Irrigation and water supply programme in Bali North. Resp. Auth.: Directorate General of Water Resources Development (DGWRD), of the Ministry of Public Works. EEC contribution 10.300 mECU. Drilling works and supply of equipment. Specialized T.A. and training. Works by acc. tender. Supplies by int. tender. Project on appraisal.
ALA IND 9119 A3e

MONGOLIA

Strengthening of the Veterinary Services. Resp. Auth.: Ministry of Agriculture. Dept. of veterinary medicine. EEC contribution 2.3 mECU. Purchase of equipment by int. tender. T.A. and training. Project in execution.
ALA MNG 9209 A3a

NICARAGUA

Agricultural reform and integrated rural development in the Rio Blanco region. Resp. Auth.: I.N.R.A. Instituto Nicaragüense de Reforma Agraria. EEC contribution 13.500 mECU. Transport and communication infrastructures, rehabilitation and creation of dwelling areas, schools, health centres, administrative and technical infrastructure. Supply of equipment, vehicles, materials. Line of credit. T.A. Works by acc. tender, supplies by int. tender. Project on appraisal.
ALA NI 9136 A3a

PAKISTAN

Rural roads in the Buner Area. Resp. Auth.: Provisional Government's Construction and Work Dept. (C & W) and District Council. 5 mECU. Construction of new sections of rural roads, upgrading of existing roads. Works by acc. tender. Supervision by European Consultant. Project on appraisal. AIA PK 9106 A2d

Rural Electrification in Punjab. Resp. Auth.: WAPDA Project Management Unit. EEC contribution 21 mECU. Electrification of 540 villages. Equipment by int. tenders, T.A. and training. Project in execution. ALA PK 9211 A2ai

Institute for Educational Development (IED). EEC contribution 5.4 mECU. Training and university cooperation. Management by Aga Khan Foundation-Karachi and Aga Khan University. Project in execution. ALA PK 9208 A6a, b

PANAMA

Cooperation with the Social Emergency Fund (FES). Resp. Auth.: Co-directors (national and European). EEC contribution 4.600 mECU. social infrastructure, micro-enterprises, line of credit, T.A. and technical support to NGO's. Project on appraisal. ALA PAN 9229 A5, A8

PANAMA — COSTA RICA — NICARAGUA — HONDURAS — EL SALVADOR — GUATEMALA

Regional programme for the collection and treatment of the hospital waste. Resp. Auth.: Ministry of Public Health in each country. EEC contribution 4.900 mECU. This programme covers the hospitals in the various capitals. Supply of equipment, incinerators, vehicles and tools. Training and European T.A. Supplies by int. tender. Project on appraisal. ALA REG 9133 A7a

Regional support programme for plant health. Resp. Auth.: O.I.R.S.A.-Organismo Internacional Regional de Sanidad Agropecuarias in San Salvador. EEC contribution 6.4 mECU. Supply of equipment, vehicles, tools by int. tender. Works by direct labour or acc. tender. T.A. long and short term. Training. Project on appraisal. ALA REG 9137 A3a

PERU

Micro-enterprises — Informal sector. Resp. Auth.: Banco Central de Reserva del Perú (BRC). EEC contribution 13.200 mECU. To improve capacities of micro-enterprises. Lines of credit, revolving funds, T.A. and training. Project in execution. ALA PE 9124 A8d, c

Drinking water / Pueblos jóvenes / Lima. EEC contribution 7.8 mECU, France 2.350 mECU. Works by acc. tender. T.A. by France. Project in execution. ALA PE 92/7 A2b, A7

Support for disadvantaged rural populations in the RENOM and INKA regions. EEC contribution 10 mECU. Microprojects, reforestation, road infrastructure rehabilitation, improvement of production and marketing, educational and health programmes. T.A. and training. Project in execution. ALA PE 9244 A3a

Majes II Programme. Resp. Auth.: The Regional Government of the Arequipa Department. EEC contribution 11 mECU. Support for production (milk, fruit, vegetables), livestock, infrastructural works. T.A., line of credit. Supply of equipment by int. tender. Project on appraisal. Date foreseen for financing March 93. ALA PE 9302 A3a

PHILIPPINES

Western Samar — Agricultural Resources Development Programme (WS-ARDI). Resp. Auth.: Department of Agriculture (DA). Department of Environment and Natural Resources (DENR). Department of Public Works and Highways (DPWH). EEC contribution 15 mECU. Works, supply of equipment, agricultural inputs, vehicles, long term T.A., training, evaluation. Project in execution. ALA PHI 9215 A3a

Agricultural Support Services for Small Islands (ASSSI). EEC contribution 20 mECU. To support local community oriented micro-projects, in agriculture, fisheries, livestock, marketing, training, T.A. and line of credit. Project in execution. ALA PHI 9232 A3a

SINGAPORE

EC — Singapore Regional Institute of Environmental Technology. EEC contribution 2.7 mECU. T.A. and Staff: Director, 1 Head of Division, part-time expatriate services. Project in execution. ALA SIN 9202 A8f

COSTA RICA — HONDURAS — NICARAGUA

Action programme for adolescent women and young unmarried mothers. 4 mECU. T.A., coordination, management, follow-up. Supply of equipment. Project in execution. ALA REG 9246 A8e

COSTA RICA — EL SALVADOR — GUATEMALA — HONDURAS — NICARAGUA

Establishment of a payment system. Reorientation to create a trust fund to

promote export trade in Central America. Resp. Auth.: Banco Centro Americano de Integración Económica (BCIE). EEC contribution estimated for non committed funds to 34.3 mECU. Lines of credit, training and T.A. to the Bank system. Project in execution. ALA REG 8912 A5d

VENEZUELA — EQUATOR — COLOMBIA — PERU

Fishing programme VECEP. EEC contribution 20 mECU. Artisanal fishing, resources evaluation and training. Project in execution. ALA REG 9243 A3a

SRI LANKA

National Irrigation Rehabilitation. Resp. Auth.: Project Coordination Committee. Total estimated cost 41.5 mECU. EEC 3.34 mECU, World Bank 24.67 mECU, counterpart funds from EEC Food Aid 7.59 mECU, local 5.9 mECU. Works, supplies and T.A. Project in execution. ALA SRL 9107 A3a

Moneragala Irrigation and Community Development. Resp. Auth.: Project Management Unit (PMU) — Project Steering Committee (PSC) — Ministry of Agriculture. Total cost 7.03 mECU — EEC contribution 5.76 mECU, Government and local 1.27 mECU. Rehabilitation and improvement of 8 irrigation schemes, water management development, forestry, feeder roads, health services, small business, training, institutional support. T.A. transport and equipment. Supplies by int. tender. Project on appraisal. Date foreseen for financing March 93. ALA SRL 9210 A3a

YEMEN

Fourth Fisheries Development Project. Resp. Auth.: Ministry of Fisheries. EEC contribution 13.900 mECU. Construction of access roads, facilities for fish handling, supply of equipment, engines and fishing gear. T.A. Project in execution. ALA ROY 9122 A3a

ASEAN

EC-ASEAN Radar Remote Sensing, ER S-1 Project. Resp. Auth.: European Space Agency (ESA). EEC contribution 3.9 mECU. To improve radar data acquisition for receiving stations. Supply of equipment by int. tender. T.A. for training and management. Project on appraisal. ALA/ASN/REG 9128 A1g, A8f

EG-ASEAN patents and trademarks programme. Resp. Auth.: EPO — European Patent Office. EEC contribution 6.5 mECU. T.A. and training. Project in execution. ALA/ASN/REG 9223 A4g

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The Price to Pay: a look at debt and development – International Development Research Centre (BP 8500, Ottawa, Ontario, Canada, K1G 3H9), 1992, 48 pages (Quest for the Future) – Also available in French

This booklet by the Canadian International Development Research Centre, one of the many works on debt, provides a clear, succinct, balanced picture of what is at stake. It is particularly interesting because of the input from research workers in the developing countries themselves.

The authors see the 1980s as a lost decade as far as development is concerned, first and foremost because of the debt crisis and the disastrous scenarios it produced. Repeated borrowing, absurd interest rates, multiple restructuring and a deterioration in the terms of trade to the point where there was a net transfer of funds from South to North meant negative growth and, one by one, the States found they were unable to pay up.

The countries of the North did nothing about this until their own banks felt the pinch of bad debts. And, even then, their only aim was to recoup their losses, which made the situation worse. It was not until the developed nations ultimately accepted their share of the responsibility for the financial depression in the South that the first encouraging signs appeared.

Most of the decade was wasted on sterile invective between North and South. It was not until the repeated calls for more development aid, better interest rates and new methods of borrowing were heard that countries in the Third World were able to find their way back to growth again. All kinds of cooperation are needed to solve the debt crisis and set up a new world order. In short, there is one thing planners and researchers can do — collaborate.

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Raising and Sustaining Productivity of Smallholder Farming Systems in the Tropics – Handbook on Agricultural Development by Willem C. Beets, AgBé, 738 pp., 432 illustrations, 143 tables, 1990 – Hardbound, ISBN: 974-85676-1-3

This book brings together, for the first time, most relevant knowledge on the various tropical farming systems. The approach is multi-disciplinary and emphasis is placed on the interactions between agro-technical, environmental, economic, sociological, institutional, and political aspects. Information on climate, soils, plant breeding, institutions, etc., is given when these factors are crucial in the context of overall development.

The purpose of the book is to provide a framework for agricultural development in the tropics with an emphasis on raising the overall productivity of farming systems in a sustainable manner.

The book advocates consideration of the farmer's point of view, and also development within existing systems, rather than recommending the adoption of Western-style systems heavily dependent on fossil energy, good communications, and institutions.

Self-reliance and self-sufficiency are recommended rather than dependence on external inputs, and export-oriented economies. Another philosophy is that farming systems should be environmentally balanced, even if only marginally

economical in the short-run. Considering the limited scope for opening up new land and global environmental deterioration, medium and long-term considerations should weigh heavier than quick profits and spectacular production gains that cannot be sustained.

Special emphasis is placed on the limit imposed by natural and financial resources, and administrative or social structures. Those aspects of the agricultural production process that lend themselves to improvement are identified and the prerequisites and mechanisms of change discussed. In particular, the effects of land-tenure and land-use, fertilisers, irrigation, cultural practices, rational crop selection, timeliness of planting, extension programmes and infrastructure are emphasised.

This publication is expected to be useful to all those involved in agricultural development in the Third World, to students, research workers and professionals, and to government officials at every level of policy making and implementation. ○

○○○

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Robert Rowe

SECRETARIAT:

Susan Carlier (299-29-77)

CIRCULATION

Margriet Mahy-van der Werf (299-30-12)

Back cover: In only a few short months, this young Malian has been called upon to vote six times (Photo L'Essor)

