AFRICA'S NEW VIPERS

(1) CP 8/1/95

Military dicatorships replace white rule, says Nigerian activist

By WALLY MBHELE

IT is as if the independence clock has suddenly turned back for many West Africans.

So says Nigerian democracy activist Chief Raph Uwechue in a wide-ranging, exclusive interview with City Press.

Uwechue suggested that West African states, who scored historic freedom victories against Western colonial powers, were slowly but surely slipping back into repression and authoritarianism they last experienced under colonial rule.

Ironically, it was only in South Africa – that last bastion of colonial-styled racism – where the soothing winds of change could be felt on the skin.

Elsewhere, African independence seemed to have suddenly gone up in smoke as African military dictators tightened their clench on power.

Nigeria had become a typical example of this. Years of military rule had ensured that a once-flourishing African nation was reduced to a nation living under siege – a state of being South Africans are acutely aware of.

Yet Nigeria was for many years a keen enemy of apartheid South Africa and a self-proclaimed champion of African democracy and civil liberties. Sadly, that cannot be said of Nigeria today.

Nigeria ended 1994 deeply embedded in a political and economic quagmire – the cumulative effect of the military's grip on civil power.

Nor is Nigeria a banana republic. It is one of the richest and largest African nations. Home to over 100 million Africans, it produces two million barrels of oil daily.

It boasts great intellectuals, especially its African scholars and novelists whose brilliance is the pride of Africa.

Uwechue is one such Nigerian scholar. He told me: "Nigeria is a country with a lot of wealth in terms of human skills and natural resources, but our poverty is in the political leadership. Soldiers have dictatorially clamped down upon our country."

Uwechue is a former Federal Minister of Health in President Shehu Shagari's civilian government. He resigned to pursue a career in journalism when civil war broke out.

He made a prophetic speech while visiting Zimbabwe in 1981 when he predicted that "the success of Zimbabwe's experiment to create a non-racial society where various groups can live and work in harmony, could prove to be the strongest case for the dismantling of apartheid in South Africa".

During the interview with City Press on his recent visit to South Africa, he said he was pleased that his prediction had been correct. A deep sadness overcame him when when he said it was ironic that his country had taken up where the old South Africa had left off.

"Nigeria has everything except good political leadership. Soldiers are messing up," he said.

This had happened after 34 years of independence. He said soldiers had ruled for 24 of those years.

He spoke at length about the 1993 Nigerian elections – declared fair and free by the rest of the world, but rejected by the military – in which he put himself forward in the Social Democratic Party's presidential race.

The SDP chose the jailed Chief Moshood Abiola as its candidate. Abiola went on to win the presidential elections.

However, instead of handing power to Abiola, General Ibrahim Babangida's military government appointed a pseudo Interim Government under Chief Ernest Shonekan to prepare for what the military claimed would be "a new government".

Despite popular derision of Shonekan, every decision he made was overruled by the military.

While the world was appalled by Babangida's dismissal of the elections, there appeared another military bruiser, General Sani Abacha, who seized power from Shonekan.

Entering the ring of this laughable though deadly circus, Abacha continued with military-mindset decisions, plunging Nigeria further into the abyss.

He deposed the Electoral Commission which had declared Abiola the winner.

According to the authoritative, London-based *New African* magazine, the election cost 3,5 billion niara (about R13,6 million).

It came as little surprise when Nigeria's working class struck back at the nation's economic heart – the oil industry.

The marathon oil workers' strike that followed to press for the release from jail and inauguration of Abiola as president exacted a heavy toll. *New African* reported that Nigerians no longer queued for petrol for hours, but for days.

A Nigerian journalist wrote: "The real storm could strike anytime now if the international community does not bring adequate pressure to bear on the military bandits to leave us alone."

Uwechue told City Press: "Something has been freely and fairly conducted in Nigeria. Abacha has sacked that, wanting to perpetuate military rule. He is a usurper. Nigeria had a unique election which was hitch-free; there was not a single death in a country of 100 million people".

"When Abacha took over in November 1993, he demolished all existing democratic structures.

"The senate and the house of assembly which had been functioning for two years were abolished overnight.

"Thirty democratically elected governors were also sacked by a mere radio announcement.

"Like a man on a wild rampage, Abacha swallowed up 598 local government councils. Most South Africans don't know about this."

Listening to Uwechue one felt as if one was listening to an anti-apartheid activist of the 1980s.

"They have passed a law which makes it impossible to challenge any law they pass. They are doing as they like!" he exclaimed.

What was to be done? City Press asked the chief.

"Africans should not allow this kind of thing to happen," he replied. "It will become a rolemodel for soldiers anywhere to forcefully take power from civilian governments. We should join hands. It can happen anywhere in Africa. If your neighbour's house is on fire, it is not treason if you help to put out that fire.

"Which country can escape it (military dictatorship) when bigger countries practice it? No person should be allowed to cancel elections at a stroke of a pen. We have individual soldiers who are gangsters by nature in Nigeria. They have no right to tell us who is to rule us. We have nowhere to take our case except to our African brothers.

"Whether he is a devil or an angel, Abiola has been chosen by the people and like in South Africa, the whole of Africa should learn to respect the will of the people," concluded Uwechue.

We discussed the notion of dictatorships and agreed that it had become the trend for Africa's military coup leaders to claim they were motivated by the desire to stem out corruption. It soon became clear they were just as corrupt and greedy.

We agreed that the greed principle in power-hungry soldiers was democracy's biggest enemy.

In his 1993 campaign for democracy in Nigeria, Uwechue said: "If we can show by the concrete example of practical success that 100 million people can live and work together under one banner in fruitful harmony, then we would have made the strongest possible case for a still-larger African union."

South African African policy is headed in this direction. Will our neighbours follow?

Scribe preaches African unity

By WALLY MBHELE

HOW much do South Africans know of their history and that of their continent?

Ask the Nigerian author and publisher of books on the African continent, Chief Raph Uwechue.

"Most South Africans know very little about what is and was happening on their continent. They only know their history starting with the arrival of the settlers which is not so," he says.

Uwechue was recently in South Africa to promote his *Know Africa Books* which were launched by Archbishop Desmond Tutu and reviewed by Professor Eskia Mphahlele.

"I have no other life except promoting people's confidence in themselves. I'm preaching African unity and I don't do it for money.

"I am a proud African. Africans should know they have gifts from God they have to develop and that's the reason for these books," he said in an interview with City Press.

NO OTHER LIFE . . . Raph Uwechue says his mission in life is to tell Africans about themselves. Pic: EVANS MBOWENI

Described as a Pan Nigerian by commitment, a Pan Africanist in perception and a visionary by inclination, Uwechue was born on May 13, 1935 at Ogawashi-Uk. in Nigeria's Delta state.

He studied history and graduated with honours in 1960 and later completed a postgraduate course in French and International Law at the Geneva Africa Institute at Switzerland.

With Nigeria's independence in 1960. he became one of that country's first crop of career diplomats.

As the Nigerian civil war unfolded he left the foreign service and started a career in journalism. From his publishing house came the prestigious and influential *Africa, African Woman* and the French Afrique magazines.

He then stopped publishing the magazines "because African currencies were weak and it took sometimes three years for money to come back from African countries where we had 86 percent circulation".

Uwechue then decided to launch his Know Africa Books .

The sweet smell of money

① Sowetan 4/1/95

■ MIRACLE CROP *Cut flowers yield high rates of return in this new market:*

AS famine looms again, Ethiopia is growing flowers — roses, carnations, chrysanthemums destined for people in Europe, North America and Japan who do not have to think where their next meal is coming from.

For Ethiopia has joined the long list of poor nations producing the latest tropical "miracle crop": cut-flowers for export.

Colombia is way ahead of other developing countries, with 10 percent of world exports of cut flowers, second only to overall leader Holland, with 59 percent. Costa Rica, Ecuador, Jamaica, Kenya, Malawi, Mexico, Peru, Uganda and Zimbabwe are among others also on the bandwagon.

Even Rwanda is among the countries feeding this $5 billion market.

India is now planting over 150 000 hectares. At five million blooms per hectare, say traders, its produce will flood the market. Prices are already falling.

Yet Northern development advisers are urging more countries to join the line-up. The war-ravaged economies of Honduras, El Salvador and Nicaragua can be rehabilitated through flower-therapy, say consultants from both the European Union and the United States Agency for International Development.

They and other tropical countries have a comparative advantage — sunshine and cheap labour. How can Northern European compete when they have to heat greenhouses in winter; how can tropical countries not succeed when their women will work for less than a dollar a day?

What the consultants do not say, however, is that flying the flowers to the market costs as much as heating greenhouses.

The real business is in the trade, not production.

Only 10 percent of the wholesale price of each flower remains in the country in which it is grown. The cost of air-freight alone is often the same as the value of the produce.

Then it has to be trucked, or re-flown, from the wholesale centres to the retailers. The retailers add another 100 percent mark-up.

The consultants also fail to mention that flower-growing is highly polluting: some say the most polluting form of agriculture known to humankind.

Because of pesticides and fertilisers, ground water in parts of Holland, the traditional centre of the trade, will be unfit for human use for generations to come.

Nor do the consultants talk about the flowers' drinking problem.

Holland may be able to afford to use 80 000 litres of water a year on each hectare. But parts of India suffering from perpetual or recurrent water scarcity cannot. Should export flowers use water from the Ganges, already so over-exploited that neighbouring Bangladesh has appealed to the United Nations to curtail India's water-grabbing?

The water level in Lake Naivasha, centre of Kenya's flower producing region, is sinking measurably while food prices in the district are sky-rocketing, since food now has to be brought in from outside.

The experts talk only about the high rates of return. You can make back your investment in three years, they say. But to do so requires 10 tons of fertiliser and pesticides a hectare per year, which is why the German chemical manufacturer, Hoechst, does consultations for companies in Zimbabwe.

No one buys a flower that is half-eaten by bugs. Nor will consumers pay for an obviously jet-lagged bloom that shows evidence of its time in auction-rooms, trucks and airports. You must grow genetically-engineered varieties that resist anything nature can throw at them. And you must pay 60 cents royalty on every $1.20 rose plant you buy from a Northern laboratory.

You probably need greenhouse materials, irrigation systems, cooling technology, even management from Northern companies - for this business is a race against the clock.

Every second of the fragile commodity's short life must be regulated and insured against 50 degree-Celsius roads and airports. You cannot wait for the rusty wheels of Third World business-culture to creak. You need the most internationalised, computerised arrangements.

So, expensive specialists are blooming, and spawning new varieties such as flower-fashion-designers, who come up with creative ideas like "Thank You Day" and "Grandparents' Day" to stimulate the appetite of any flagging consumers.

Fashion is fickle. Today, yellow may be all the rage in the decor magazines; but by Christmas they will be seeing red. This year lilies might be the big talking point around the vases, but next year they will be talking of another colour. How can the Third World farmer anticipate the fads? By paying Northern feed to Northern advisers.

So Southern governments are offering five-year tax holidays and other benefits to potential investors. Profits, in any case, are hard to tax since most financial dealings take place in the North.

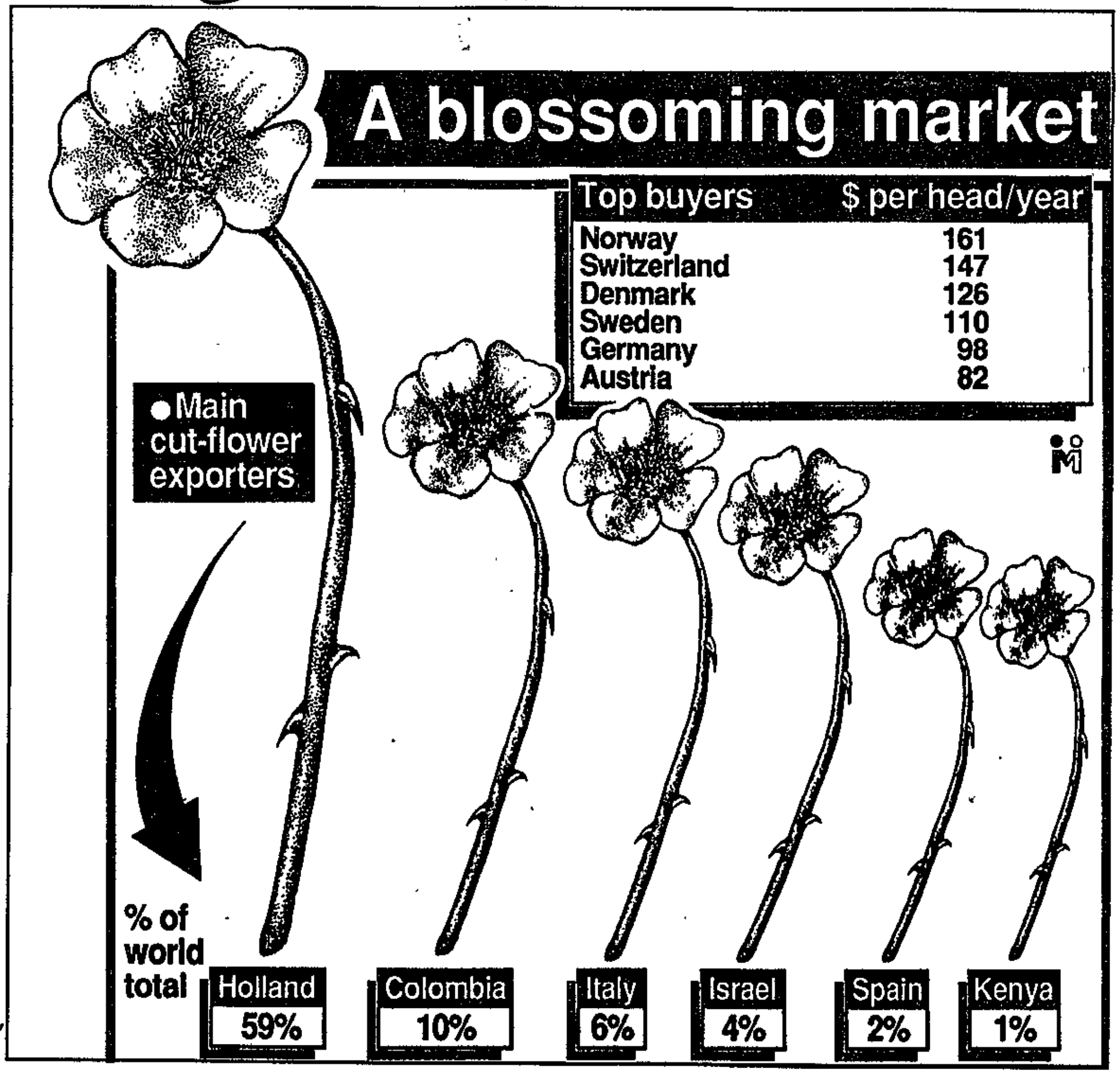
Most governments feel incentives are inevitable in such a highly-competitive market, particularly as they are involved in export-orientated, World Bank-sponsored economic restructuring programmes. Zimbabwe, for instance, was nagged into reducing food-stocks in the early 1990s, and was then struck by drought which created shortages in its staple, maize.

"The year 1992 was a most difficult year for Zimbabwe's agricultural industry," observed Dr RM Mupawosa, chairman of the country's Agricultural Marketing Authority. "The levels of crop failure, as a result of the drought, were staggering. The disastrous drought forced us to import food commodities of which we usually have surpluses."

But that same year Zimbabwe sent $60 million worth of agricultural commodities out of the country, including six million kilograms of water-guzzling flowers. It also had to borrow $70 million from international banks for food imports from the US.

Zimbabwe's main flower producers are white farmers who have switched from tobacco. In Kenya, perhaps the fastest growing new producer, 35 percent of flower-growers are white, three percent are black. The biggest producers are transnational companies, including the food-giants Unilever and Del Monte. In India, the recent drive towards flower-production is a result of joint ventures with Dutch companies.

"It's all tax-driven," commented Jan Lanning of the Dutch Wholesale Board. New Delhi is offering generous incentives, so the country's large industrialists are pouring huge amounts into this reputed money-spinner.



Africa flounders in cycle of poverty

BD 23/1/95

ABIDJAN — Persistent illiteracy, rising infant mortality rates, low life expectancy and almost non-existent spending power mean countries south of the Sahara remain the world's poor relations, a World Bank atlas published at the weekend shows.

The findings also showed that prospects remain gloomy for much of the African continent.

Of 209 countries studied by the Bank, 34 have illiteracy rates higher than 50%, 23 of them south of the Sahara. The worst was Burkina Faso (82%), followed by Sierra Leone (79%) and Benin (77%).

Twenty-nine countries registered infant mortality rates greater than 10 per 100 births, all but four of them south of the Sahara. Worst was Mozambique with 16,2%, then Sierra Leone (14,3%) and Liberia (14,2%).

At the opposite end of the scale, rates for Sweden, Singapore, Japan and Ireland stood at 0,5%.

Also, 22 out of 24 countries with life expectancies of under 50 years were in sub-Saharan Africa, led by Guinea-Bissau where the average was 39.

GNP statistics showed that people in 28 states, 19 of them African, lived on an average of less than a dollar a day. In terms of purchasing power the sub-Saharan region provided the 13 poorest countries of the world.

Prospects are not good either. The atlas showed six countries where investment provided less than 10% of GDP. All were African — Burundi, Niger, the Central African Republic, Ivory Coast, Sierra Leone and Chad. — Sapa-AFP.

Call to set up African peacekeeping force

(1) Star 24/1/95

Harare — The establishment of an African peacekeeping force moved a step closer yesterday when Britain, Canada, France and the US began talks in the Zimbabwe capital with 20 African countries, including South Africa.

The co-hosts of the meeting — Field Marshal Sir Peter Inge, Chief of the Defence Staff in Britain, and Zimbabwean Defence Minister Moven Mahachi — ruled out a standing multinational force but favoured permanent command and logistics centres.

The week-long conference follows earlier meetings in Accra and Cairo in response to a decision by the Organisation of African Unity in 1993 to set up a mechanism "for the prevention, management and resolution of conflicts".

Mahachi acknowledged that the OAU would be incapable of running such an organisation and said support from the UN would be needed.

He said it might be feasible to urge member states to have troops at the ready all the time, adding that the establishment of a supply base might also have merit.

Inge agreed that costs alone put the formation of a permanent force "in cloud cuckoo land" but said the establishment of "command and control organisations will be very important".

The meeting is also being attended by representatives from Botswana, Egypt, Ethiopia, Ghana, Ivory Coast, Kenya, Lesotho, Malawi, Mozambique, Namibia, Nigeria, Senegal, Sierra Leone, Swaziland, Tanzania, Tunisia, Uganda, Zambia, the OAU, the UN and the Commonwealth secretariat.

Inge said more than 40 percent of the UN's peacekeeping effort was devoted to Africa.

Mahachi pointed out that unless African countries were prepared to undertake peacekeeping duties, developed nations of the world would be reluctant to commit their own troops. — Sapa-AFP.

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AFRICA

Millions still held in Africa's aid kitty

BD 7/2/95

LILONGWE — Senior officials from the European Union and southern African states met yesterday to discuss allocation of 121-million ecus to cover more than 50 development programmes in the region.

The officials have been taking part in the annual consultative conference between Western donors and the 11-nation Southern African Development Community (SADC) in the Malawian city, Lilongwe.

SADC CE Kaire Mbuende said before yesterday's session: "It is a meeting to review all the SADC projects funded under Lomé ... there are 121-million ecus committed but not disbursed."

SADC principal economist Charles Hove said the first aid protocol for the period 1990 to 1995 under the Lomé convention covered development projects in transport, agriculture and human resources.

The EU provides aid to developing nations in Africa, the Caribbean and the Pacific under the convention.

Hove said the money had not been disbursed immediately in 1990 as the two regions had to agree on and "refine" project proposals. The process had been drawn-out because of a lack of institutional capacity within the SADC itself to carry out required feasibility studies and to tackle EU aid procedures.

The SADC consists of Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, SA, Swaziland, Tanzania, Zambia and Zimbabwe. Hove said it would be asking the EU for 20-million ecus to bridge a financing gap between now and the conclusion of negotiations for a second five-year aid protocol for the SADC.

At the weekend, European Commission director for Eastern and Southern Africa Giovanni Livi said he hoped negotiations would be completed before the end of this month. He said the commission, the EU's governing body — through aid commitments to SADC states under Lomé — sought to support democracy in the region.

The commission had channelled more than 4-billion ecus to the region from 1985 to 1994 to support national and regional development programmes, economic reform, emergency food aid and other projects, he said.

It also needed to prevent conflicts like that in Rwanda.

There had been "enormous" progress toward democracy in the region, he said, citing Malawi, Mozambique, Namibia and SA. But he said this was not enough to solve southern Africa's economic ills. "We need good governance that would help to boost activities of the private sector and as far as possible involvement of populations in development." — Sapa-Reuter.

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Smaller harvests expected

HARARE. — Poor rainfall in parts of Southern Africa could cut harvests by up to half, forcing governments to dip into strategic reserves and import cereals, a regional monitoring group said yesterday. 1

Near-normal harvests were expected in northern parts of the region, but extra food would be needed almost everywhere else, said the Early Warning Unit of the 11-nation Southern African Development Community.

It said Angola, northern Mozambique and Tanzania had enough rain since November to produce reasonable harvests. But in SA corn harvests were forecast at six million tons, compared to 12m tons reaped last year.

Only Swaziland had good rains and can expect a bumper harvest "substantially higher" than that last year. — Sapa-AP

CT 9/2/95

Strikes hit Ghana mine

BD 9/2/95

MADDEN COLE

GOLD Fields Ghana recorded a sharp drop in taxed income for the six months to December after strike action affected productivity and higher costs hit the bottom line.

Results published today showed decreased taxed income of $573 000, less than half the figure achieved in the 1993 interim period, on turnover little changed at $7,20m ($7,23m). (1)

Capex, reduced to $59 000 ($337 000), was offset by an increase in exploration expenditure to $1,6m ($1,1m).

Good progress was made in most aspects of the operation during the first three months under review, but two illegal strikes over wage rates in October reduced productivity which was further affected by a drop in grade and shortage of equipment. But the company broke even in the second three months, directors said. The position was improving after the satisfactory conclusion of wage negotiations in December.

A marginally lower milling rate of 106 896 tons and lower grade pushed production down to 18 490 oz (21 386 oz).

The higher average gold price received of $384,66/oz ($373,71/oz) was offset by higher sales cash costs of $324,91/oz ($247,29/oz). Cash costs were higher than in 1993 when grades were better and expenditure on maintenance and underground development was not possible owing to a lack of spares and equipment, directors said.

This saw total costs of sales rise to $6,4m ($5,3m), with operating profit reflecting a corresponding decrease to $821 000 ($1,9m). The tax bill was reduced to $295 000 ($665 000).

Exploration was yielding positive results in most of the programmes and initial results of drilling for structure on the deeper extensions of the Tarkwa syncline were encouraging.

Conference urges African aid

(1)

BD 13/2/95

PARIS — Industrialised nations were asked on Friday to allocate 0,7% of their GNPs for the next 10 years to help finance the development of Africa.

This was one of the resolutions taken at the 5-day Audience Africa conference held at the headquarters of the UN Educational, Scientific and Cultural Organisation (Unesco).

The conference brought together heads of state, aid agencies, UN organisations, the OAU and the African Development Bank.

It was chaired by Graca Machel, wife of late Mozambican president Samora Machel. Participants stressed the gravity of Africa's situation in the draft final report.

Future aid might be granted on draconian terms inspired by a thinly disguised desire to create hegemony and dependency, it said. Africa would have to rely more on its own strength and open its eyes to the reality of the modern world.

An African economic community should be pursued actively.

The report said the past three decades had brought discredit to the continent.

Africa had to accept responsibility for its situation and make a firm commitment to reverse the trend.

It was a myth that Africa was a poor continent. In natural resources it was the most richly endowed of all continents. It needed competent and serious people, capital and knowledge to unlock these resources.

To meet the challenge Audience Africa resolved that resources firstly be channelled into education. The conference requested African governments devote 5% of their GDPs to education by the end of the century.

It also asked international financial backers to convert outstanding debts to the financing of education.

The conference noted an African brain drain and suggested forming "centres of excellence" to train scientists and researchers, funded by a pooling of facilities and resources.

Audience Africa asked Unesco to assist in the creation of an information network to enable African countries to gain access to electronic information and encourage the creation of subregional electronic mail networks.

It requested the UN to earmark 3% of its African allocation to research and development, and that African governments set aside a minimum of 0,5% of their GNP for the same purpose.

To protect and advance the growth of democracy, the conference resolved that the OAU "oblige" African leaders who had not been elected democratically to organise elections and present themselves to their electorates no later than two years of the date of the resolution. — Sapa.

UK companies pull out of sub-Saharan Africa despite regional reforms

① BD 14/2/95

LONDON — More than half the British manufacturing companies in sub-Saharan Africa have disinvested over the past five years despite the region's economic reforms, according to a report published last week by the Institute of Development Studies at the University of Sussex.

British disinvestment, says the report, "may also indicate similar trends among manufacturing companies from other countries, in particular, France, Germany and the US".

It notes that the disinvestment has taken place despite World Bank economic reform programmes, introduced over the past decade by most African governments, and suggests the reforms "may well have hastened the process".

Of 90 British companies surveyed, 28 had completely disinvested between 1989 and 1994, and 20 partially. The report, which excludes SA, says: "In mid-1989, 90 British companies had a total of 336 equity involvements in manufacturing enterprises in English-speaking Africa. By mid-1994, there were only 65 companies with equity stakes in 233 manufacturing enterprises".

The 14 countries classified as English-speaking Africa include Ghana, Nigeria, Tanzania, Zimbabwe, Malawi, Kenya, and Uganda. Together they account for 55% of the region's population, and 58,3% of total manufacturing in 1990.

The pull-out was "most dramatic in three countries — Kenya, Nigeria and Zimbabwe — where two-thirds of British equity involvement in English-speaking Africa were located".

Some of the most important disinvesting companies included Allied Lyons, Courtaulds, ICI, Leyland Trucks, Chloride, Unilever, UAC, Lucas, Pilkington and RTZ, the report says.

British companies comprise between 50% and 80% of foreign direct investment in most of English-speaking Africa, it says.

Low levels of profitability and foreign exchange shortages are said to be the main reasons for the disinvestment.

Commenting on the impact of devaluations of African currencies, the study says that although this "gives the manufacturing sector increased protection from competitive imports, it increases the costs of imported raw materials which many industries remain heavily reliant upon. But for foreign investors, the most serious impact of any large devaluations is that it reduces the sterling value of profit remittances by the same percentage amount".

However, some of the institute's findings, including its direct or implicit criticism of structural adjustment policies, may well be challenged..

The report claims that new investment codes in Africa "have swept to one side many of the restrictions and impediments that had so seriously limited direct foreign investment in the past, and replaced them with a variety of investment incentives and guarantees. In addition, one-stop investment centres have been established. . .to facilitate rapid approval of investment projects".

Many local and foreign business will argue that the reality is somewhat different. Nigeria, for example, only this year lifted restrictions on foreign shareholdings in local companies. One-stop investment centres have frequently been unable to cut through state bureaucracies, while privatisation has often been slow.

Although the generally bleak picture is not likely to be disputed, the report excludes two important sectors from its appraisal — mining and oil.

Ghana has attracted significant foreign investment in its privatised gold mines, while substantial investment has continued to take place in Nigeria's oil and gas sectors. — Financial Times.

Africa's downward spiral

WM 17-23/2/95

Liberia's disintegration is part of a wider African trend. Whatever hopes may have been born of the 1990s' promise of democratisation faded amid coups and hijacked elections, writes Chris McGreal in Monrovia

LIBERIA is cautiously placing hopes for its future in an illiterate, antiquated traditional chief who promises success because he says he is the father of the nation.

From one perspective he may be: Chief Tamba Tailor is noted for having more children than his 90-plus years. He is also a legacy of the days before anyone thought of themselves as a Liberian. He may well herald just such a future.

Liberia's warlords chose Chief Tailor recently to head a ruling council through which they promise to settle the differences that have cost 150 000 lives. People no longer care that the council is unrepresentative or that they will be dictated to by gangsters. An end to the war would be enough.

But it seems unlikely that they will be granted even that. The man who launched the conflict five years ago, Charles Taylor, has shown an inclination for total power.

Recently he has been forced into military retreat, so perhaps he is hoping to win it through manipulation of the council. If he fails he could well decide that total control of part of Liberia is better than a partial say in running the whole country.

Liberia, its territory already divided among seven factions, has practically ceased to exist as a nation state.

It is a trend, in one form or another, emerging across Africa. In some parts of the continent whatever faith there was in national government is mostly lost. South Africans, Ethiopians and Malawians retain expectations for relatively new administrations. Uganda, Zimbabwe, Namibia, and others run robust administrations.

But in much of Africa — from Liberia to Somalia, Zaire to Nigeria — any belief that the state will look after the people, or at least not abuse them, has long since evaporated.

Whatever new hopes may have been born of the 1990s' promise of democratisation have faded amid hijacked elections, military coups and virtual abandonment by those foreign powers which threw weapons into the cold war battleground. Into this vacuum step the Charles Taylors of Africa.

The pressures on the states carved out by Europeans are many and varied. Ethnic ties, trade and crime have eroded artificial borders since they were imposed.

But war, and the huge movements of people it causes, is increasingly erasing national identities and boundaries.

Liberia's disintegration has been matched for savagery in Somalia and Rwanda. There is no political ideology behind such wars.

The conflicts in Liberia, Sierra Leone or Somalia are a grasp at power with multiplying factions dividing the country between them. Rwanda may have appeared an ethnic confrontation but at its root it was a battle for power devoid of ideology.

Much of the Rwandan population is now outside its borders, unwilling to accept the new Kigali regime, while residents of neighbouring Burundi, Tanzania and Uganda stake a claim on the country.

Although almost all Africa's wars are still contained within the boundaries drawn by colonisers, conflict is more often spilling across frontiers.

Burundi's doom-laden prospects are shaped by the aftermath of the ethnic slaughter in Rwanda. Liberia's warlords have stretched into Sierra Leone, helping create an effective but increasingly factionalised insurrection. If power cannot be won, there is still much to be gained from banditry and control of economic resources such as diamonds.

Countries do not necessarily disintegrate under violent implosion. Under Mobutu Sese Seko's tutelage, Zaire has been falling apart for years, although the pace picked up after the West withdrew its blessing at the end of the cold war.

President Mobutu retains enough power to ensure his personal security, but he no longer has real control over his sprawling country.

Its cities and provinces are practically self-governing. The disintegration of the infrastructure diminishes the likelihood of a national uprising. Yet the diversification of power, however limited at present, will not make it easy to reimpose central authority.

It is the collapse of countries such as Zaire that the rest of Africa most fears. In West Africa, eyes are on Nigeria, where violent upheavel would threaten the stability of the entire region.

Nigeria's federation is stronger than often realised. But questions about the wisdom of glueing its disparate peoples together are now more frequently raised than at any time since the Biafran war.

The further marginalistion of Africa now that it is no longer required as a cold war killing zone, and South Africa is liberated, bodes ill for those hoping to reverse the trend towards instability.

What little economic support came Africa's way is diminishing. Yet the IMF continues to insist on economic policies that make the poor poorer and alienate them further from systems and national administrations increasingly unable to justify their existence to the people.

Liberian warlords cash in on gold and diamonds

1 Star 22/2/95

Monrovia — While Liberia's militia warlords squabble over power-sharing, the shattered country's diamonds and gold are being quietly smuggled to Europe — to help keep some of the rival factions going.

The Monrovia government, a powerless vestige of a previous failed attempt to end five years of civil war, believes a fortune in gems and precious metals could lie beneath the west African country's soil.

But it says that until the warlords settle their differences, that potential will be largely untapped or will be exploited almost solely for the benefit of a minority with guns rather than for the country as a whole.

"All the minerals which have gone out of the country during the war have been exported illegally," said Zaiye Dekhee, Minister of Lands, Mines and Energy. "The government has not been getting any revenue from the mining sector."

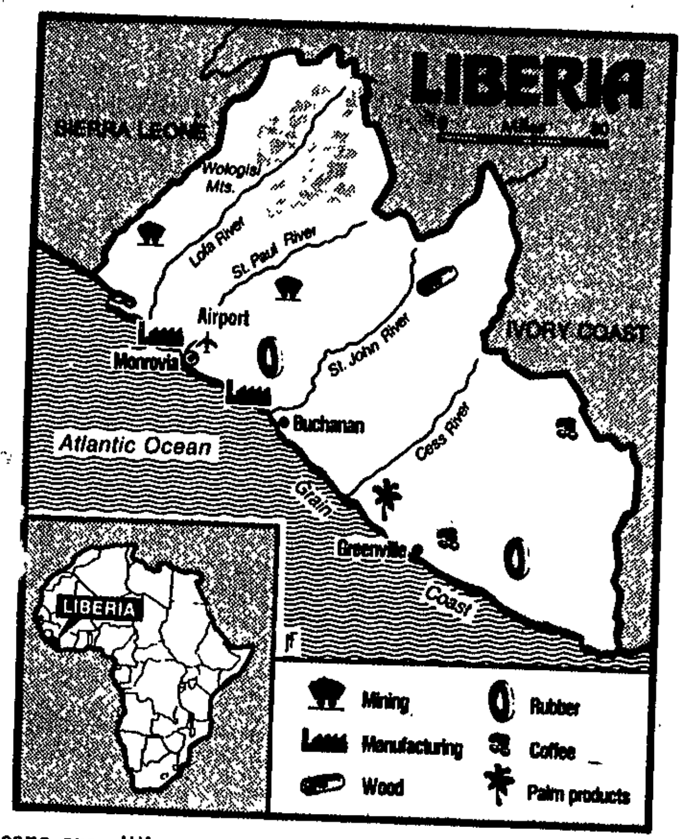
"Surveys conducted in the late 1960s and early 1970s with the help of American investment led to the discovery of diamonds and gold all over Liberia," Dekhee told Reuters.

"There has never been mining below the alluvial layer, which overlooks potentially huge mineral deposits."

Maan Nasser, Lebanese deputy managing director of the Monrovia-based Heba Diamonds Corporation, agrees.

"There is a large quantity of diamonds in Liberia, it's just that we can't get to them because of the war situation," he says.

"There is also very good quality 24-carat gold, especially in Grand Gedeh and Rivercess (southeastern Liberia). The Africans are sitting on treasure here," he adds.



US Bureau of Mines statistics show that in 1987, two years before the outbreak of Liberia's civil war, 295 034 carats of diamonds were exported from Liberia to Belgium.

At the height of the war in 1992, the figure stood at 150 000 carats.

"In the past there were several major diamond and gold concessions in Liberia, such as the Australian-based Western Mining Company, but they all left as result of the war," Dekhee says.

"Now we have no control over the situation as the factions control everywhere outside Monrovia. We believe there is a lot of mining going on, which is effectively sustaining the war effort," he adds, without naming names.

Dekhee said the government was trying at least to get some control over what went on in Monrovia and had asked Lebanese dealer companies to register or face closure.

"It is true that some of them have secret dealings with the factions but we don't know what they're collecting and exporting," he said.

Nasser said most diamonds went from northwestern Lofa County straight across the border to Guinea and Sierra Leone, which have direct air links with Europe.

One African businessman in Monrovia, who operates without a licence, said his best profit was made on a 6,2 carat blue-white diamond he bought for $1200 and sold to a French buyer for $21 700.

"There are plenty of diamonds in Lofa County and very cheap, especially since many of the diggers know nothing about diamonds. But the diamond business is very dangerous, even more so when you're dealing with warring factions who control the territory," he said.

The latest peace deal, signed in December 1994, set a timetable for disarmament and elections in November this year. Implementation is behind schedule as talks drag on over an interim ruling council, but a ceasefire is more or less holding.

Dekhee, holding out hope of a future privatisation of the mining industry, said his ministry was doing all it could to encourage investment to help fund post-war reconstruction.

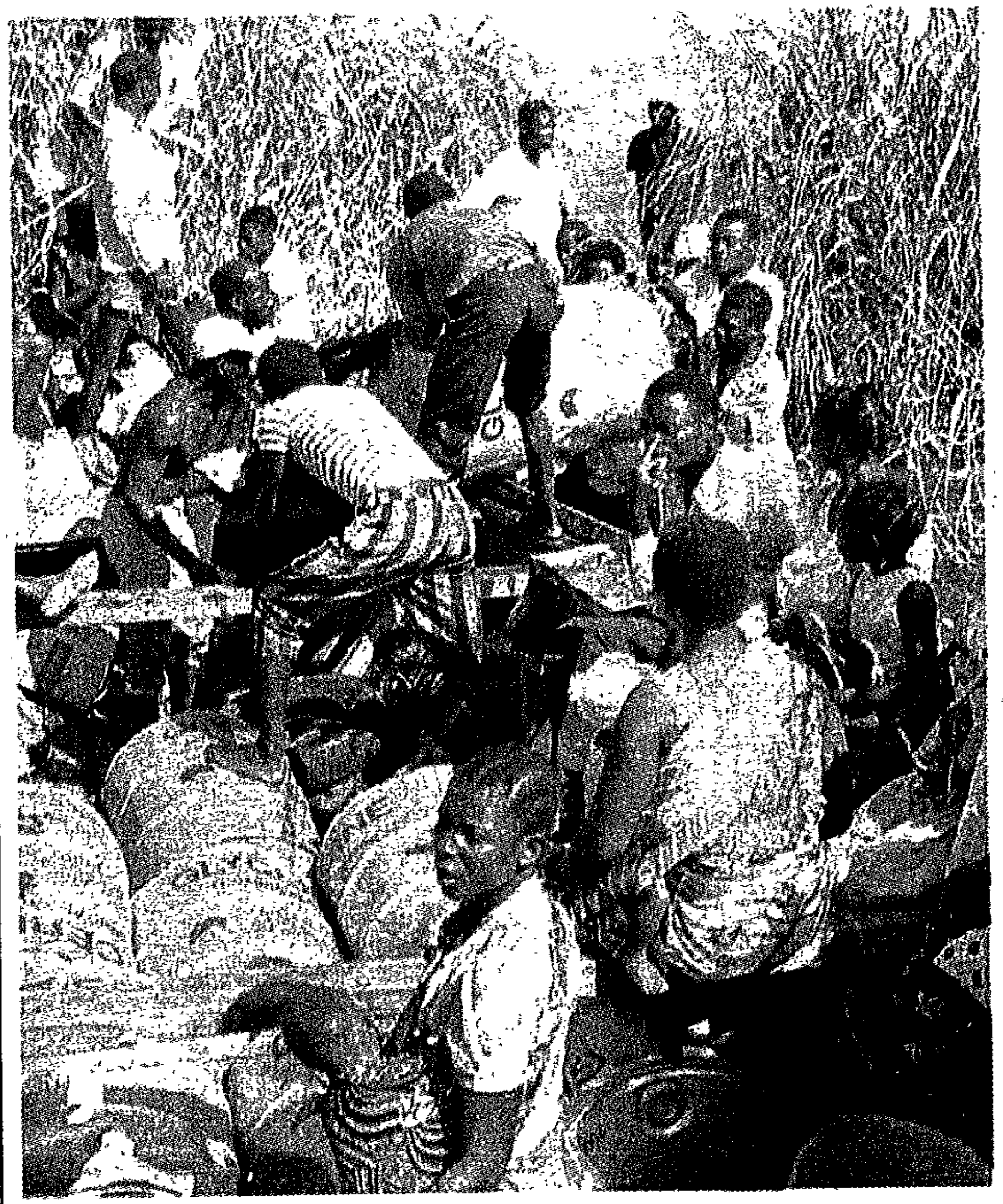
"There are things which can be done before disarmament takes place. We must begin training engineers and rebuilding our facilities," he added.

"All our pre-war institutions and laboratories have been destroyed. We are asking international bodies to help the Liberian mining sector as this is very important to the revitalisation of the economy as a whole." — Sapa-Reuter.

Africa: Those borderline cases

(1) ARG 27/2/95

A founding principle of the Organisation of African Unity was an adherence to colonial boundaries which African countries continue to live with, for better or for worse. The Argus Foreign Service reports on border management in southern Africa with DUNCAN GUY *in Johannesburg and* JULIUS KALIYA *in Blantyre.*



CONTRABAND SMUGGLERS: Tanzania-bound smugglers rub out a European-drawn colonial border by transporting contraband paraffin on a lake boat. The legacy of borders imposed on Africa by outside powers lives on, with traders — and smugglers — always the first people to break them. Eight such colonial-drawn frontiers continue to divide the Zambezi River Basin.

A quarter of a century after the "uhuru" wave hit Africa in the early 60s, the continent still lives with borders drawn long ago, in the interests of powers that came from far away.

Eight such colonial-drawn frontiers continue to divide the Zambezi River Basin and are now the borders of modern states.

Recently, politicians' contemporary attitudes to two different stretches of frontier within this enormous basinhave been under the spotlight.

One centres on a dispute over an island on the Chobe River, shared by Botswana and Namibia.

The other is a landmark agreement on Lake Malawi, between Malawi and Tanzania, heralding post-Cold War unity in the Southern African Development Community (SADC) region.

The dispute over the island in the Chobe River started three years ago when Botswana raised its blue, black and white-striped flag on what Gaborone calls Sedudu Island.

Namibia claimed Kasikili Island, as it is known to Windhoek, fell on its side of the line under a treaty drawn up by Germany, Britain and Portugal in 1892.

Recently a committee of experts who had researched the treaty, along with an Anglo-German one two years before that, handed over a report to the two countries' presidents, with Zimbabwean President Robert Mugabe as arbitrator.

At first, both Namibia and Botswana agreed that the commission's recommendations would be binding. But after deliberations the two sides failed to resolve the matter.

Now Botswana and Namibia will ask the International Court of Justice to resolve it.

The 1892 treaty declared the island part of the British Protectorate of Bechuanaland, now Botswana.

Losing World War 1 cost Germany its possession of South West Africa which South Africa took over as a mandate territory from the League of Nations.

But from 1918 to 1929, the Namibian side of the island, known as the Liambezi (formerly Caprivi) region, was administered by the British High Commission, represented in Bechuanaland.

That legacy lives on with English being widely spoken in the area, unlike "mainland" Namibia where Afrikaans is more entrenched.

More recently, cross-border trade from Zambia, Botswana and Zimbabwe has added to Liambezi's cosmopolitan atmosphere. Much of it involves smuggling, particularly across the Zambezi River from Zambia to the Namibian town of Katima Mulilo.

It was especially rife when former Zambian president Kenneth Kaunda subsidised mealie meal, sold by smugglers for a better currency in Namibia.

Colourful Katima smuggling tales include an effort by shrewd Zambians to sell Namibians a fake rhino horn, made of a cow's horn, hair and blood, along with melted rubber, only to have it confiscated by nature conservation officers.

More than 1000 km away across Zambia, the other border issue focuses on Lake Malawi, but also on a frontier drawn up in the interests of the Union Jack in Nyasaland (Malawi) and the Kaiser's flag in German East Africa (Tanzania).

Malawi and Tanzania, at a recent SADC meeting in the Malawi capital, Lilongwe, effected the end of the chilly Cold War relations on the lake, agreeing to run ships between their respective ports.

While Malawi was apartheid South Africa's only official friend in Africa, Tanzania had links with the communist bloc.

The new shipping route will focus on passenger traffic although it is expected to also lead to an increase in trade.

For Malawians and Tanzanians it will mean more contact with one another. Although the shipping run is yet to start, warmed relations have already brought more Tanzanian traders to Malawi towns.

One such trader, Eliza Msukwa, remarked in the centre of Blantyre: "We are not doing badly here."

But Malawian businessman Lewis Kabango, who sells in Tanzania, wasn't as enthusiastic:

"There are just too many (Tanzanians) here. We don't infest their towns and cities in swarms like they do here."

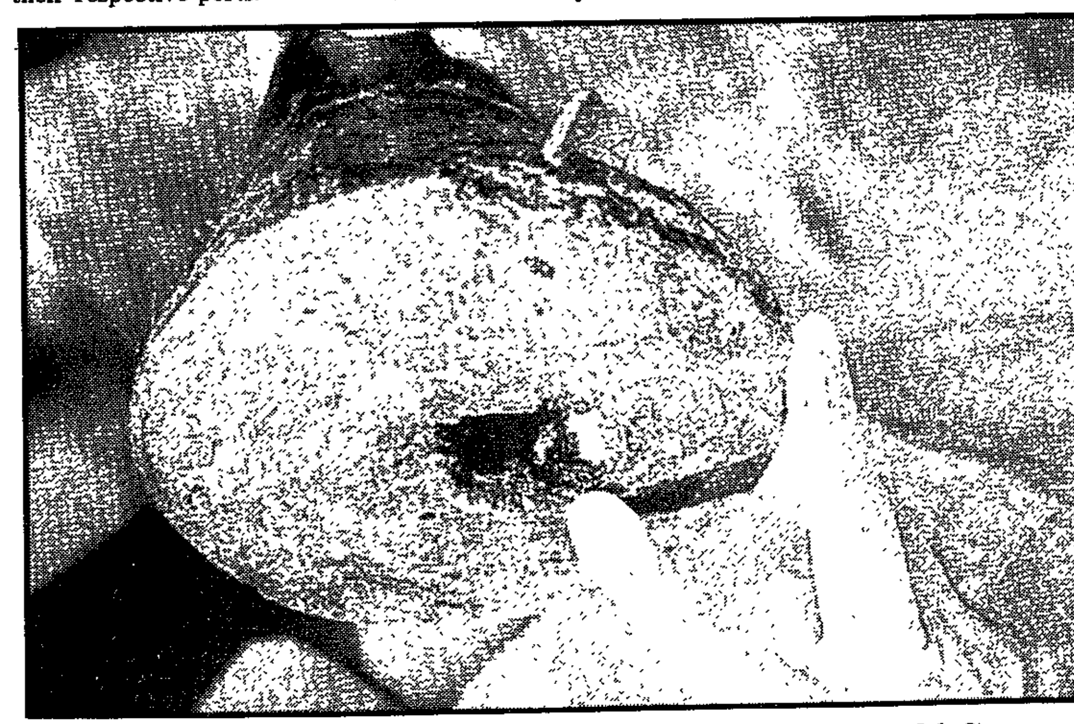
Most people travelling on Lake Malawi's boats are such traders but a handful are tourists, usually backpackers and often South Africans.

For them, lake cruises on the top deck comfortably above the first and second class holds will no longer have to be confined to Malawi waters.

"Our ship, the Ilala 2, will make one round voyage per week (to Tanzania and back to Malawi)," said Captain Albert Nkhana, lake services manager for Malawi Railways at Monkey Bay, the ship's home port.

Mozambique also shares Lake Malawi's waters, including the Malawi enclave of Likoma and Chisimulu islands, which lie in Mozambique waters.

And so the legacy of borders imposed by outside powers lives on, with traders always the first people to break them.



SMUGGLED: Fake rhino horn smuggled over an old German-British border between Zambia and Namibia.

Africa seems headed for post-'cold war' unity

Old borders start to crumble

(1) Star 28/2/95

ARGUMENTS over territory endure in Africa, reports Duncan Guy and Julius Kaliya in Blantyre for the Star Foreign Service

A quarter of a century after the "uhuru" wave hit Africa in the early 60s, the continent still lives with borders drawn long ago.

Eight such colonial-drawn frontiers continue to divide the Zambezi river basin and are now the borders of modern states.

Recently, politicians' contemporary attitudes to two different stretches of frontier within this enormous basin — but more than 1 000 km apart — have been under the spotlight.

One is the centre of a dispute over on an island on the Chobe River, shared by Botswana and Namibia.

The other is a landmark heralding post-Cold War unity in the Southern African Development Community (SADC) between Malawi and Tanzania.

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Treaty

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Mozambique also shares Lake Malawi's waters, including the Malawi enclave of Likoma and Chisimulu islands, in Mozambique waters.

This arrangement came about around the same time as the Chobe River line was drawn — because a British missionary organisation claimed it was already part of its parish when the Portuguese began to establish themselves on what is now the Mozambique shore.

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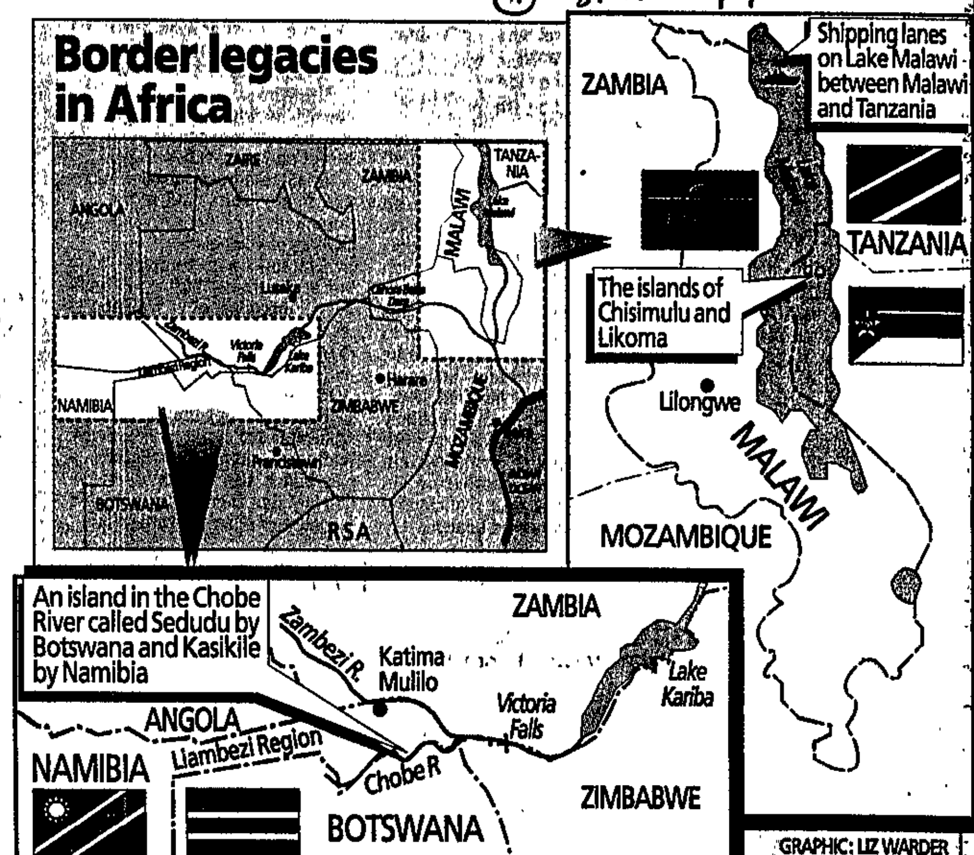


GRAPHIC: LIZ WARDER

'Millions' of mines in Africa

(1) CT 28/2/95

HARARE. — Military and civilian experts from 13 African countries are scheduled to meet here this week to assess the problem created by the millions of landmines planted in Africa, the International Committee of the Red Cross (ICRC) announced yesterday.

Of the estimated 110 million mines scattered in 64 countries around the world, one-third are in Africa. UN and ICRC military experts say that some 10 million landmines are planted throughout Angola alone.

The ICRC regional delegate for Southern Africa, Mr Rene Kosirnik, said the two-day conference organised by the ICRC and the Organisation of African Unity would also seek to promote international treaties to regulate the use of anti-personnel mines.

Archbishop Desmond Tutu is one of the guest speakers at the conference, scheduled for Thursday and Friday.

The conference is also expected to help prepare the review of the 1980 UN Weapons Convention at an international conference scheduled for September in Austria.

The 15-year old treaty has so far been ratified by 42 countries, of which only three — Benin, Niger and Tunisia — are African states. — Sapa-AFP

5

Regional peace plan adopted

HARARE. — A programme backed by Southern African states to promote peace and settle disputes within the region could become a model for the continent, African diplomats and analysts said yesterday.

The UN-backed plan was adopted by foreign ministers of the 11-nation Southern African Development Community (SADC) last week.

The SADC was expected to take on the peace mission, but it chose instead to form a new body to take charge of the programme.

The SADC comprises Angola, Botswana, Lesotho, Malawi, Mozambique, Namibia, South Africa, Swaziland, Tanzania, Zambia and Zimbabwe.

"It is a noble idea and, given support at every level in the region, it could turn out to be a model for the African continent and even others in the Third World," one diplomat said.

Details of the new peace programme are to be unveiled at a SADC summit to be held in South Africa later this year.

Sources at Friday's SADC meeting in Harare said the new body would be called the Association of Southern African States. — Sapa-Reuter

(1) CT 6/3/95

Student strike in Ghana off ①

CT 10/3/95

ACCRA: Students in Ghana returned to classes yesterday after a two-day boycott of lectures ended with a government promise to increase their loans.

Sapa-Reuter, AP, AFP

Africa urged to demand share of world resources

(1) FAROUK CHOTHIA BD 20/3/95

DURBAN — President Nelson Mandela said at the weekend that African countries needed to demand their "fair share" of world resources, and urged Western countries to assist in the development of the continent.

Speaking at a glittering banquet on Saturday evening when he received the Africa Peace Award, Mandela said: "It is only just that Africa should demand her fair share of world resources (and) that we should challenge the untenable global division of power and wealth."

Africa's response to the "malaise of Afro-pessimism" which often gripped developed countries was the fact that the continent was on the path towards democracy, peace, good governance and all-round security.

Urging developed countries to recognise the "millstone that weights around our neck", he said: "Assist us to deal with the depths from which we have to launch our revival. Do not judge us by lower human standards."

OAU secretary-general Salim Ahmed Salim presented the award which was sponsored principally by Engen.

Mandela said hunger, disease and ignorance were often the dividing line between peace and war. SA's challenges were similar to those of other African countries in terms of a high illiteracy rate, homelessness, landlessness and malnutrition affecting millions.

African governments and civil society from across the continent needed to co-operate to foster peace.

"Through such a continental network we can strengthen Africa's monitoring capacity, research on how to prevent and eliminate conflict and impart the skills of mediation," Mandela said.

African disaster

(1) Sowetan 23/3/95

■ LEFT BEHIND Africa's communication failure:

SUB-SAHARAN Africa has about the same number of phones as Tokyo and is in danger of being left even further behind as the industrialised world cruises on to the information superhighway. Even though the role of telecommunications has often been left out of the development debate, studies by the Geneva-based International Telecommunications Union and the World Bank show a direct link between telecommunications and economic growth.

Zambian minister for the western province Mr Leonard Subulwa points out that to communicate with officials in his constituency, "I have to drive 250 kilometres because the country's telecommunications network does not serve this district."

A World Bank study in Uganda in 1983 showed that 2 000 local government officials made 40 000 trips a year to handle administrative matters that could have been dealt with by mail or telephone, if these services had been available. The study estimated that about 250 person-years of government time were wasted every year. Twelve years later, the situation is no better.

Africa's telecommunications institutions have failed to develop coherent strategies. This is partly because Panaftel, the continental body created by the ITU, has been headquartered in Zaïre — a country that has been in virtual anarchy for years. Furthermore, decades of under-investment have caused the deterioration of existing systems, which in any case are hardly available outside towns.

Most national telecommunications organisations run at a loss because of corrupt practices. Almost all telecommunications equipment is imported and technical assistance is uncoordinated. The failure of telecommunications monopolies to meet even basic needs has resulted in a huge unmet demand for phones.

Lusaka resident Irene Phiri has a child with cerebral palsy and an invalid mother, both of whom occasionally need emergency medical treatment. Yet she has been unable to get a phone, and so has to make frequent trips home during office hours.

"I've applied for a telephone since 1991," she says. "Whenever I chase up my application I'm told: 'Well madam, there are people living in your area who have been waiting for a phone since 1977. So why are you so impatient?'" The situation is repeated elsewhere in Africa. Ghanaian businessman Kwabena Akunnor says his business associates have no phones, so he is forced to drive to their offices in Accra on the off-chance that they will be there. To the World Bank, the root of the problem is clear: state monopoly. And its answer is equally clear: privatisation.

Already the supply of handsets by private companies has been introduced in many African countries.

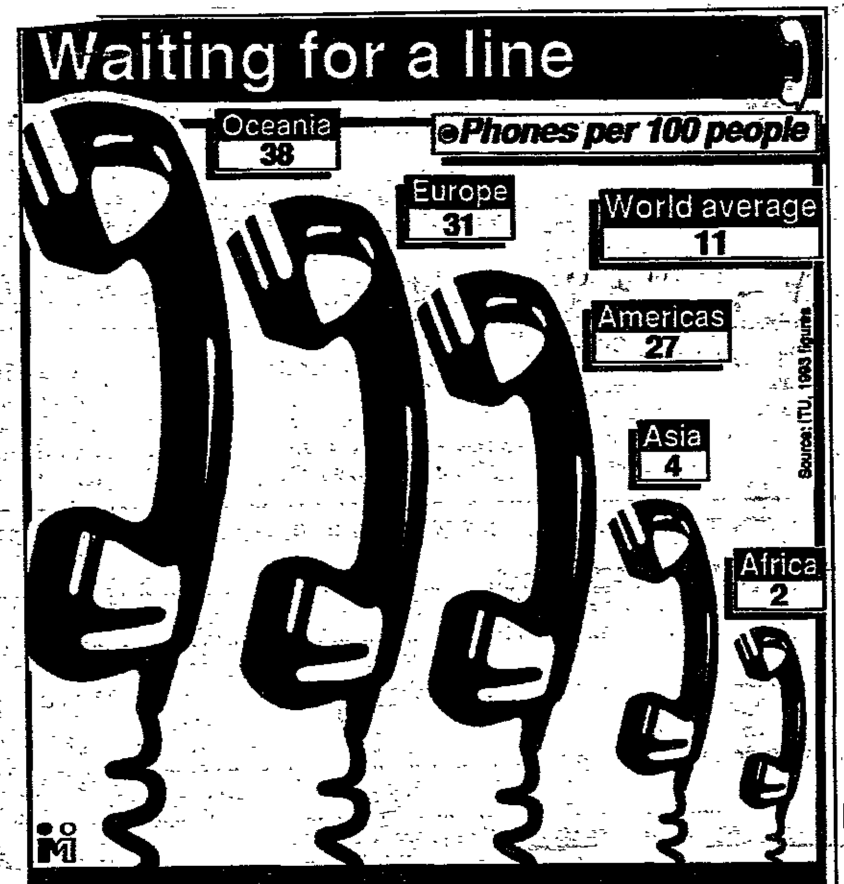
The Bank is the largest multilateral financier of telecommunications projects in Africa, and has made reforms and restructuring of the sector a condition for lending.

"Telecommunications is increasingly seen as a vital component of the structural adjustment process," says the Bank. "Efficient information flows are essential to the success of efforts to liberalise and consequently to expand."

Restructuring includes separation of the postal and telecommunications services into independent business entities. For instance, Ghana's former Posts and Telecommunications Corporation is now two organisations — Ghana Posts and Ghana Telecoms. But though restructuring is geared towards enhancing competition, efficiency and attracting foreign investment, it is proving a turbulent process.

For a start, there is no guarantee that foreign investment will increase because Africa is competing with Asia, Latin America and Eastern Europe. The continent's debt burden discourages capital inflow, and in any case, most African states have weak, or non-existent, capital markets.

In addition, restructuring needs to be supervised by an independent body capable of developing effective regulatory mechanisms. Many countries are still grappling to establish such a regulatory framework, which requires a delicate balance of technical, economic and legal factors. But multi-disciplinary expertise is exactly what Africa lacks. — *Gemini News Service.*



Uganda plans coffee quota

CT(BR) 24/3/95

By Edmund Kizito

Reuters

Kampala — Ugandan coffee exporters meet early next week to discuss plans for an export quota system similar to a global one which collapsed in 1989, a senior industry official said yesterday.

Fred Kawuma, executive director of the Uganda Coffee Exporters' Association, said most exporters already favoured the quota system over a retention scheme.

"Exporters cannot enforce the retention scheme as it would be too costly for them and yet they are already weighed down by a tax imposed last year," he said.

Uganda, Africa's second-largest producer after Ivory Coast, imposed a controversial 32 percent tax on all exports sold at more than 1 100 shillings ($1,20). The tax was meant to mop up funds and help stabilise the shilling currency.

The outcome of the exporters' meeting would not be binding and would require government backing before it is implemented.

"Given Uganda's record exports of 3,01 million 60 kg bags in 1993/94, a quota system would be preferable to retention, since a reduction in quota based on that high export figure would not affect actual exports for 1994/95," said board secretary William Naggaga.

"Moreover, a quota system has the added advantage of freeing the exporter from holding stocks."

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DEBT CALL: Mr Mubarak urges Africa to solve debt problems.

Africa's debts 'terrifying'

CT 28/3/95

CAIRO: Egyptian President Hosni Mubarak yesterday opened an African foreign ministers meeting on the economy of the world's poorest continent with a call for solving its growing debts problem.

"Debts have reached a level beyond that of the African countries' ability, especially at a time when they are subject to pressure after the implementation of structural reform programmes and liberalising trade," Mr Mubarak told more than 30 African ministers taking part in the two-day meeting.

He added that "$300 billion (about R1 080bn) of African debts is a terryifying number, putting in consideration all the deteriorating economic conditions among the continent's countries" and warned that economic and social development could not be achieved without putting an end first to several armed conflicts on the continent, including civil wars.

He emphasised the importance of inter-African trade. — Reuter

Minerals 'must be utilised'

AFRICAN countries needed to embark on a collective drive to utilise the continent's extraordinary mineral wealth and end dependency relations with the developed world, President Nelson Mandela said yesterday.

Delivering the opening address at the sub-Saharan Oil and Minerals conference in Johannesburg, President Mandela said more efficient use and processing of the continent's mineral resources could help alleviate widespread poverty.

"We need to make sure that the benefits of exploiting and processing our minerals and oil benefit Africa. Too often in the past Africa has derived little benefit from its resources," he said.

Although Africa produced the bulk of many valuable minerals it used only a fraction of those commodities itself.

He said African countries needed to replace short-term national interests with a co-operative approach towards mineral exploitation.

SA's achievement of democracy and the move towards peace in southern Africa had transformed the possibilities for co-operation towards this objective. BD 28/3/95

Local manufacture of more basic commodities, such as clay for bricks or ceramics, would reduce the import burden, create jobs and cut prices.

In order to facilitate this production, African countries needed to develop the necessary infrastructure by making full use of its raw materials.

"Instead of importing these value-added products at a massive cost, using scarce foreign exchange, why not turn to our own indigenous resources, enormous but still largely underdeveloped," Mandela said.

Africa also needed to develop appropriate industrial processes and technologies through ongoing co-operation between governments and the private sector. (1)

While industrialised countries could offer valuable assistance to this end, it was the African entrepreneur who needed to lead the way.

"Africa needs to reclaim its minerals by way of indigenisation, by developing our own institutions, by enabling the African entrepreneur to come to the fore. It is our responsibility to relate to the existing game players in a way which ensures that we are at least equal partners."

SA was committed to sharing its substantial advantages over other African countries in mineral affairs and the associated scientific and technological fields.

"No longer will they be used to benefit our country at the expense of others or to enforce relations of dependency.

"Partnerships of mutual benefit must become the norm of relations between all our countries," Mandela said. — Sapa.

(1) BD 28/3/95

Africa 'must compete for development capital'

AFRICA would have to compete for a share of the limited pool of capital for resource development in developing countries, a senior Chase Manhattan Bank official said.

"You have a lot of competition," global energy section senior vice-president Robert Weaver told delegates to the Sub-Saharan Oil and Minerals Conference.

Developing countries from Chile to Vietnam had opened their doors to the private sector.

Weaver said there was scepticism over some African countries' recent economic liberalisation moves, and political risk might be higher in the new world order than in the old one.

Nations first needed to offer investors stability, respect for human rights which included personal security, and a legal framework in which to operate.

"The challenge is to be competitive in the terms they offer investors," Weaver said.

The World Bank's International Finance Corp oil, gas and mining department director Azam Alizai said the outlook for resource development in Africa was positive and exciting.

In the past few years the corporation had approved 20 oil, gas and mining projects costing a total of about $5bn. These had generally been successful and the corporation was discussing other projects, also worth about $5bn.

Last year it supported a range of projects worth a total $16bn and expected to invest $5bn of its own funds annually next year, in 1997 and 1998.

The corporation recently opened an office in Johannesburg and anticipated supporting 60 new investments in the region every year, he said.

Project finance institutions looked to governments for transparent access to resources, secure ownership, fair fiscal terms and the freedom to manage projects.

Stockbroker Simpson McKie MD Dixie Strong said scope for black economic empowerment via SA's mature mining industry was limited, but there were some opportunities for joint ventures with small existing operations.

"Easy mining in SA is generally a thing of the past," he said.

Black investors should look to a mainstream partner who had capital and expertise, while they could provide access to markets.

The proposed unbundling of Johannesburg Consolidated Investment presented the biggest current opportunity for a joint mining venture, but black participation would have to result in widespread black economic empowerment for the transfer to be seen as successful, Strong said. — Reuter.

'Africa must be more self-reliant'

Sowetan 28/3/95

(1)

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Mandela said in order to facilitate this production, African countries needed to develop the necessary infrastructure by making full use of its raw materials.

"Instead of importing these value-added products at a massive cost, using scarce foreign exchange, why not turn to our own indigenous resources, enormous but still largely underdeveloped?" — *Sapa.*

African ministers call for debts to be eased

(1) CT(BR) 29/3/95

BY DOMINIC EVANS

SAPA-REUTER

Cairo — African foreign ministers pledged to set their own agenda to break out of a vicious circle of poverty and under-investment, but said crippling foreign debts remained the biggest obstacle to growth.

Ministers gathered in Cairo on Monday for a two-day meeting under the banner "Relaunching Africa's Economic and Social Development", to discuss ways of expanding trade and investment in the world's poorest continent.

Ghana's foreign minister, Obed Asamoah, said the draft declaration put before the ministers emphasised that African development was first and foremost the responsibility of its own governments and peoples.

But Salem Ahmed Salem, secretary-general of the Organisation of African Unity, which called the conference, said wealthy nations should not shirk their responsibilities to Africa.

"Social development in Africa is the responsibility of its people and governments. (But) that does not absolve the international community," he said.

"The single most important impediment to African development is its debt burden."

Opening the conference, Egyptian President Hosni Mubarak said: "The $300 billion of African debts is a terrifying number, considering the deteriorating economic conditions among the continent's countries."

The draft declaration under discussion said creditors should go beyond simple debt rescheduling and actually cancel debt. "International commitment to Africa's recovery can be shown by reducing the debt burden to a point where it ceases to inhibit investing in Africa," the declaration said.

Africa attracts only 2 percent of direct foreign investment in the developing world.

Mubarak said African countries also had to confront the negative effects of the Gatt agreement and enhance inter-African trade, which stands at just 5 percent of the continent's total trade.

Ghana's Osamoah said they should form more effective cartels to maximise cash income from their commodity exports.

"No one is expecting our meeting in Cairo to bring immediate solutions, but it should mark a new era of dealing with the problems," Salem told the ministers.

SAVES SA R2,5 BILLION

Africa rejects Egypt's '1%' economic plan

OCT 29/3/95

CAIRO: African countries yesterday rejected a proposal by Egypt at an OAU meeting for all members to give 1% of their gross domestic product to aid the continent's economy, a **Special Correspondent** reports.

SOUTH AFRICA's treasury was saved about R2,5 billion after an Egyptian attempt to set up a financial mechanism for developing Africa's economy failed here yesterday.

Chairing a two-day extraordinary meeting of the Organisation of African Unity (OAU), Egypt tried to whisk through a resolution that would have established an African ministerial committee.

The committee, whose members were to be decided later, would have been responsible for extracting from all OAU members a sum calculated on one percent of their GDP for a fund to revitalise Africa's economy.

South Africa, the richest nation on the continent, would have been obliged to contribute as much as R2,5 billion had the Egyptian plan been approved.

Improve growth

During the meeting, many African states objected to what they saw as Egypt's efforts to deepen its hold on African issues.

Others, including South Africa, believed there was no need for creating a new "mechanism" for ensuring further inter-African co-operation to improve the continent's stagnant economic growth.

A South African delegation member said: "We did not think Egypt's suggestion, or rather persistence, was necessary at all. We need more action, not more committees."

Delegates eventually referred the issue of creating a permanent ministerial committee to the next OAU summit meeting.

The usual anti-donor sentiments often heard at OAU meetings was notably lacking. A resolution was passed asking the next G-7 meeting to review and renegotiate much of Africa's estimated R400 billion debt and there was criticism of the structural adjustment programmes prescribed by the International Monetary Fund and the World Bank.

SA saved from spending R9-bn

Cairo — South Africa's treasury was saved up to $2,5-billion (R9-billion) after an Egyptian attempt to set up a financial mechanism for developing Africa's economy failed yesterday.

Chairing a two-day extraordinary meeting of the Organisation of African Unity held in Cairo, Egypt tried to whisk through a resolution that would have established an African ministerial committee.

The committee, whose members were to be decided later, would have overseen that OAU members would contribute 1% of their GDP for a fund to revitalise Africa's economy.

SA would have been obliged to disperse as much as $2,5-billion. — Star Foreign Service.

Star 29/3/95

Tunisian president calls for end to Africa's wars

CT 7/4/95

TUNISIAN President Zine El Abidine Ben Ali, president of the Organisation of African Unity (OAU), appealed in South Africa's Parliament yesterday for an end to Africa's wars.

Ending a three-day state visit, Mr Ben Ali urged international backing for the OAU's own diplomatic mechanism to end conflict on the continent.

He said the OAU's two-year-old Mechanism for the Prevention and Resolution of Conflicts on the Continent had played a role in Rwanda, Burundi, Angola and, most recently, Sierra Leone.

"If it is to play the role it has set itself, this specifically African effort needs the support of the international community.

"We also exhort donor countries to provide support for the OAU's Fund for Peace, set up to finance the mechanism," he said.

He said South Africa's joining the OAU had had a "tremendous impact" on strengthening Africa's ability to meet the continent's challenges.

He praised President Nelson Mandela and Deputy President F W de Klerk for their role in South Africa's transition to democracy and said the democratic changes in South Africa were encouraging signs on a continent racked by wars and conflicts.

He also called for greater economic co-operation among African countries. — Reuter, Political Correspondent

VISITOR: Tunisian President Zine El Abidine Ben Ali, who ended a state visit to SA yesterday.

Spotlight on region's deteriorating roads

(1) BD 11/4/95

THEO RAWANA

ONLY a 10th of the national road network in Mozambique was in good condition, and landlocked Lesotho's policies had resulted in demotivated civil servants deserting road maintenance for better-paying private sector jobs, a conference heard in Pretoria last week.

The conference on road maintenance management was held to familiarise sub-Saharan countries — members of the Southern African Transport and Communications Commission — with the policy guidelines of the Roads Maintenance Initiative, set up by the World Bank and the UN Economic Commission on Africa to identify causes of poor road maintenance policies in the region.

Mozambican roads and bridges deputy national director Joao David Mabombo said that only about 5 000km of his country's 29 000km national road network were asphalt, with the rest stabilised earth roads or simply earthen tracks.

"The degradation of the road infrastructure has been such that levels of accessibility have seriously declined in most parts of the country," Mabombo said.

Landlocked Lesotho, whose limited domestic production base compelled the country to depend mostly on imports, had every reason to expand its 5 000km road network, said Lesotho Transport Ministry principal secretary T Moremoholo. The condition of the network generally was good, but some strategic links needed development urgently.

Civil servants were demotivated and operating under certain bureaucratic procedures which led to inefficiencies. Poor employment conditions led to an exodus of experienced and competent senior technical staff to the private sector.

The country depended heavily on external financing for development work, and some donors' guidelines and procedures were not conducive to the country's specific needs.

Road maintenance operations in Zambia were affected by lack of and irregular availability of maintenance materials and equipment, while overloading accelerated road deterioration, said acting roads director JD Mwila. Mwila said salaries and conditions of service in the public sector were far below those in the private sector, making it difficult to get well-qualified and experienced personnel. Government contribution to road maintenance was meagre.

gated. | country looks promising."

Picture: GARTH LUMLEY

Free State housing plan to boost jobs

126

BD 18/4/95

ROBYN CHALMERS

FREE State housing minister Vax Mayekiso has labelled the national housing programme, which advocates an incremental approach to building low-cost homes, as unworkable.

Mayekiso said the national approach was based broadly on the old site and service schemes which had been discredited during the 1970s and '80s.

"The Housing Ministry has set basic guidelines for housing SA's homeless and the province will take cognisance of these, but we regard the national guidelines on minimum sizes, for example, as being too low.

"The minimum standard recommended for a Free State house will be a structure of no less than 40m2, divided into rooms, which we believe can be built for between R22 000 and R28 000," he said.

Mayekiso said the key to the Free State scheme was job creation. More than 80% of the province's population was unemployed or earned less than R1 500.

Financing was a problem, and Mayekiso said the major banks were holding back government's housing programme by their apparent unwillingness to extend credit to low-income consumers.

This alleged lack of co-operation had slowed down the progress of Free State housing schemes and jeopardised a project in Kutlwanong being undertaken by Anglo American, communities and the Free State government, he said.

Mayekiso said the Free State provincial government had secured finance from a small bank for its housing programme after being turned down by a number of major banking groups.

"Their reasoning was that the builders' warranty mechanism and mortgage indemnity scheme were not in place, yet a comparatively small bank is prepared to risk entering the low cost market without these," he said.

Despite the loan facility from the small bank, which Mayekiso did not wish to name, he said the provincial government could not move full steam ahead with its housing programme due to the lack of finance for potential home owners.

"The province has 350 houses which are standing empty because our people cannot access the credit," he said.

Anti-nuclear pact for Africa

LINDA ENSOR (1)

LONDON — African states, including SA, are on the verge of signing an African Nuclear Free Zone treaty to underpin the international Nuclear Non-Proliferation Treaty which comes up for review in New York later this month. BD 18/4/95

SA's nuclear adviser Abdul Minty said last week that apart from a few technical details which still had to be finalised, negotiations over the African treaty were at an advanced stage.

SA, the only African country with a nuclear capability, has been an active sponsor of the OAU-inspired treaty.

Regarding the review of the international treaty, Minty said SA was attempting to get the broadest possible support for a decision to have it extended.

Minty noted that one of the weaknesses of the international treaty was the lack of progress towards disarmament by the states with nuclear capabilities.

While the treaty committed nuclear states to disarmament, it did not contain provisions for enforcement.

Armscor official 'not

Black Americans seek long-term investors in Africa

(i) CT(BD) 19/4/95

By Peter Fabricius
Washington Bureau

The first American open-ended mutual fund for investments in Africa is owned by a group of mainly black American entrepreneurs.

Though described as pan-African, the Calvert New Africa Fund aims to invest about 85 percent of its assets in South Africa to start with, before spreading into other African markets.

It will also be unusual among US mutual funds specialising in Africa in that it will devote up to 10 percent of funds to direct investment in certain African businesses.

The fund — aimed at "aggressive, long-term investors" ready to take risks for high returns — will seek venture capital opportunities in privatised public corporations, management buyouts of existing businesses, conglomerates unbundling, growth companies in need of expansion capital and firms re-entering the market in need of equity partners with capital.

The fund is a joint venture of the Washington-based Calvert Group, a leading sponsor of "responsibly invested" mutual funds, and New Africa Advisers, a black American-owned money-management firm.

New fund will put 85 percent of its assets into South Africa at first

In 1982, the Calvert Group launched the first US mutual fund that excluded investments in South African corporations or US firms that did business with South Africa.

"Calvert Group was an activist in the divestiture movement in the 1980s that helped end apartheid. We are now making clear our strong commitment in the 1990s to the new investment needed to help bring about economic enfranchisement and social justice for all of Africa," Calvert's group president, Clifton Sorrell, said at the launch.

South Africa's ambassador, Franklin Sonn, praised the sponsors for "making history" and said the significance of the fund would "break the reactionary conspiracy of silence" about the emergence of democracies and free markets in Africa.

New Africa Advisers is a division of North Carolina-based Sloan Financial Group.

The head of the firm is a 31-year-old black American, Justin Beckett, now a Johannesburg resident, whom Sonn praised as a "wonderful role model for young Africans".

The fund is being launched at a time of great turbulence in emerging markets although the South African market recorded slight growth in the first quarter of this year.

The three American closed-end mutual funds specialising in African stocks are all trading at slightly below their opening prices but have improved lately.

POLITICS Blacks are no longer se

African states meet over civil services

Sowetan 20/4/95

By Ismail Lagardien
Political Correspondent

THE reform of the civil service in English-speaking Africa comes under scrutiny in Somerset West this weekend.

Delegates from 18 African countries, including South Africa, will gather to consider ways that states on the continent can break with the civil services inherited from former colonists. Minister for Public Service and Administration Dr Zola Skweyiya, who will be hosting the gathering, said in a statement released in Cape Town yesterday that South Africa may have a lot to learn from African countries that had thrown of the yoke of colonialism years ago.

"Since South Africa was the last country on the continent to gain its freedom by electing a democratic Government of National Unity, a great deal of experience can be drawn from other African countries.

"The civil service inherited from the colonial governments in most African countries has since collapsed and the African civil service has changed in its structure and function to become a vehicle for social, cultural and economic development.

"The contribution of the public sector to the growth of the African economy is vital, particularly in countries where economic development depends solely on the government and where the private sector is non-existent or very poor," Skweyiya said.

Even-handedness spawns inequality

(1) WM 21-27/4/95

Reconciliation may be the West's aim in Africa but intervention can threaten internal authority and prolong wars, comments Victoria Brittain

RECONCILIATION is the central plank of western policy in Africa as the old Cold War conflicts, such as Angola's, have entered new phases, and other conflicts, ethnic or religious, continue to wreck countries such as Rwanda and Algeria.

The international community plays a determining role in weak states such as these. But the reconciliation policy which outsiders are forcing on them is devastating their governments' authority and prolonging the wars. Ultimately it threatens their survival as unified states.

Angola is the classic example. The government has been under pressure for a decade, first from the Americans and now from the United Nations, to reconcile itself with Jonas Savimbi, despite Unita's grim record of destruction, terror and repression. Savimbi was once paraded in western capitals as a democrat. Today, although no such illusion remains, his former supporters still apparently want him to have power.

The Algerian government, at war with Islamic fundamentalists who use indiscriminate assassination in an attempt to impose a fascist state, has seen the Catholic community of St Egidio in Rome organise "peace talks" which give international legitimacy to the fundamentalists without any certainty that they in return will offer peace.

The ravaged state of Rwanda today owes much of its troubles to the international community's refusal to recognise last year's genocide. Even now, when it is known who organised the killing of a million people in three months, there is no stomach in the international community for effective international justice.

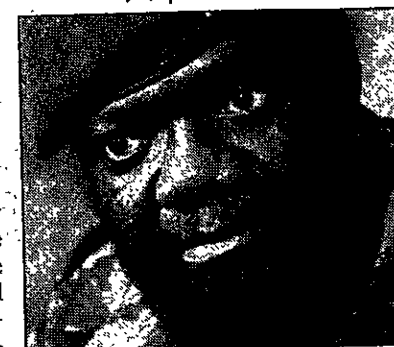
In all three cases the policy of even-handedness towards the two main contestants for power denies history and absolves the international community from taking a moral position. More important, it has reinforced political stalemate, bought time for the aggressors, and contributed to the appalling conditions of life in all three countries.

Last week, Savimbi's radio station accused the Angolan and Namibian governments of massing troops on the southern border for an attack on Unita's former capital, Jamba. It claimed, yet again, that an assassination attempt on Savimbi was imminent. Day after day such inflammatory radio broadcasts, with a heavy ethnic content, assault Angola's unity and justify with lies Unita's return to war.

This radio, set up clandestinely for Savimbi by his foreign friends when he was the darling of George Bush's White House and the key ally of the apartheid state, now broadcasts openly, sanctioned by the international community's most recent agreement on Angola. This was just one of the concessions imposed on the government by the Lusaka Accords, whose power-sharing formula gives Unita far more than it earned at the polls, plus indemnity for crimes committed.

Subsequently, in its most serious infringement of Angolan sovereignty, the UN Security Council called for arms embargoes on both sides: the same treatment for a legitimate government as for a rebel warlord who anywhere else would have been arrested and tried for treason and human rights crimes.

The UN is preparing its third mission to Angola: 7 000 peacekeepers due to be dispatched next month to oversee the disarming of Unita in line with the Lusaka agreement. But the central parts of that agreement — demobilisation, disengagement, freedom of movement — have not yet been implemented by Unita.



Jonas Savimbi: Waging war in peace

Alioune Blondin Beye, the UN secretary-general's representative in Angola, said last week that he was "very worried" about the military situation, and his boss, Boutros Boutros-Ghali, has said the UN deployment will be put off if the situation does not stabilise.

Beye is trying to organise a meeting between the Angolan president, Jose Eduardo Dos Santos, and Savimbi which he says he expects to take place soon. In the 20 months since Beye took up the UN's top job in Luanda his optimism that Savimbi is about to agree to a summit meeting has never flagged. In the meantime the country has been destroyed more completely than at any time in more than a decade of South African- and CIA-sponsored terrorism.

Now, as then, the issue of Savimbi's personal future remains the key question which his influential friends — including US senators Jesse Helms and Robert Dole — want answered with more concessions by the Angolan government.

Both Unita and the Islamists in Algeria have had chances to show what kind of administrations they would offer their people once in power. In the towns seized by Unita in the offensive of late 1992-93 all administration collapsed and they had to rely on foreign aid agencies for health and welfare.

Those where Algeria's Islamists took power either in the local elections of the late 1980s, or by the gun in the last three years have had a taste of life without unveiled women, French language newspapers, hairdressers, tobacco and wine sellers, cinemas and rai music. They have seen 600 schools burned down, 200 teachers killed, the whole education system under threat.

In both places repeating elections — if the war permitted it — would probably show rather different results from the previous score of around 40 percent for these organisations. Those votes reflected disillusion with corrupt and bankrupt single parties which had overstayed their time.

Today people have had a chance to see the alternative. The enemy is also bogus reconciliation which offers only violence and the eventual collapse of the state.

Nuclear co-operation urged in Africa

ARG. 25/4/95

JOHANNESBURG. — A senior official of the International Atomic Energy Agency has called on African states to map out a co-operative approach to the use of nuclear science and technology on the continent.

The appeal was made at the sixth annual technical conference of the African Regional Cooperative Agreement (Afra) on nuclear scientific and technical co-operation, which opened in Johannesburg yesterday.

"If Afra does not take itself in hand, no-one else will do it," Qian Jihui, head of the department of technical cooperation of the Vienna-based agency, told Afra's 20 member states.

Foreign Affairs director-general Rusty Evans said South Africa, the only country so far to destroy all its nuclear weapons, supported the extension of the Nuclear Non-Proliferation Treaty, but felt the treaty lacked emphasis on the transfer of nuclear science and technology to other nations. — Reuter.

Glimmers of hope for some of Africa's economies

① CT(BR) 25/4/95

FROM REUTERS

Nairobi — African delegates will, as usual, settle in to their place at the bottom of the table during this week's meetings in Washington DC of the International Monetary Fund and World Bank.

The pecking order will remain for as long as sub-Saharan Africa's share of global trade is equivalent to Belgium's.

Yet the number of countries showing signs of recovery — after more than a decade of torpor — is on the gradual increase.

For the poorest African countries, there are good prospects for a steady reduction in their foreign debt burdens.

"The overall picture is positive and has been for a while now," a World Bank official at the headquarters in Washington said.

The optimism seems justified for a vanguard and for South Africa, which is still working out a relationship with the World Bank after years of isolation.

But talk of progress is fanciful in up to a dozen countries like Rwanda, Liberia, Burundi, Zaire and Angola where there is civil war or chronic instability.

The IMF predicts growth in sub-Saharan Africa this year at about 4,5 percent, adjusted for inflation, compared with about 2,5 percent last year.

Uganda set the pace last year with growth of 8 percent.

France says the 14 African countries in the CFA franc zone should see average growth of at least 3 percent in 1995, mainly thanks to last year's 50 percent devaluation.

What unites countries like Uganda, Ghana, Burkina Faso and to a lesser extent Kenya, analysts say, is that they accept full political "ownership" for structural adjustment policies.

Presidents and ministers actively promote and defend measures like floating exchange rates, price and trade liberalisation and privatisation of state-owned enterprises.

They do so despite the clamour of protest from urban workers, whose incomes are hardest hit, and political insiders who have lost their lucrative control of import licences and foreign exchange allocations.

'Africa will still require exceptional external assistance for another decade'

But a sizeable group of African leaders still fear the political fall-out of structural adjustment and are failing to keep their promises, notably on privatisation.

"As we look today we see there is an unfinished agenda, particularly the public enterprise sector which is still a drag on African economies," said Stephen O'Brien, head of the World Bank's regional office in Nairobi.

The Bank's Adjustment in Africa report of last year, reviewing nearly 15 years of fitful reforms, said the value of privatisation in Nigeria between 1988 and 1992 was less than 1 percent of that in Argentina, Malaysia or Mexico.

"Even with transformed policies, higher savings and better investments, Africa will still require exceptional external assistance for at least another decade," the report predicted.

Robert Shaw, a pro-opposition Kenyan economist, said any structural adjustment was bound to spur growth because it partially removed "the dead hand of the state".

"In a lot of countries you were basically going from zero . . . they have bitten the bullet, but it's really just the beginning.

"You must not underestimate the risk of backtracking," he added.

Many argue with Shaw that the World Bank and other donors are no longer pressing Africa to democratise, erroneously hoping that good governance and minimal corruption are feasible without political freedoms.

Alleshi M'Bet, an economist from the Ivory Coast, disagrees that aid should be linked to the anti-corruption effort.

"There is corruption everywhere. There is large-scale corruption in Japan. There is corruption in the United States."

But unlike the wealthy world, Africa — where most people survive on $300 a year — cannot afford corruption.

—AFRICA—

African Development Bank vulnerable — report

(1) BD 26/4/98

WASHINGTON — A congressional watchdog agency sees the African Development Bank as "financially solvent but vulnerable", warning that further credit reforms are needed to prevent conditions from worsening to a point where the bank will require a call on the US's capital subscription.

The General Accounting Office, which has reviewed the accounts of the bank at the request of House budget committee chairman John Kasich, issued a 28-page report on Monday noting that nearly a third of its $9,7bn loan portfolio is held by countries that are not sufficiently creditworthy to secure standard World Bank loans.

It raised concerns also about a declining level of reserves against outstanding loans, along with a drop in net interest income, which the accounting office suggests is "an indicator of the bank's ability to service debt" on its own capital market borrowings.

Twenty-nine of the bank's 46 borrowing nations were classified by the World Bank as "severely indebted" and 31 as "low income". The accounting office said the "economic performance of the bank's clientele is at the heart of its vulnerability".

The bank's level of reserves to loans fell below a targeted 15% in 1994, and its interest cover, which measures net income plus financial charges as a proportion of charges, also fell below a 1,25% target.

"Growth in borrowing and lending has exceeded the bank's growth in equity and the risk to member countries and creditors has increased commensurately," the report said.

But the General Accounting Office noted that the Ivory Coast-based bank's non-regional and regional shareholders were at an "impasse" over credit reform measures, predominantly efforts to tighten eligibility for the bank's hard-loan window to shift hard-pressed nations towards concessional, or soft loans.

As previously reported, the US and other donor nations are using replenishment of the African Development Fund, the soft-loan arm of the bank, as leverage to secure management and other operational changes.

A new African Development Bank president is expected to be selected at the bank's annual meeting in May. But the US, which is leading efforts to secure reforms at the institution, is also seeking support for changes in its articles of agreement to take power away from the bank's executive board.

It is not clear if the US has the 85% majority of the votes it needs for any change to the charter, particularly given a track record of regional opposition to past initiatives.

The report did not delve into the governance issues — something that was taken up in a highly critical study commissioned by the bank's shareholders last year, which found a range of significant shortcomings.

The examination of the bank's accounts noted that it still enjoyed a Triple-A credit rating from the major international rating agencies. But it said the ratings stood "mainly because of the expectation of continued strong member support, primarily in the form of a general capital increase for the bank by 1997".

The African bank's outstanding borrowings were $8,9bn at the end of last year. This, the report said, was "within its policy limits". It expressed concerns about the level of borrowings if measured against callable capital of non-regional members, which it said would be 95% of callable funds. — AP-DJ.

Conflicts hinder African tourism

NAIROBI — Conflicts and a lack of political co-operation hindered tourism in Africa, travel executives said yesterday.

A Kenyan official said at a meeting of the New York-based Africa Travel Association that African and international tourists avoided areas where their lives might be in danger.

Leaders paid lip service to easing visa, immigration and currency restrictions, which would make free movement of people and services possible, he added.

"Rising animosity in the region makes intra-regional tourism a dream. Kenya and Uganda are at loggerheads, Uganda and Sudan do not agree, Eritrea and Sudan have severed diplomatic links. How can anyone talk of regional tourism?"

But a Tanzanian delegate said for most Africans, wages were too low for most to consider a holiday in their lifetime.

Zambian Tourism Minister and ATA international board president Lt-Gen Christone Tembo said problems of access, seasonality, standards, strife and lack of data on countries influenced a drop in tourism.

Delegates to the congress were discussing these factors yesterday and would later take a trip to some Kenyan parks.

Tembo said there were questions as to whether Africa was proving true quality for international tourist money with variety, product range and quality, as well as response to changing tourist taste.

"Are we concerning ourselves in authentic tourism or are we too busy churning out archaic products and services in our complacency which the market is no longer interested in?"

International tourism took a new impetus last year after marginal recovery in 1993, triggered by indications of steady economic growth in travel prospects and in high profile accorded to travel abroad by consumers in most industrialised countries, the World Tourism Organisation said.

(1) BD 26/4/95

But that trend did not bring with it significantly improved tourist traffic and matching economic gains for Africa because of tourist feeling that the value for their hard-earned cash was going down.

"In 1993, Africa received 16,79-million arrivals which gave rise to $6,364bn in receipts. In 1994 arrivals rose to 18,6-million, but receipts fell to $5,675bn."

The Africa Travel Association mainly promotes Africa as a tourist destination for Americans and Canadians. Formed in 1975, it draws its membership from many African governments, international airlines, hoteliers, cruise lines, tour operators and travel agents and American tour promoters. — Sapa-Reuter.

African growth rate catching up with Asia

1 CT (BR) 28/4/95

BY CLAIRE GEBHARDT

Developing countries in Asia will keep it the world's fastest-growing economic region for at least another year, but Africa is catching up.

According to the IMF's latest World Economic Outlook, African growth rates are rising sharply with gross domestic product expected to grow 3,7 percent in 1995 and 5,3 percent in 1996, up from last year's 2,7percent.

Asian economic growth is slowing and is expected to fall from 8,6 percent in 1994 to 7,6 percent in 1995 and 7,3 percent in 1996, but this is still a faster growth rate than that of any other region in the world.

The IMF survey found that as projections for growth eased for industrial countries in 1996, developing countries and those in transition would advance.

"Industrial countries will grow 3 percent in 1995, the same as in the previous year, and by 2,7 percent in 1996. Developing countries will register 5,6 percent growth in 1995 and 6,1 percent growth in 1995 after reaching 6,3 percent in 1994."

The high growth rates in Asia carried the danger of overheating, particularly in some southeast Asian countries and China, the IMF said.

Little hope for African economic integration

WM 28/4 - 4/5/95

(1)

Rose Umoren in Washington

AFRICAN countries' ongoing efforts at regional economic integration may come to nought, the World Bank warned in a report released this week.

This is principally because most African economies are similarly structured, which means that they produce and consume essentially the same things. In effect, they import and export similar things, a situation economists describe as "low complementarity".

African countries thus compete with one another in exports, mostly primary commodities, sent to similar markets, mostly in Western Europe. They also compete to buy the same imports from the same source — again, mostly Western Europe.

The Bank's observation is informed by a historical study of successful and failed attempts at regional integration involving all five continents, starting with the 40-year-old European Economic Community (EEC). Each successful or failed attempt was examined on a "trade complementarity index". So were proposed regional blocs, including the incorporation of the rest of Latin America into the North American Free Trade Agreement (Nafta), which have not yet been realised.

The index ranges from zero, when no goods produced by a member country is imported by another, to one, when each country's imports correspond exactly to member countries' exports.

Successful regional economic blocs, such as the original six-member EEC and the one-year-old Nafta, were found to have a complementarity of 0,53.

The index for 20 sub-Saharan African countries, which the Bank did not name, averaged 0,09.

"This strongly suggests that the structure of African countries' exports and imports differs so widely that regional trade integration efforts hold little promise for accelerating industrialisation and growth," concludes the bank in its 1995 *Global Economic Prospects and the Developing Countries*.

According to the bank, sub-Saharan countries would do better liberalising their trade regimes either unilaterally or within a multilateral framework, such as the World Trade Organisation.

Low trade complementarity is a handicap sub-Saharan African countries have since recognised, especially in practice. Only about 2,7 percent of the region's total trade is among members. This handicap is mainly a direct result of West European colonial economic policies which set up all over the continent, mini-economic kingdoms linked exclusively to the competing imperial powers in Europe.

This is a handicap regional leaders have vowed to overcome within the framework of the African Economic Treaty. — IPS

Businessmen warned about endemic African corruption

CT(BR)2/5/95 (1)

By Bruce Cameron

Political Editor

South African businessmen, many of whom have witnessed corruption in South Africa, are likely to come up against a scale of graft they could not have imagined as they start to trade in Africa.

Jeremy Pope, managing director of a Berlin-based Transparency International, which advises countries and companies around the world on overcoming corruption, made the warning at a conference in Somerset West on public service reform in Anglophone Africa.

He said South African companies were going to find it difficult to deal with the issue, particularly when they found they were not able to win contracts.

Decisions were even more difficult when some countries not only turned a blind eye to paying bribes in another country, but allowed the bribes to be tax deductible, he said.

'Tackling corruption in the public service has to start at the very top'

In an interview, Pope said the main focus of his organisation, founded in May 1993, was to combat corruption in international business transactions and forge an international solidarity movement through national chapters, which were being formed around the world to fight corruption at the domestic level.

The South African chapter is to be headed by former anti-apartheid activist Reverend Beyers Naude.

Pope said the organisation did not seek to expose corruption but to monitor institutions designed to contain corruption and work to improve their effectiveness.

Much "grand corruption" involved civil servants, Pope said. He rejected arguments that corruption in developing countries should be accepted as a way of life or a way to enrich a country. Corruption eventually undermined the existence of the state, with only those receiving or paying the bribes receiving any benefit, he said

Often projects for which bribes were paid were useless to the country. Developing countries were strewn with white elephants that had been constructed because of bribes.

At the conference, Pope said that tackling corruption in the public service had to start at the very top.

This would determine whether any anti-corruption campaign succeeded or failed.

"Nothing is more likely to succeed than a demonstration from the leadership that they, too, are subject to the law."

An effort to wipe out corruption in the Philippines' tax department under the Marcos government had foundered because of "rampant corruption at the top".

GRAFT SQUAD *Beyers Naude will head the South African chapter of Berlin-based Transparency International, set up to fight corruption in business transactions*

Against this Singapore, which was so riddled with corruption at independence that its prospects of survival as a nation were at risk, resolved its problems because it had a government "whose ethics were established as being transparent and above reproach".

Pope said that once a country had reached a level of systemic corruption it was extremely difficult to eradicate.

"A new government comes to power determined to tackle corruption only to find itself impotent in reforming the system over which it presides and upon which it must rely to govern."

Apart from political leadership, Pope said it was equally important to foster within the private sector the highest ethical practices in order to assist in building attitudes firmly opposed to corruption.

He said a key factor in countering corruption was to maximise accountability and transparency and minimise areas in which corruption was most likely to flourish.

"The overall objective of the exercise must be to convert corruption from being perceived as a low-risk, high-profit activity, into one which is generally regarded as high-risk, low-profit."

Pope argued that corruption could not be eradicated merely by tough laws and police action.

"Attitudes have to change; an informed awareness of the extent of the damage being done has to be fostered; and the public, no less than the public servants, must be co-opted into the reforms."

The overall aim had to be one of prevention in which prosecution and punishment eventually came to play supporting, rather than frontline roles.

On the side of government there had to be a well co-ordinated and well understood strategy that reduced the opportunities for corruption, increased the likelihood of its detection and reduced the ability of the receiver or the giver of a bribe to be able to profit from corrupt acts.

There was no single line of attack to achieve this. Pope said a number of measures should be taken, including:

- A clear commitment from political leaders;
- The adoption of comprehensive anti-corruption legislation implemented by a strong and independent agency of manifest integrity;
- Ensuring that salaries of civil servants and political leaders adequately reflected the responsibility of their posts and were as comparable as possible with corresponding posts in the private sector; and
- Ensuring legal procedures and remedies would provide an effective deterrence.

He said penalties should be such that the general public would have a powerful incentive to protect itself by reporting corrupt demands.

They should include making contracts concluded as a result of corruption both void and unenforcable as well as compelling export guarantee organisations to closely monitor international transactions they were underwriting and declare void all licences or permits obtained corruptly, Pope said.

He added that a free press was necessary to both inform of measures taken and expose corruption as well as educate the public about the evils of corruption. A free media was also important for open debate and accountability.

He said his organisation was working at having bribes across national borders being declared illegal and removing any tax concessions for bribes.

AFRICA

'Miracle needed' for African states

BD 4/5/95

LINDA ENSOR

LONDON — Wars in Africa had taken on a new, sinister dimension as African states imploded on all fronts, the International Institute for Strategic Studies said in its Strategic Survey for 1994/95 released yesterday.

A "major miracle" would be required to stop the explosions and return African countries to normality, the survey said.

Last year there was war or violent armed and organised rebellion in 26 of Africa's mainland states. Today rebellion could break out at any time in Senegal, Chad, Kenya, Nigeria, Zaire and several other countries.

All the wars in 1994 were within states, although most spread across national borders. Political negotiations were rarely successful in bringing them to an end because there was no constitutional context in which to secure and guarantee agreement. The wars had little ideological element and rapidly degenerated into meaningless atrocity and terror.

"Through the bloodshed, chaos and mass movements of peoples it is not yet clear what will take the place of the states. But as ... vulnerable people take refuge among their kin there is a reassertion of older, deeper loyalties and hierarchies."

The disintegration of states no longer able to buy support or provide security for their citizens was accompanied by a rise in the power of warlords and local barons, the survey noted.

"This is difficult to defeat; they live off the land, fight when and where they choose and usually wear down the government forces by destroying infrastructure in guerrilla attacks. Their main weapon is terror. In each of Africa's wars, civilians are the main victims."

Regarding SA, the survey said that bringing the country to the point it was at had required a miracle, but sustaining it would be difficult.

"A year after Nelson Mandela's inauguration as president, SA had achieved a miraculous escape from its past; as it struggles to come to terms with its future it will need more than the efforts of one man to ensure the miracle endures."

The survey's authors detected a sense of sluggishness in government and an inability to give effect to its decisions or to control the instruments of power. The major beneficiaries of the new SA were not the homeless or the unemployed, but the rapidly growing ranks of the black bourgeoisie.

The survey said the main dilemma facing the ANC was its unwillingness to transform itself from a broad protest and liberation movement into a political party with all the responsibilities of government.

"To do so would involve a loss of support to more radical movements and the desire to maintain unity at all costs resulted in an insistence on the widest possible consensus before the most elementary decisions were taken. This in turn slowed the processes of government."

SA 'THE MAJOR MIRACLE'

Wars changing face of Africa

CT 5/5/95 (1)

LONDON: Destructive wars are changing the political shape of Africa. **LINDA ENSOR** reports.

WARS in Africa had taken on a new, sinister dimension as African states, created more than 100 years ago by colonial powers, imploded on all fronts, the International Institute for Strategic Studies said in its Strategic Survey for 1994-95.

A "major miracle" would be required to stop the destruction and return African countries to normality, the survey, released yesterday, said.

There was a war or violent armed and organised rebellion in 26 of Africa's mainland states last year while conditions exist in Chad, Kenya, Senegal, Nigeria, Zaire and other countries for rebellions to break out.

All the wars last year were within states, though most spread across national borders. Political negotiations were rarely successful in bringing them to an end because there was no constitutional context in which to secure and guarantee agreement. The wars had little ideological element and rapidly degenerated into meaningless atrocity and terror.

GOING HOME: The Kibeho refugee camp where the last occupants this week are being forced to pack up and go home to avoid starvation. The ethnic war in Rwanda has destroyed the country. *PICTURE: AP*

In many places the implosion had been accompanied by the destruction of the economic infrastructure and the rapid disintegration of social systems.

"Through the bloodshed, chaos and mass movements of people, it is not yet clear what will take the place of the states. But as frightened, vulnerable people take refuge among their kith and kin, there is a reassertion of older, deeper loyalties and hierarchies."

The disintegration of states no longer able to buy support or provide security for their citizens had been accompanied by a rise in the power of warlords. This power was regionally or ethnically based and the warlords were fighting, not necessarily for independence, but against the state or the ethnic group which controlled it.

Regarding South Africa, the survey said that bringing the country to the point it had now reached had required a miracle ...

"As it struggles to come to terms with its future it will need more than the efforts of one man to ensure the miracle endures."

The survey's authors detected a sense of sluggishness in government and an inability to give effect to its decisions.

The major beneficiaries were not the homeless or the unemployed, but the rapidly growing ranks of the black bourgeoisie.

The survey identified the major dilemma facing the ANC as being its unwillingness to transform itself from a liberation movement into a political party with all the responsibilities of government.

"To do so would involve a loss of support. The desire to maintain unity resulted in an insistence on the widest possible consensus before the most elementary decisions were taken, slowing the processes of government."

AFRICA

Lesotho king visits Britain

MASERU: King Moshoeshoe II, making his first overseas trip since his return to the throne, left for Britain yesterday to attend the 50th anniversary celebrations of the Allied victory in Europe in World War II.

Angolan meeting uncertain

CT 5/5/95

LUSAKA: Angolan President Jose Eduardo dos Santos and his rival Unita chief Dr Jonas Savimbi both failed to show up in the Zambian capital yesterday, before today's talks about peace in their homeland, officials said.

But UN officials and diplomats remained confident the two leaders would go ahead with their planned meeting to end nearly 20 years of civil war in Angola.

A Western diplomat said the arrival in Lusaka yesterday of the UN's chief military observer for Angola was a hopeful sign.

Mr Dos Santos and Dr Savimbi were due to meet six months after the government and Unita rebels signed a peace accord in Lusaka.

Zambian officials laid out a red carpet and chairs for Mr Dos Santos at Lusaka airport in time for his 3pm plane to land. Disconsolately, they rolled the carpet up again a couple of hours later.

Government sources said Mr Dos Santos would only arrive in Zambia after Dr Savimbi, to avoid being wrong-footed twice.

At a previous meeting Dr Savimbi failed to show [illegible] ng security reasons. — Sapa-Reuter.

Gold mine set for record on-line time

Star 8/5/95

BY DEREK TOMMEY
MINING EDITOR

Work is speeding ahead to bring the Sadiola Gold Mine in Mali, Africa's newest major gold mine and among its more profitable mines, to production in record time.

A cornerstone was recently laid at the mine by Alpha Oumar Konare, Malian President. It came less than two-and-half years after Anglo American, which owns 38% of the mine and also manages it, started negotiations for a stake in the venture, the company announced at the weekend.

If the mine reaches production towards the end of next year as planned the Anglo American group will be able to claim a record for bringing a mine this size on stream in Africa.

It is an open-pit mine with reserves of 122 tons of gold, averaging 2,5 grams a ton.

Production is expected to peak at around 350 000 ounces a year. The first-phase development of the main oxide deposit is expected to give the mine a 13-year life.

Sadiola will have the same production potential as the Kinross mine, in the Evander area, which makes Sadiola a world-class deposit.

Operating costs should be significantly below R25 000 a kilogram or about $200/oz. (The gold price is currently around R45 000/kg or $390/oz.)

The mine is expected to cost $250-million to bring to production.

IMF defends austerity programmes in Africa

(1) CT(BE) 11/5/95

By Charlotte Mathews

Investment Editor

Windhoek — A senior official of the International Monetary Fund (IMF) yesterday defended the IMF's record in assisting African countries to turn around their economies.

The IMF's senior information adviser, Ahmed Abushadi, was responding to criticism by some African journalists of the hardships sometimes caused by IMF-supported austerity programmes.

Abushadi cited Tanzania, Uganda and Ghana among sub-Saharan countries that had turned their economies around, but added that it would be immodest to attribute these successes to the IMF.

Speaking at a two-day IMF seminar, Abushadi said that when countries adopted and stuck to structural adjustment programmes in line with IMF guidelines, the IMF committed itself to standing behind those countries with additional assistance during the course of the policy adjustments. This was especially useful, he said, where natural disasters occurred that were beyond a country's control.

The IMF assistance was intended to be temporary, Abushadi said. It was ideally precautionary financing, before a crisis materialised.

The IMF had recognised that in some countries the need for assistance had become more than temporary. Corrective measures could take place over three years, repayment was over a longer term, and the interest rate was subsidised.

Asked to what extent IMF programmes had actually succeeded in sub-Saharan Africa, the IMF's South African division 1 head, Jurgen Reitmaier, said: "We have evidence that the application of such economic policies has the desired results, but these policies are not always associated with the IMF programmes."

Reitmaier acknowledged that some economic policies had been imposed on developing countries by industrialised nations without regard to the need for social adjustment.

He agreed that the burden of adjustment usually fell on the poorer parts of society. The IMF therefore attached great importance to health and education spending.

Abushadi said economic stability was vital for growth: "We are trying to create the best possible conditions for job creation and permanently addressing poverty, rather than hand-outs and food subsidies".

The IMF has about $45 billion in outstanding loans from member countries.

Annual loans averaged R7 billion but 1994 was expected to be "spectacularly higher", Abushadi said, because of demands made by Mexico and Russia.

The IMF's liquidity was comfortable but was expected to come under pressure by the end of 1997.

AFRICA AND THE WORLD BANK

Heart of bureaucracy

(1) FM 12/5/95

There are not enough bankers and too many well-heeled consultants

As James Wolfensohn ponders his new job as president of the World Bank, sub-Saharan Africa will weigh heavily on him. For all the World Bank's publicly expressed optimism about the success of its structural adjustment programmes in the region, its own numbers tell a different tale.

For the past 30 years Africa has underperformed, with its growth rate falling behind the average for emerging economies as a whole and the gap with the successful Asian tigers widening. With population growing at 3%, real per capita incomes have been dropping for a generation so that living standards in most African countries are no higher today than at the end of empire in the Sixties.

Particularly disturbing is the failure of structural adjustment, adopted increasingly over the past decade in sub-Saharan Africa, to turn the region around. Indeed, the bank's latest figures released last month show that, in the decade to 1994, per capita incomes fell remorselessly — 1,1% a year.

Characteristically though, the bank is again heralding a new dawn in the region, just as it did — prematurely — with its so-called *Long-Term Perspective Study* in 1989. It predicted then that the region would grow at 4% to 5% annually as reform policies took root. Today, it admits that hasn't happened — not yet, anyway.

But wait a minute! The new dawn is here. Over the next decade, GDP growth will accelerate to 3,8% a year — double that of the past 10 years — and at least some of the ground lost over the past generation will be recouped. Where the bank is on weaker ground is in explaining why this much-delayed turnround should suddenly materialise.

This "culture of optimism" is just part of the bank's explanation for the relatively disappointing performance of structural reform. The second limb of the argument is that generalisations and continent-wide averages mask a huge diversity of performance. Thus, the new *Continent in Transition* report currently being debated by carefully selected groups behind closed doors around Africa — the bank's idea of transparency — calculates that almost half of sub-Saharan Africa (21 countries) achieved positive per capita income growth during the 1988-1993 period.

Unfortunately, that list of 21 includes a clutch of small atypical countries like Botswana, Seychelles, Mauritius, Cape Verde, Lesotho and Gambia. It also includes a handful of states which are not growing, in any real sense of the word, but regaining some of the ground lost in the last 20 years. Ghana — the Bank's prize pupil

Wolfensohn . . . *entering a culture of distortion?*

— Uganda and Tanzania are examples.

Most disturbing of all, perhaps, is the fact that those countries that did reverse years of decline relied heavily — some would say almost totally — on foreign aid inflows. Net aid disbursements to Tanzania, for instance, currently average more than 80% of GDP, while in Mozambique the figure is a horrendous 111%, in Uganda 48% and Burkina Faso — another success — 30%.

In the four years to 1993, net disbursements of aid to the region averaged almost US$20bn annually (at constant 1992 prices and exchange rates) — approximately 36% of the global total. Indeed, no less than 46% of the aid disbursed by the World Bank's soft-loan window (the International Development Association) and 45% of that of UN agencies comes to sub-Saharan Africa. Yet living standards continue to fall.

Just where a culture of optimism becomes one of distortion is impossible to say. It is not difficult to drive a horse and cart through many of the bank's more upbeat claims — the citing of Nigeria as a successful reformer, the publication of a report *Africa can Compete!* alongside its own numbers showing the region losing market share globally; the choice of the National Railways of Zimbabwe as a model for commercialisation; and the citing of marginal changes of two or three percentage points in national savings ratios computed on who-knows-what grounds for the region as a whole.

Indeed, the bank repeatedly exploits the poverty of national databases to impose its own numbers to substantiate its claims. While it is obvious that economic data for almost all African economies is unreliable, it's hard to see why the bank's numbers — or those of the IMF for that matter — should be any better. Even the best and brightest econometrician using unreliable crude data is as subject to the garbage-in-garbage-out syndrome as anyone else. Yet arrogant World Bank economists in African capitals repeatedly insist that their numbers are better than those of the national statistical service.

Nor does the optimism culture stop at numbers. The *Continent in Transition* report makes much of the benefits of political transition in the region. But, clearly, it is far too early to suggest that multipartyism in Malawi will achieve better results than ex-president Banda's dictatorship. SA's successful transition is one side of the coin — but what of the retreat from democracy in Nigeria and Gambia, de facto one-partyism in Zimbabwe, war and civil unrest in Sudan, Somalia, Rwanda, Burundi, Sierra Leone and Liberia and continuing chaos in Zaire? The glass is as half-empty as it is half-full.

Also questionable is the bank's claim that it is achieving greater transparency and consensual decision-making. This may be so in some instances, but on the whole crucial economic issues are still debated behind closed doors by a clique of government and central bank officials on one side and a donor group, including the World Bank and the IMF, on the other.

The people of the country whose fate is being determined are the last to be told, while private sector consultation is at best desultory. Sadly, for all its commitment to supporting interfacing with the private sector, that, too, is a highly selective process depending more on the

WOR[illegible]WTH SUMMARY

Region	1966-1973	1974-1980	1981-1990	1991-1993	1994	1995-*2004
World	5,1	3,4	3,2	1,2	2,8	3,3
OECD	4,8	2,9	3,1	1,2	2,9	2,8
LCDs	6,9	5,0	3,2	0,8	2,0	4,9
East Asia	7,9	6,8	7,6	8,7	9,3	7,7
Latin America	6,4	4,8	1,7	3,2	3,9	3,5
Sub-Saharan Africa	4,7	3,4	1,7	0,6	2,2	3,8

* Forecast Source: World Bank: Global Economic Prospects 1995 (April 1995)

P.T.O

IMF says bitter pill is Africa's only option

ST(BT) 21/5/95 (1)

Do economic structural adjustment programmes benefit their reluctant Third World recipients? Critics say they make matters worse, but the IMF disagrees. SVEN LUNSCHE reports.

THE men from the International Monetary Fund were clearly exasperated.

"Your country is part of the IMF. Your government and not the IMF sets economic policy," Ahmed Abushadi, the Fund's senior information officer, told the group of southern African journalists.

They had been brought together by the IMF and its sister organisation, the World Bank, earlier this month in Windhoek to explain the workings and the role of the two Bretton Woods organisations.

A lot of explanations were necessary. A journalist from Zambia made it clear that the Zambian people held the IMF and its economic structural adjustment programme (Esap) responsible for the recent sharp rise in mielie prices. "In my country Esap equals pain," the journalist said.

At times many of the gathered scribes were beginning to sound like their politicians making the IMF the political scapegoat for the disasters of domestic policy.

Clearly the failure of Africa to get anywhere close to economic normality has mostly to do with the inefficiencies of one African government after another.

Yet there can be little doubt that the IMF and the Bank have nothing to show either for their decades of assistance and guidance of these countries.

Is structural adjustment working? Critics argue the programme makes matters worse; the IMF maintains that the difference between success and failure depends on "conscientious implementation" of structural adjustment.

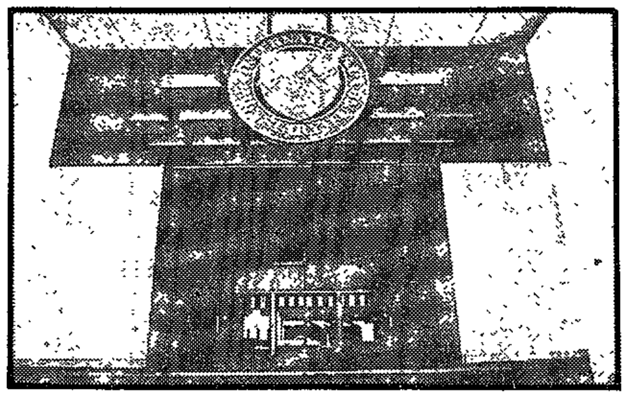
To back its argument the Fund has recently released a 41-country study, "Growth, savings and investment in sub-Saharan Africa, 1986-1993", listing slow and strong African adjusters.

"The countries that effectively implemented broadly appropriate macro-economic policies and structural reforms during this period, for the most part under programmes supported by the IMF, have performed much better than the non-adjusting countries," says the study.

For the strong adjusters this has meant rising real per capita income of about 1% a year since the mid-1980s, some poverty alleviation and no further damage to the environment. Slow adjusters experienced economic decline per capita of 1,3% per annum and further poverty.

The former comprises a group of 14 countries that implemented IMF policies for at least three years between 1986 and 1993, although they did not necessarily sustain a satisfactory performance throughout the period. It also includes five countries in southern Africa who have not required much IMF assistance (see chart).

The IMF recipe for economic success is one of adherence to economic orthodoxy. It includes pursuance of currency devaluation, trade liberalisation and fiscal and monetary restraint.



IMF HEADQUARTERS . . . home of the dreaded Esap

Reduced intervention in agricultural markets and better returns for farmers result in accelerated production and increased exports, argues the IMF.

It admits that efforts at privatisation have been less successful, but interest rate reform and the sale of deficit producing government firms have produced some dividends.

The broadening of the tax bases and tax reforms implemented by strong adjusters facilitated higher revenues and narrowed fiscal imbalances.

In a significant shift of previous analyses the Fund ackowledges the importance of infrastructure development, human capital and political stability in the process of growth.

"Political factors have severely worsened and, in some cases, devastated the economic environment," says the study, citing cases such as Ethiopia, Liberia, Mozambique and Nigeria.

"A challenge now facing many countries is to combine the achievement of sustained gains in income with stepped-up efforts in political liberalisation," the report adds.

For countries that continue on the path of structural adjustment, the report predicts better times ahead.

"The number of sub-Saharan countries implementing broadly appropriate policies has risen markedly since the late 1980s, reaching about two thirds of the total by 1994, which augurs well for Africa's performance in the period ahead.

"Against the background of a significant improvement in the external environment, the short-term outlook for sub-Saharan Africa is better than it has been in decades: Real economic growth of 5% for 1995/6, allowing real per capita gains of about 2%."

On longer-term prospects — from 1994 to 2000 — the Fund is similarly optimistic, with a forecast of 3,8% yearly growth for the region compared with 1,9% in the preceding 10 years.

This picture is far too rosy, argue critics citing the possible slowdown in commodity prices and the drought, which could easily slow or even reverse the positive growth prospects.

They also criticise the IMF's and World Bank's definition of what constitutes an economic success.

Taking the example of Ghana — the IMF showcase — Dr L L Tsumba, Governor of the Reserve Bank of Zimbabwe, recently told a local seminar that the country had achieved a broad budget balance, strong export growth and a reasonable external position.

"But Ghana's real growth remains constrained at about 5% a year and real per capita income at 2%, which has not prevented a marked improvement in the average income of $390 a year, one of the poorest in the world," Dr Tsumba said.

The main problem of Esap's are that they are not explained or sold to the public: "African reform programmes have not been backed by a strong commitment from the government, neither was there transparency in the programme's formulation, which implies a lack of legitimacy," Dr Tsumba said.

"These observations reinforce the case that most Esap's are imposed from outside," he says, arguing strongly for public "ownership" of the programme.

The UK-based Oxfam charity is more outspoken and specific in its criticism, citing the large debt burden of sub-Saharan Africa as the main impediment to an economic recovery.

"About half of the $13-billion which sub-Saharan Africa now pays for servicing its debt each year goes to multilateral creditors, such as the World Bank and the IMF, at an enormous social cost to the country," says Kevin Watkins, Oxfam's senior policy adviser, in a recent Financial Times article.

"For example, a large part of the concessional finance provided by the World Bank's International Development Association simply crosses the 19th Street in Washington to the IMF, where it is repaying debt owed by the governments that receive it."

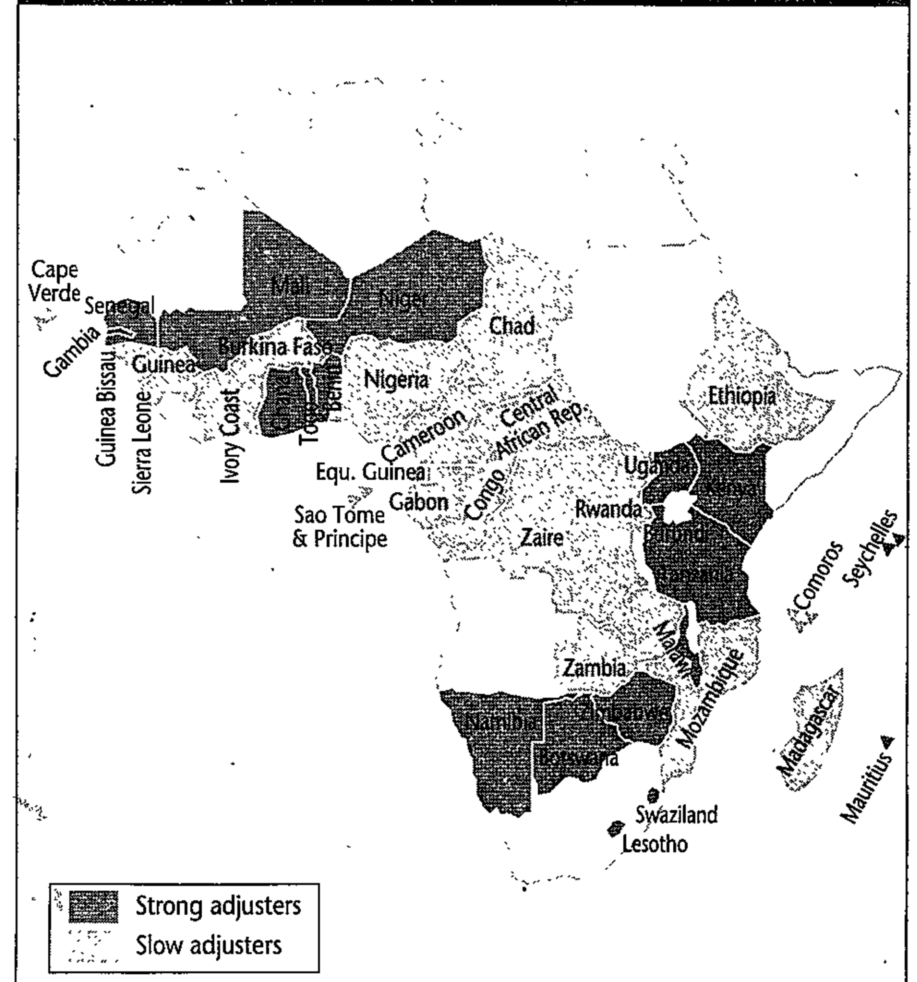
He calls on the IMF to alleviate the debt of severely indebted African countries by markedly improving the loan terms.

The Bretton Woods twins have recently become more open to the criticism and have given up the excessive faith in the unfettered workings of the market.

They now concede that structural adjustment must be more flexible in design and more carefully phased in. It should also be supported by debt relief and aid support.

Whether the new-look Esaps help Africa to emerge from the doldrums of economic despair and alleviate some of the accompanying pain remains to be seen. History does not bode well for their success.

THE IMF/WORLD BANK TOPOGRAPHY OF AFRICA



REAL PER CAPITA GDP

	Average				Estimated	Projections	
	1980-85	1986-94	1986	1993	1994	1995	1996
	-Annual percentage change						
Sub-Saharan Africa	-0,9	0,5	0,6	-1,5	2,4	1,9	2,2
Strong adjusters	-1,6	0,9	1,0	1,0	0,8	2,2	2,4
Slow adjusters	-0,6	-1,3	0,4	-3,0	4,3	1,8	2,0

Graphic: FIONA KRISCH

Source: IMF

Bank forecasts 'richer Africa'

(1) ARG 24/5/95

ABUJA. — Africa will become richer in 1995 as economies grow faster than populations to boost per capita income for the first time since the beginning of the decade, the African Development Bank said.

But it called for a review of International Monetary Fund structural adjustment programmes followed by most of its African members, saying such programmes should allow more government intervention.

"What is needed is efficient government that is committed to growth and development," its African Development Report said.

The report forecast 1995 growth across its 52 member states at 3,6 percent, up from an estimated 1,9 percent in 1994 and 0,7 percent in 1993 and outstripping population growth of about three percent.

The main source of Africa's economic growth in 1994 was an increase in domestic demand, caused by a significant increase in private consumption and smaller increases in government consumption and gross domestic investment, said the report published ahead of the Bank's annual meeting in the Nigerian capital.

The report said in the longer term Africa's output growth rate was forecast to rise annually by four percent, with several countries expected to outperform the average.

But it warned this was dependent on a number of factors including continuing global growth bringing an increase in demand for developing-country exports, and greater international activity arising from the GATT world trade deal. — Reuter.

Heads may roll at African bank

WM(BM) 26/5-1/6/95 (1)

The African Development Bank is facing its greatest challenge for survival as its governors meet in the Nigerian capital, Abuja, reports Melvis Dzisah

THE struggle for the African Development Bank's (ADB) future is reflected in the storm that has erupted over its management, amid accusations of corruption and counter-accusations of score settling.

At the centre of the controversy is a memorandum from out-going bank president, Babakar Ndiaye, exposing the rot in the 32-year-old pan-African financial institution.

The 24-page confidential memoire accuses many of the bank's executive directors of fiddling expense accounts and deliberately frustrating house cleaning reforms. Ndiaye said they were unqualified as administrators and called for their dismissal.

At least nine of the 18 executive directors have reportedly tendered their resignations, as have several senior officials in the audit department, accused in the report of collusion.

"I can tell you, almost everyone, from cleaners to vice-presidents are waiting anxiously for the outcome of Abuja," one bank source said. The source added that: "Heads are expected to role after Abuja, and those who are sure they will be implicated are not waiting to be dismissed, they are resigning."

Ndiaye's memorandum to the bank's governors accused executive directors of abusing their privileges. He exposed scams, including dubious missions abroad, some for up to six months in the year, on full expenses.

He stressed the weakness of his position in trying to institute the much-touted reforms, demanded in particular by the bank's non-African shareholders. Article 36 of the bank's charter gives the 18-strong board of directors the power to suspend the president without the prior consent of the board of governors.

His report, however, called for an outside audit of each elected officer to enable the governors, made up of ministers of finance or leading finance officials from member countries, to ensure accountability.

However, the executive directors have hit back. They fired off their own memorandum to the chairman of the board of governors, in which they expressed "shock, dismay and sadness over the president's memoire".

They described it as defamatory, but said they would not undermine the image of the ADB by responding to each of "the fallacious and misleading statements.

"Contrary to the accusations contained in the memoire, the board of directors has consistently striven to bring transparency to the management of the bank," a copy of the report, leaked to IPS, says.

It claims: "The president's action is no more than a personal manoeuvre, reflecting a lack of sense of responsibility." The executive directors "suggest the governor commissions an independent external audit of the budgets of the president, executive directors and vice-president, as well as a general audit of the bank".

The ADB was established in 1963 by the Organisation of African Unity (OAU) with start-up capital of only $250-million. It has grown into a $33-billion, multinational development bank, with 52 African and 24 other shareholders.

However, mismanagement in recent years has turned the bank's fortunes. Although it now has a triple-A credit rating, unless reforms championed by the non-African members are implemented, it could lose funding from its Western shareholders.

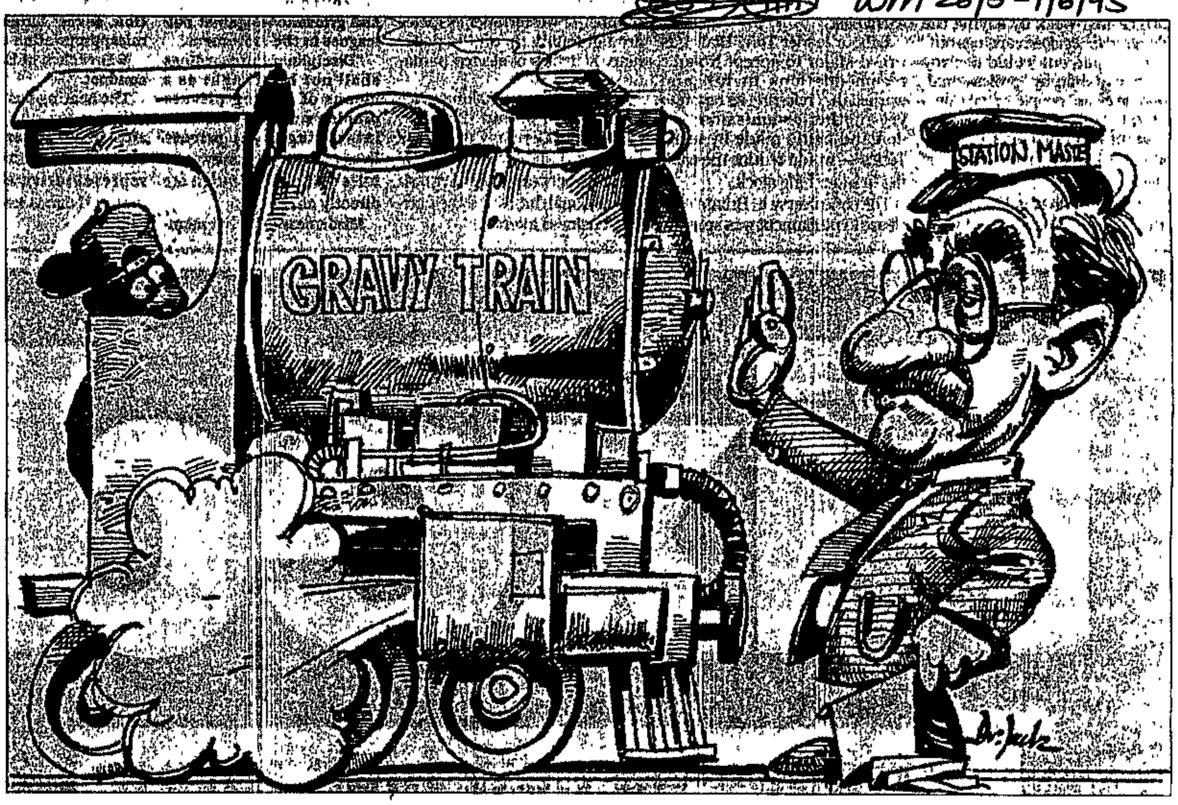
Its soft-loan arm, the African Development Fund (ADF), has not been replenished for nearly two years as donors hold back their contributions in protest over its direction and control.

The bank's image took a beating in 1993 when allegations of corruption began to surface in anonymously circulated tracts which referred to housing and telephone frauds and political and ethnic favouritism in appointments. — IPS

The ANC is planning to lead the world with proposed new rules on MPs' extra-parliamentary earnings, reports **Eddie Koch**

MPs' gravy train at the junction

wm 26/5-1/6/95



IN a bold move to clamp down on venality in public office, the African National Congress has decided its MPs must open their family assets and extra-parliamentary earnings to full public scrutiny.

The dramatic decision — possibly a first for any political party in the world — coincides with efforts by the ANC to extend its own internal code of conduct to all parliamentarians

The ANC's national executive committee decided at its last meeting to beef up its ethical code by insisting all of the party's elected representatives declare their private interests to the voters who put them in office

The organisation has made this undertaking at the risk of revealing embarrassing details to the public while campaigning for local government elections — even though other parties remain shielded from this kind of scrutiny under the present system.

Water Affairs and Foresty Minister Kader Asmal, who chairs a subcommittee on ethics in the House of Assembly, told the *Mail & Guardian* the decision "sets an important precedent and a principle for other parties to follow".

He said the ANC's initiative would give a boost to plans by his parliamentary committee to set in place a code of conduct that will prevent corruption and money-grabbing by elected representatives of all political parties.

"Our committee is busy working on a national code that we hope will apply to all members of the senate, assembly and provincial legislatures. We hope to finish our work by July so that the house is able to debate our recommendations when it comes back from recess in August."

The ANC is the only party in the country to have adopted an internal set of ethical rules in the absence of national regulations or legislation to govern the extra-parliamentary business activities of MPs.

Its code of conduct includes tough clauses that bar the party's elected officials from using government office or parliamentary posts to distribute patronage or obtain personal fortune — and sets up a high-powered disciplinary committee to implement it.

Ministers, premiers and provincial executive councillors are prohibited from playing any active role in profit-making institutions and have to surrender all directorships they held before taking office.

The regulations require ANC members to declare their assets and all other posts from which there is financial benefit in other companies, boards or organisations.

"In particular, they shall disclose all consultancies, shareholdings and directorships or any form of payment received by them or their family from an external source," it says.

It stipulates that MPs should treat their parliamentary posts as full-time and bans them from taking permanent employment in other jobs. Lobbying for organisations and companies is strictly prohibited.

The ANC's code is in line with, if not more advanced than, progressive regulations for MPs in other western democracies. But it was flawed because these disclosures remained confidential and secret — until the recent NEC decision.

The ANC's executive has set up a committee, which includes Asmal and secretary general Cyril Ramaphosa, to urgently devise a system for implementing its new "transparency" resolution.

"This is exceptional. As far as we know, the ANC is the first political party anywhere in the world to make this kind of ruling," said Asmal.

The national regulations being drafted by the House of Assembly's ethics subcommittee will be based initially on the ANC's code but will be refined and adapted to take into account suggestions from other parties. Parliament will have to decide if the national ethics will be legislated or accepted as a set of in-house rules.

"We in the ANC want full and public disclosure in a parliamentary register that will be open to journalists and we want an effective enforcement machinery," said Asmal.

"Lobbying should be banned. And it is important to include assets of family members and spouses in the declaration so that these can't be hidden from the public."

Stressing these were his personal views, Asmal said special regulations should be implemented for members of parliamentary standing committees as they could be in a position to influence policies that affect their vested interests. A code of ethics should also be devised for people in the chairs of parastatals.

He said his ethics subcommittee's report to the assembly will be influenced by developments in other democracies, where there is a trend towards tightening the controls on pecuniary benefits that MPs can obtain from being in office.

It can, however, be expected to go much further than most other Western systems that were set in place before disclosure became a major parliamentary issue.

"Since 1979 there have been a number of progressive developments and we have gained a lot of experience from countries like France, Spain, Ireland and Sweden. But at this stage there are still many countries that don't have the kinds of restrictions and discloure we are planning."

Asmal told the *Mail & Guardian* that international publicity surrounding the Nolan Committee, set up in the British House of Commons to devise ways of curbing corruption and sleaze on the part of some of its MPs, would provide a major boost to the work of his committee.

He said it was important to keep the code of conduct and the enforcement machinery simple and effective. "Look at the United States, which has complex regulations and an expensive bureaucracy to administer it, but lots of corruption. We want to avoid that."

Richard Calland, director of the Parliamentary Information and Monitoring Service (Pims) in Cape Town, said the ANC's move "was in keeping with trends around the world, including England and Russia, where MPs are banned from any outside business interests."

But Calland warned that it was vital for a national code to be legislated — rather than enacted as a set of voluntary or in-house rules — as a matter of urgency if "transparency" was to become more than just a buzzword.

The ANC enforces its own code

THE African National Congress this week released details about how members can bring charges against individuals in the movement accused of breaching the party's code of conduct before its disciplinary committee.

According to a draft disciplinary procedure drawn up by the organisation's national executive committee, charges can be "initiated for violations of the basic principles and norms of the ANC as laid down in the constitution of the ANC and the code of conduct for public representatives".

It stipulates that "any organ and/or branch of the ANC" can initiate a charge at branch, provincial or national level. The disciplinary proceedings should take place at the regional level where the alleged violation took place.

The charge must be prepared by a presenter on behalf of the organ or officials. This person will be appointed either by a branch secretary, a provincial secretary or a the secretary general of the organisation.

The charge has to be presented in writing and has to state clearly which section of the constitution or code of conduct has allegedly been violated. The affected party must be given a written copy of the charge at least five days before the hearing

The procedure is designed to ensure "discipline is applied in accordance with a just and fair procedure which is clear and simple". Members of the organisation must be presumed innocent until proven guilty and must have the chance to defend themselves.

It includes clauses designed to

■ To PAGE 10

The international experience

SLEAZE, secrecy and corruption are targets of the toughest action taken in Britain this century to enforce ethical behaviour by MPs in the House of Commons.

Prime Minister John Major's cabinet last week accepted the broad thrust of the controversial Nolan Committee's report, which laid down "seven principles of public life" to guard against "slackness in the observation and enforcement of high standards".

The Nolan ethics committee urges British MPs not to undertake parliamentary services for lobbyists and to declare all earnings from outside consultancies. It recommends that a Parliamentary Commissioner for Standards be set up to police a new code.

Nolan suggests former cabinet members be vetted by an independent committee before they can take paid employment for at least two years after they leave office, so that they are prevented from trading in strategic information obtained while in public office.

It also proposes a complex investigation mechanism in which MPs' behaviour is subject to independent scrutiny, while final judgments on guilt and penalties be left up to the House of Commons.

The committee's recommendations include tighter enforcement of the Commons Register of Members' Interests, so that precise categories are declared, mainly in bands of R5 000.

"Financial misbehaviour, in particular, matters to us all because it strikes at the very heart of that confidence which people must have in ministers and the motives behind their decisions," says the report.

To force the pace of implementing its proposals, the committee suggests three categories of action. Some proposals must be immediately applied, others this year and the rest before the end of 1996.

Four members of the committee have also urged parliament to extend its inquiry into ways of ensuring that party political funds are disclosed and monitored — although this has so far been resisted by Major.

The Tory cabinet is expected to set up an all-party select committee this week to implement the proposals, but the ink had hardly dried on Nolan's

■ To PAGE 10

Africa must pursue unity to ward off failure – Mandela

Star 31/5/95 (1)

BY JOVIAL RANTAO
POLITICAL REPORTER

Dar es Salaam — If Africa is to ward off the threat of failure, the continent will have to pursue unity "with even greater vigour than before", President Nelson Mandela said yesterday.

Addressing about 30 000 cheering Tanzanians at a public rally at the Tanzanian National Stadium on the second day of his three-day state visit, Mandela said both Tanzania and South Africa should contribute to the rebirth of Africa.

He said Africa must unite to combat the tendency in the industrialised world to exploit the continent and then write it off as marginal.

"This will not be easy. We face serious challenges. Overcoming them will depend on our own efforts as Africans. The cornerstones of our reconstruction must be unity, peace, democracy and human rights, and the rational use of our limited resources.

"These challenges will tax our resolve as fiercely as our earlier struggle for our liberation," Mandela said.

He said South Africa would, as far as possible, assist in efforts aimed at making the African continent a better place for all.

The rally audience included Tanzanian President Ali Hassan Mwinyi, Prime Minister Cleopa Msuya, the South African High Commissioner to Tanzania Thandi Lujabe-Rankoe and members of the diplomatic community.

Mandela also used the occasion to say a big thank you to Tanzania, in particular to former president Mwalimu Julius Nyerere, for supporting the South African liberation movement during the apartheid era.

Elections

The rally was Mandela's last public engagement in the Tanzanian capital. Today he flies to the islands of Zanzibar where will hold unofficial talks with President Salim Amour.

Earlier yesterday Mandela met leaders of 13 Tanzanian political parties contesting the country's presidential elections to be held in October.

In the morning he received a bronze plaque as a gift from Tanzanian-based ambassadors from former Frontline states. He also received a courtesy visit from Nyerere.

In an address to members of the Tanzanian Chamber of Commerce, Industry and Agri culture, Mandela said the region needed mutually beneficial trade and business relations, investments and joint ventures which should also advance the sharing of technological expertise.

He said South Africa seeks to contribute to the reconstruction of the region on the basis of equality.

Last night Mandela officially opened the residence of Lujabe-Rankoe, where he met South Africans based in Tanzania.

Mandela announced that South Africa is to host the annual Southern African Development Community Consultative Conference in January.

He said the conference, whose theme will be "Investment opportunities in Southern Africa", would coincide with a Southern African Trade Fair.

Staying ahead in a gold rush

(1) CT(BR)1/6/95

By David Gault

Reuters

Accra — Ghana's Ashanti Goldfields company is banking on its African roots to keep it at the forefront of what shows every sign of turning into an end of the century gold rush across the continent.

Nick Laffoley, general manager of its subsidiary Ashanti Exploration, says local knowledge and long experience in the mining industry will keep Ashanti ahead of the game.

"We believe that as an African mining company we have something a little bit different to offer when compared with mining companies from Europe, North America, Australia, or even South Africa," he said.

"We have a special understanding of the issues facing a developing country trying to pull themselves out of the economic quagmire because we've been there and we've seen it and we've done it."

Ashanti Exploration was established last August after the highly successful privatisation of Ashanti Goldfields in April last year. The company was previously 55 percent state-owned but British-based conglomerate Lonrho is now the main shareholder with a 43,1 percent stake. The state kept 31,3 percent and private investors and staff hold the rest.

In results announced in London on Tuesday, Ashanti Goldfields said its pre-tax profit in the six months to March 31 rose to \$51,7 million from \$42,6 million in the same period the previous year.

But severe drought has hit surface operations and chief financial officer Mark Keatley said the firm would now fall short of its avowed target of producing one million ounces of gold in the year to September 30.

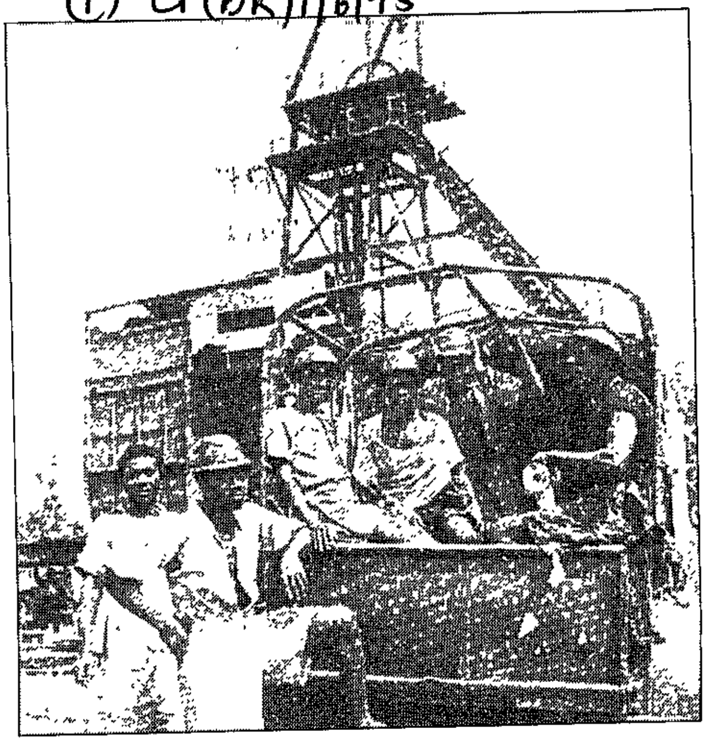
Ashanti Exploration has already secured land at Mandiana in Guinea and holds a 50 percent stake in a joint venture at Kalana in Mali with JCI and the state. It has offices in Eritrea and Ethiopia.

"We are looking at acquiring land in Zimbabwe and in Niger and we've got roving geologists out looking at a large number of other areas, including Tanzania.

"We certainly don't see ourselves as confined to Africa but we feel we're very special within Africa. If it's a suitable opportunity outside Africa we're not frightened to compete with everybody else," Laffoley said.

He said Ashanti was looking at land in Uzbekistan. "A lot of our Ghanaian staff were trained in the Soviet Union so we have quite a pool of people who are absolutely fluent in Russian, some of whom even have Russian wives."

Political changes in many countries were creating exploration opportunities in previously no-go areas, while economic reforms were making investment easier, Laffoley said.



LOOKING BACK *Workers at Ghana's Konongo gold mine in 1958*

"For some countries like Tanzania and even Ghana it's just straightening out the investment codes and realising that if somebody puts hundreds of millions of dollars into their country, they too need a little bit of comfort in return," he said.

Laffoley said Ashanti was interested primarily in gold, but the company had looked at some base metals projects. Despite forays abroad, Ashanti's exploration was still most active in Ghana, Laffoley said.

Ashanti produced 853 559 oz of gold in calendar year 1994, more than 60 percent of the national output. Gold was Ghana's biggest export earner last year, raking in \$527 million.

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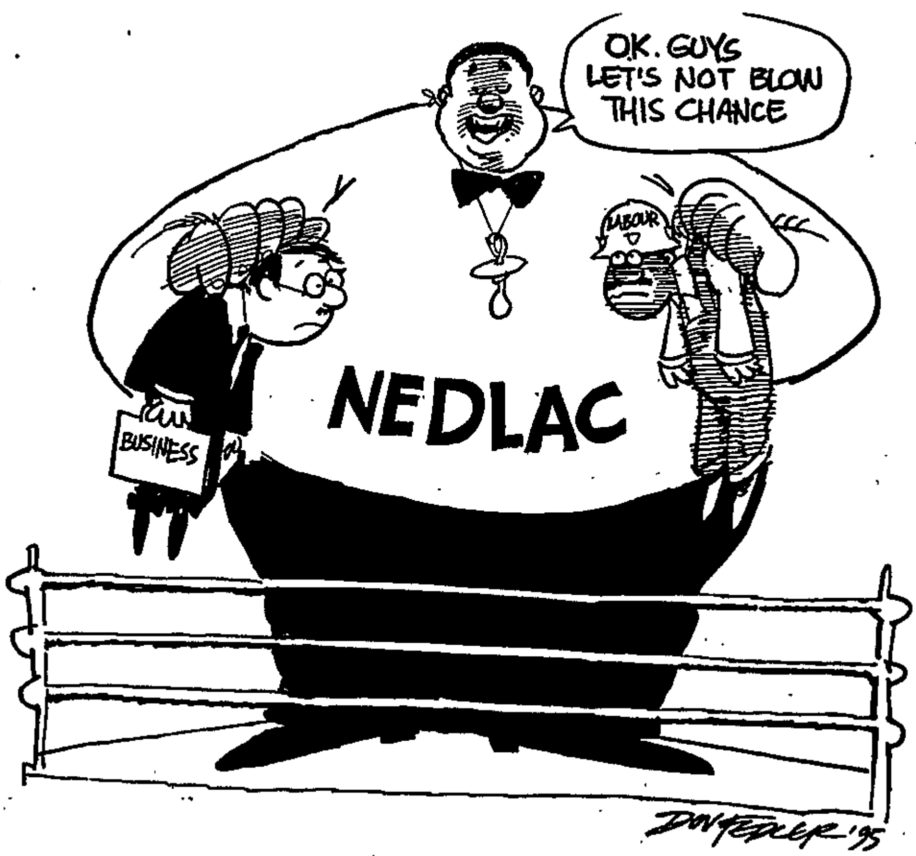


My Turn

Joseph Mphele is an economic specialist at the US embassy in Pretoria. This edited article first appeared in Scripta Politica, the journal of the American University in Paris

(1) CT(BR) 1/6/95

Africa must support its peasantry

The way out of the current crisis in Africa lies in the re-acquisition of power by ordinary people and control over their natural and human resources.

To do so, they must define development in their own terms.

The transition from autocratic rule to a more democratic and just society requires action in areas such as civil society, the rule of law, collective self-reliance, and c[illegible]ate for economic growth.

To achieve economic growth, the state must develop a supportive environment — including public investment in infrastructure and social services. It must also strengthen public institutions and adopt viable macroeconomic policies.

In the past 30 years, a strong state was advocated as a substitute for the withdrawing state. While too much state intervention stifled the creativity of peasants, the call for more market-led development has gone to the other extreme.

Peasants need a strong state if they are to succeed. The problem in Africa is not whether the state should intervene but when.

Indeed, when one looks back over the last 30 years, African leaders have used the state as their private reserve in the process of capital accumulation.

The challenge today is to create a democratic state supportive of the initiatives of poor people, peasants, and marginalised groups in society. The two priority areas of economic reform should include the creation of a new order for peasants and support to the informal sector.

Peasants constitute the single dominant social interest group in Africa. Yet, they are the least represented and the most oppressed class. Only if African farmers have a political voice will their needs be properly addressed by their governments.

There is a lesson to be drawn from 30 years of anti-peasant policies which contributed directly to the stagnation in food production and to the ecological degradation of the African continent. In addition, agricultural support services, such as extension of research, credit, and agricultural marketing, must be strengthened to help small farmers succeed.

For a long time, Africa's informal sector operated under tremendous harassment and threat of evictions from municipal officials. The informal sector was viewed with contempt since it did not coincide with the image of a modernising Africa public officials wanted to project to the rest of the world.

A [illegible] view of the this sector was that it was a haven for criminals, black market currency peddlers, and tax evaders.

Today, African policy makers can no longer ignore it since the informal sector is employing thousands of people in times of economic decline and uncertainty. A special effort must be made by governments to support it.

Targeted support to that part of the informal sector capable of stimulating labour intensive production of basic goods for low income groups, should be a priority. Perhaps this will prevent the silent revolution before it reaches the barricades.

African bank fails to elect new chief

(1)(ES) WM(BM) 2-8/6/95

The African Development Bank meeting to elect a new president turned into a 'circus'. Kevin Rafferty in Abuja, Nigeria, reports

A MEETING of governors of the African Development Bank broke up in disarray in Abuja, Nigeria, this week after failing to elect a new president.

The governors will meet again in the headquarters city of Abidjan, Ivory Coast, in August.

Kwesi Botchwey, Ghana's much-respected finance minister, came out of a meeting with his governor colleagues and declared with disgust: "It's like a circus in there."

The bank is badly crippled. Members of its executive board have announced that they can no longer work with outgoing president Babacar Ndiaye, from Senegal, whose term expires in August. He, in turn, has accused some executive directors of wasting the bank's money and others of cheating on their expenses and medical bills. He suspects one of money-laundering.

A handful of regular bank executives have already been dismissed for fraud and a senior official said there could be as many as 100 sackings.

Election of a new president to succeed Ndiaye, who has served a record 10 years, was supposed to be a landmark event, restoring credibility and helping Africa gain a new lease of economic life. There were five candidates — from Lesotho, Mauritania, Morocco, Nigeria and Uganda — and the winner had to have a majority of the votes and also a majority of the African votes, which account for about 65 percent of the total.

But the election was a perfect example of the political, regional, linguistic, religious, even colonial divisions which have scarred the continent.

Although two candidates, Ugandan Richard Kaijuka and Mauritania's Mohammed Lekhal, pulled out of the race after the first two rounds, none of the others won an absolute majority of votes. The final voting was between Timothy Thahane of Lesotho and Morocco's Omar Kabbaj, with Nigeria's Seyyid Abdulai, third, refusing to withdraw.

Kabbaj claimed he was the moral victor because he had a larger share of the African votes. But Thahane said he had got close to a majority. France said Thahane was not qualified because he did not speak French. Southern Africans said that Kabbaj should not be standing at all because Morocco has left the Organisation of African Unity, the bank's progenitor.

Algeria refused to vote for the Moroccan. Nigeria claimed that, as the bank's largest member, with 10 percent of the shares, it should choose the president.

Meanwhile, South African delegates, in Abuja as observers, asked openly why they should put their money in a bank which, despite its triple A rating, squanders its funds and squabbles about everything.

ATIONAL

Africa trails the world on children's rights

(1) (288) CT (BR) 9/6/95

FROM SAPA-AP

Abidjan — African countries trail most of the world in protecting the health and human rights of children, who are being forced into street life at a rising rate because of the continent's poverty, the United Nations Children's Fund (Unicef) said yesterday.

An estimated 40 million children under the age of 16 are working in African countries, and the number could double by the year 2000, Unicef said in its annual Progress of Nations survey.

The report, which ranks countries' performances in areas of health, education and protection of human rights, was optimistic in some areas.

It praised the west African nation of Guinea, one of the world's poorest countries, for increasing measles immunisation from 18 percent to 57 percent of children between 1990 and 1993. As in past years, however, the report showed African countries, notably those south of the Sahara, lagging in most categories.

Of the 40 countries in which polio is still common, 26 are in Africa and 24 of those are in sub-Saharan Africa.

Vaccinations against measles, which kills about a half-million children a year, remain unavailable to a majority of children in several African countries where the cost of the vaccine has forced governments to halt immunisation programmes.

In 18 countries — 13 of them African — the percentage of children immunised against the disease dropped anywhere from 11 percent to 36 percent between 1990 and 1993.

Only one of 39 sub-Saharan countries surveyed — the island nation of Mauritius — had more than 90 percent of its children completing five years of school. In about half those countries, including relatively prosperous ones such as Ivory Coast and Gabon, the level was 50 percent or less.

The figures, Unicef says, are a reflection of political and social upheavals affecting Africa, particularly wars and urbanisation.

In west and central Africa, urban populations are growing at twice the general population growth rate because of wars, environmental degradation and the search for work.

New kid on the block

Although he acknowledges it is an impossible task, president-elect of the African Development Bank Timothy Thahane thinks Africa will emerge from economic crisis. *Sowetan* staffer **Mzimkulu Malunga** reports

(1)(?) sowetan 19/6/95

FROM September 1 Africa's most powerful financial institution, the African Development Bank, will have a new president — and it is likely to be Lesotho's Timothy Thahane.

Born at the foothills of the Maluti mountains 55 years ago, the Canadian-educated economist is confident Africa will emerge from its current economic crisis.

In fact, he believes Africa can produce economic giants that match those in other parts of the world. "It is not impossible, but we have to work hard," says Thahane.

After four rounds of voting for the ADB's presidency at the bank's 32nd annual meeting in the Nigerian capital Abuja last month, he received most votes.

Although his 48,58 percent of the vote was not enough for him to win the presidency, he is confident that when another round of voting takes place at the Ivory Coast capital Abidjan on August 25, he will emerge as Africa's top development banker.

Thahane says he was approached by a number of African countries to stand for the presidency to replace Dr Babacar Ndiaye whose term as president came to an end. After intensive diplomatic consultations, his candidacy received the unanimous backing of the 11 states which form the Southern African Development Community.

Most of Thahane's support came from non-African members of the ADB — mainly industrialised nations and some developing countries such as China, Brazil, Argentina and India.

These countries are the donors of the African Development Fund, a soft-loan arm of the ADB which lends mainly to poor African countries that cannot qualify for commercial loans.

Due to prolonged disagreements between African and non-African members of the board of executive directors on the ADB's credit policy, the soft-loan fund has not been replenished for the past 18 months. This means that the poor African members of the bank have not been able to borrow from the ADB in the past one-and-a-half years.

Founded under the auspices of the Organisation of African Unity in 1963 to underpin political gains with economic development, the ADB group comprises the ADB itself, the ADF and the Nigerian Trust Fund (formed by Nigeria when it had lots of oil money).

Mobilisation of resources, particularly for the ADF, will be top of Thahane's list of priorities - if he becomes the bank's president.

Although consensus was reached during the Abuja meeting which set the stage for the ADF's replenishment, Thahane says the new president will have to ensure that deadlocks which saw the ADF run without funds are not repeated.

With the exception of northern African and some southern African countries, most African states are not credit-worthy and therefore cannot qualify for commercial loans from the ADB, hence the ADF becomes their lifeline.

Introducing managerial reforms and clearing the ADB's arrears will also be high on Thahane's agenda. The bank, he says, needs to redefine its role if it is to respond properly to the development challenges facing Africa today.

FLASHBACK ... Timothy Thahane welcomes President Nelson Mandela on his first visit to the World Bank in Washington DC in 1991.

The continent needs to give urgent attention to economic management, diversification, development of the private sector, education, agriculture and institution-building if it is to break out of the economic crisis which has plagued Africa since the beginning of the 1980s.

Thahane says it is encouraging to see a growing commitment to democratisation and economic openness among African governments these days.

"There is a strong commitment to economic revitalisation in Africa now," he says, adding that experience he gathered as a diplomat and an international economic technocrat could help give momentum to this new realism.

On the controversial issue of the economic structural adjustment programme (SAP) spearheaded by the World Bank and the International Monetary Fund, Thahane says structural adjustment in itself is not bad.

The world's richest economies like the United Kingdom, Germany and the United States consistently restructure their economies in order to be in line with the changing competitive global environment. South Africa's Reconstruction and Development Programme is another form of SAP because it seeks to re-focus the direction of the economy.

In Africa, SAP has been more harsh because it was introduced in situations where the economy had deteriorated badly, with prices reaching for the sky and spending by governments well above revenue levels.

However, he admits that in the early years of SAP not much attention was given to the poor. As a result, the IMF and World Bank now talk of safety nets which are supposed to be a cushion for the poor when countries undergo adjustment programmes.

During 1973-74, Thahane served as Lesotho's ambassador to the European Economic Community (now European Union) before joining the World Bank as an alternate executive director for the Africa Group. Between 1978 and 1980, he left the bank to become Lesotho's ambassador to the United States before returning to the World Bank as a vice-president and secretary for the bank and its private sector arm International Finance Corporation.

World Bank (1) pledges to (3) help Africa

CT (BR) 19/6/95

FROM REUTERS

Bamako — James Wolfensohn, World Bank president visiting Africa on his first foreign tour since taking office on June 1, said fighting poverty was a moral duty.

Wolfensohn, who is in Mali and is due to visit Ivory Coast, Uganda, Malawi and South Africa, said the G7 nations had agreed to "maintain the level of World Bank resources for helping the most deprived countries". "Poverty must recede, It's a moral imperative," he told ministers and dignitaries on Saturday.

Aides said Wolfensohn chose Africa for his first trip as he saw the world's poorest continent as the World Bank's biggest development challenge.

Africa is 'a single economy'

(1) CT(BR)21/6/95

South Africa must take the lead in enabling the countries of Africa to replace their tradition of hostility with mutually beneficial partnerships to bring prosperity to the continent, says Paul Pauwen, director of Richmond International.

"Colonial infrastructure development was all designed to drain Africa's resources to the coast for export. Even in South Africa, which is relatively well developed, there is a tendency to export resources without adding enough value.

"The result is that South Africa, with its population of about 40 million, has a GDP of $100 billion — equal to the GDP of the rest of Africa, which has an estimated population of 300 million.

"By comparison, Belgium — which has an aging population of only 10 million and virtually no natural resources — has a GDP of $200 billion — equivalent to the whole of the African continent," he says.

Such discrepancies are commonplace when comparing developing nations — even with abundant natural resources — with countries which focus on adding value up to a high level of technology. The technology gap between exports and imports is in direct proportion to the GDP of any country.

And while low added value commodities are subject to regular, substantial fluctuations, the returns on high-tech goods rise steadily from one year to the next.

Even though the overall trend of commodity prices is upwards, the gap between the value of raw materials and finished goods is widening as technology and skilled labour become more valuable.

Importers need to pay increasing attention to what is available next door

Pauwen believes Africa will reverse its decline into poverty only when the different states begin to see themselves and their resources as part of a single economic unit.

"Southern African importers need to pay increasing attention to what is available next door before looking overseas for what they need — because regional trade promotes job creation and development within the region.

"About 85 percent of Belgium's exports are to its neighbours — France, Holland, Luxembourg and Germany, and well over 75 percent of the total foreign trade within the European Union is regional. "In Africa, regional trade accounts for less than 8 percent of the total foreign trade of each country.

"This does not mean that we should overlook poor quality or uncompetitive pricing — but by promoting the free movement of trade goods, and by learning to co-operate on a socio-economic level, we can establish natural advantages to trading between ourselves."

The success of this process, says Pauwen, depends on the repair and development of an effective infrastructure — and especially a transport and communications network.

"Europe is criss-crossed by a network of developed areas, which have arisen close to their markets, linked by a sophisticated transportation and communication network," he adds.

"By contrast, in Africa we have small islands of development."

Striving to stem the brain drain

(1) Star 26/6/95

Africa is stereotyped as lacking skilled professionals, but thousands of academics are forced to flee appalling employment and social conditions. ***Joe Khamisi*** *of The Star Foreign Service reports from Nairobi*

The growing depletion of Africa's intellectual resource bank is worrying African scholars.

Thousands of professionals leave each year to seek greener pastures abroad. Around 100 000 African experts are working outside the continent, having ducked their countries' never-ending economic, political and social woes.

Most possess skills that are in great demand back home, in health, education and engineering.

A recent World Bank report noted that 23 000 qualified academic staff emigrate from Africa each year, mainly because of poor conditions of service.

The study said that, from Nigeria alone, 10 000 such personnel were in the United States even though Nigeria had 37 universities that could offer them jobs.

A 10-year study in Tanzania between 1982 and 1992 revealed that 590 senior academic staff had resigned in protest over low pay and had moved overseas. Leading the brain drain were professors and senior lecturers, accounting for 64% of the academic staff in the country's nine leading institutions of higher learning.

A university professor in Tanzania earns only R525 a month. In Kenya, a senior lecturer earns as little as R210 a month, while in Uganda lecturers have to supplement their meagre salary of as little as R52 a month by engaging in petty business.

Other benefits including housing, medical insurance and pension are far below internationally acceptable standards.

Last year, Kenyan academic staff at the four public universities went on a nine-month strike. It produced no respite for the suffering academia, and dozens fled to southern Africa and Europe.

At a seminar in Nairobi this year, organised by Randforum, a non-government research organisation, African scholars drew up a plan to be submitted to the current OAU heads of state summit.

The group resolved to establish a trust, the Distressed and Expatriate Scientists and Scholars from Africa (Dessa), to co-ordinate and monitor all programmes dealing with manpower mobilisation.

The trust will co-operate with the United Nations Development Programme, the International Organisation for Migration and other institutions to try to stem the escalating brain drain from Africa.

While Africa was viewed as lacking skilled manpower, "thousands of poverty-stricken African professionals live in warehouses and at railway quarters in former East Bloc countries", Professor Thomas Odhiambo, head of Randforum, told the Nairobi seminar chaired by former Zambian President Kenneth Kaunda.

"Such individuals are not actually using their brains for the benefit of their host country; they stay away as a mark of dejection, often doing odd jobs", said James Kulbi, a lecturer at Kenya's Moi University.

The Randforum scholars were distressed that while 100 000 African experts were working outside the continent, a similar number of foreign expatriates were in Africa "earning huge amounts of money".

Kenyans were shocked recently when they learnt from the government that more than R5-million had been paid as salaries and expenses to three expatriate managers at Kenya Airways during the past three years.

They were seconded from the British consulting company, Speedwing, to restructure Kenya Airways.

African scholars say the brain drain is a priority issue which needs to be tackled at the highest level.

SA to open 3 new embassies

CT 30/6/95

SOUTH Africa has decided to open an embassy in Havana, Cuba.

The cabinet this week also approved the re-opening of the embassy in Tehran, Iran and establishing one in Accra, Ghana.

There has been a groundswell of calls from ANC politicians for a rethink on the "Eurocentric" siting of foreign missions in view of South Africa's new foreign policy priorities.

Ministers also ordered that the ongoing investigation into the rationalisation of missions abroad be expedited.

Political Correspondent, Sapa-Reuter

It pays to invest in Africa – report

Gnws 5-7-95

Geneva – Private sector investment in Africa is more profitable than in other Third World regions.

Africa is also still sufficiently buoyant to meet the continent's needs, the United Nations said yesterday.

Africa has acquired an unfavourable image, "notwithstanding the fact that foreign direct investment in Africa is more profitable than in Latin America and in developed countries," a report for the UN Conference on Trade and Development (UNCTAD) said.

The UN agency was to meet in ministerial session in Geneva yesterday and tomorrow for discussions of ways to relaunch the African economy.

UN Secretary-General Boutros Boutros-Ghali has recently

PRIVATE sector investment in Africa is more profitable than in other third world countries

called for an increase in international aid to Africa and a reduction in the crippling debt burden faced by most African countries.

In a report entitled Investment Potential in Africa, the UNCTAD underlined the numerous "investment opportunities" for multinational businesses in several African countries that have in recent years followed structural adjustment policies.

"Despite these efforts, transnational corporations have not increased significantly their investment in Africa as a whole, as they have done in other developing regions," the report said.

"While foreign direct investment flows to all developing countries more than doubled between 1986 and 1994, those to Africa hardly increased at all, remaining at an annual level of around $3-billion," the report said.

Africa's share in the developing countries' inward investment total declined from more than 11% to 6%, it added.

One of the reasons why investment flows to Africa have been weak is that the region has the largest concentration of least developed countries, 32 out of 48, the UN agency said.

Africa's human rights record worst

LONDON.— The world's bloodiest human rights abuses last year were in Africa where 500 000 people were murdered in Rwanda and thousands more were killed in conflicts across the continent, Amnesty International said.

"The genocide in Rwanda was the most shocking example of the changing face of human rights violations throughout the world," the human rights pressure group said in its annual report.

The group painted a grim picture of state repression from Burundi to Sierra Leone but the outlook was not all gloomy — it pointed to human rights advances in Malawi, Mozambique and South Africa as they moved to democracy.

The group said torture was widespread in 33 African states with prisoners chained, suspended upside down, raped, subjected to electric shocks and suffocated with rubber tubing.

It called on the international community to stop the wholesale slaughter. (1)

A more upbeat note was struck in the examination of the advance of democracy in South Africa. — Reuter. ARC 6/7/95

USAid opposes cuts to Africa

CT(BR) 7/7/95 (1)

By Aidan Hartley

REUTER

CRISIS PREVENTION *Aid will reduce the need for costly military intervention, such as the controversial US mission in Somalia last year*

Nairobi — A senior American official warned that cuts in aid to Africa would cost more to Americans when they were obliged to intervene in future crises.

"It will cost the American taxpayer a lot more in the long run because we have an inclination to respond to crises that cost a lot of money," said Brian Atwood, who is head of the United States Agency for International Development (USAid), on Wednesday.

Atwood said $2 billion had been spent on Somalia "without blinking".

"When these kinds of crises break out, Americans demand that their government responds.

"We believe that it makes more sense to invest in development and treat the root causes of instability before a situation becomes chaotic," he said after visits to Ethiopia, Uganda and Kenya.

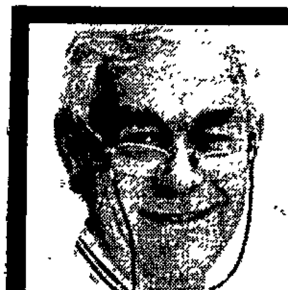
United States humanitarian assistance to the "Greater Horn", a term used to describe nine countries from Eritrea to Burundi, totalled $580 million last year and is set to reach $315 million this year. Development aid was $99 million last year and $146 million this year.

The region is still reeling from the Cold War years, when both the United States and Soviet Union poured weapons into proxy civil wars, from which some countries have never recovered.

WORLD

Africa's outlook for investment not entirely black

ST(BT) 9/7/95



John Cavill

FROM LONDON

THE extent to which sub-Saharan Africa has been left behind in global economic growth was starkly highlighted by a comprehensive review of foreign direct investment published this week by the UN Conference on Trade and Development.

Since the early 1980s the flow of private investment money into developing countries has swelled into a torrent in Asia and Latin America, galvanising their growth rates. But Africa has missed out, "marginalised in an increasingly globalised world economy," says Unctad.

On top of that what money has come into the continent has been heavily slewed to the oil producers — Algeria, Angola, Cameroon, Congo, Egypt, Gabon, Libya, Nigeria and Tunisia. At its peak in 1989 Africa attracted \$4,8-billion of direct investment, almost 17% of the \$28,6-billion which went into all developing countries.

But 71% of that was ploughed into the nine oil exporters, leaving just \$1,4-billion for the rest. And if the \$656-million "investment " in Liberia — representing ships flying its flag of convenience — is deducted, sub-Saharan Africa's 30 economies shared \$719-million. That too was unevenly spread, with the bulk going to a handful.

In 1994 the tide of direct investment in the developing world hit \$84-billion, having almost trebled in five years. Africa got a trickle of \$3,5-billion and, again, two-thirds was for the oil economies.

Admittedly the average for non-oil Africa of \$1,1-billion a year over 1991-94 was double that of the previous decade. But even so the overall total amounted to a paltry 4% of the developing world's cake — 76% down on the 1989 slice.

Unctad lists several reasons why most of Africa has been shunned. Civil wars, political crises and natural disasters such as drought have been a deterrent. Markets tend to be small in the sub-Saharan region with an average gross domestic product of \$3,4-billion, or a mere \$311 per capita.

High external debts and shortages of foreign exchange also work against investment in infrastructure plus hampering remittance of profits to transnational investors. Reforms have been started but are making "slow progress" in many countries and the lack of skills (hence low productivity) has pushed up labour unit costs above those in parts of Asia.

Unctad says that privatisation would be one way of pulling in investment. So far these have been limited to 10 countries and were small in size and scope even though in the first seven years of the 1980s Africa accounted for 210 of the 456 privatisations in the Third World.

Between 1988 and 1993 sub-Saharan privatisations amounted to a mere \$658-million — of which \$500-million was one Nigerian oil field — compared with some \$21-billion in other developing regions, led by Latin America and the transitional economies of east and central Europe.

Yet even though Africa suffers an "unfortunate image" as an investment destination, those transnational companies which have taken the plunge have seen good returns.

According to Department of Commerce figures, US companies which invested in the continent have enjoyed good returns, especially in the 1990s. Leaving out the primary industries (oil), US investors have seen a profits return on their assets in the manufacturing sector which averaged 31% during the three years to end 1993 — although this, unlike the rest of Unctad's data, includes SA investments.

This comfortably beats the south-east Asia-Pacific area, which produced a mean of 17% and Latin America's manufacturing return of 18%.

The point is emphasised by the contrast between what foreign investors put in and profit remittances. Leaving out oil producers Nigeria and Angola, more money came out of much of sub-Saharan Africa than went in in 1991-93.

According to the report foreign direct investment to all other countries was \$400-million a year, which reduced to a net transfer of just \$150-million after profits were taken out. Zimbabwe, for example has seen an average net outflow of \$68-million in the past 14 years.

The main point made by Unctad is that there are attractive opportunities in Africa which would appeal to transnationals even more if regional groupings — such as the Southern Africa Development Community — could be made to work. And it sees a big role for South Africa.

"An important new factor that may influence prospects for foreign direct investment in Africa is the emergence of South Africa as a politically stable and economically dynamic country," it says.

South Africa has the potential to "attract sizeable flows of FDI" and if this happens then it could become a "growth pole" for the region.

(1) CT (BR) 10/7/95

After Africa's liberation comes the struggle against poverty

Guest writer Bingu Mutharika is the secretary-general of the Common Market for Eastern and Southern Africa

In a constructive way, Africa is restless. While it has never been more politically "liberated", unprecedented energy is being devoted to the struggle against underdevelopment and poverty.

This struggle takes many forms, but none is more effective than the combined will of nations to engender economic togetherness through regional trade integration and sectorial co-operation. These need not be pursued together — although this is desirable. Sectoral co-operation is normally fairly uncontroversial if it is permitted to take place in conditions of regional security and stability. Trade integration, on the other hand, is more complex, because it involves the art of reconciling conflicting offers and demands, and of accommodating the fears and anxieties of states at different levels of development, and different notions of the pace at which they want to reform and open up their markets.

In eastern and southern Africa the process is complicated by a number of factors such as structural weakness in the industrial and manufacturing sectors, lack of complementarity between production, trade and consumption and restricted access of each nation to markets of the industrialised countries.

The Common Market for Eastern and Southern Africa (Comesa) was established to address these weaknesses. It proposes the following:

☐ A full free trade area by 2000, involving trade liberalisation under which there is free movement of goods and services produced within the common market and the removal of all non-tariff barriers;

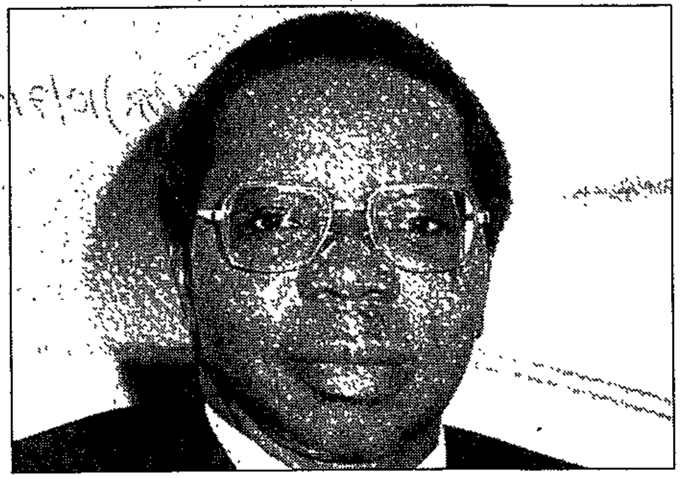
☐ A customs union by 2004 involving zero tariffs on all products originating in the common market and the adoption of a common external tariff on imports from non-Comesa countries;

☐ Free movement of capital and finance and a common investment procedure to create a more favourable investment climate for foreign direct investment and domestic investment;

☐ A payments union and eventual establishment of a Comesa monetary union by 2020; and

☐ Free movement of persons with common visa arrangements, including the right of establishment and eventually the right of settlement.

Any country contemplating joining a regional bloc would do so only after close assessment of the net benefits of doing so. Unlike customs unions which dispense almost mathematical justice in the distribution of net benefits, regional trade blocs composed of countries at different levels of development but imbued nonetheless with a strong nationalistic approach, might expect a certain amount of disagreement among members at the formative stage, because when it comes to give and take "enough is either too much or too little".



CHALLENGES *Bingu Mutharika advocates co-operation*

Challenges

South Africa has pressing domestic challenges. It has trade commitments in its backyard under the Southern African Customs Union and it has sectoral commitments in terms of its membership of the Southern African Development Community. Further afield it is negotiating with the European Union to secure more favourable access for its exports, either through Lomé or by way of a bilateral free-trade agreement. And at another level, it is studying the potential benefits of joining an Indian Ocean rim trade initiative.

However, despite South Africa's historic affinity to Europe and the greater attraction of these existing markets, South Africa is unlikely to qualify for recognition as a developing rather than developed country and so gain easy access to them. In the light of this, it would seem a grave mistake to ignore the potential of its own back yard.

The 22 member states of Comesa believe that South Africa's most sensible, fast-track option would be to join that organisation. This belief is based on the age-old economic maxim that "trade maketh the ship to go", or that trade has its own chemistry. It is the engine of investment, development and growth and, ultimately, of common political will and a sense of unity.

Commitment

Comesa, in exchange for a commitment to lower tariff barriers in harmony with other members, offers South Africa hugely increased markets (of about 320 million people) for its manufactured goods in particular.

For, although South African trade with the rest of Africa amounted to only 31,7 percent of its global trade in 1993, exports of South African manufacturers (notably machinery and appliances, vehicles and components, chemicals, plastic and rubber products, food and beverages, and textiles and clothing) made up the lion's share of South Africa's sales to Africa.

A feature of South African trade with the rest of Africa is its huge imbalance: South Africa sells almost four times more than it buys, and this has not yet been offset by invisible earnings from services provided to South Africa — such as migrant labour, tourism, transport services and hydro-electric power, all of which declined steeply during the 1980s because of regional instability.

The impact of South African accession to Comesa will yield enormous benefits by:

☐ Allowing certain economies of scale which will facilitate restructuring at a higher level of productivity;

☐ Creating a climate conducive to raising investment, and encouraging investment in new forms of production;

☐ Helping to create the kind of competitive environment likely to encourage innovation and result in a more diversified export product profile;

☐ Encouraging rationalisation of investments in infrastructure and creating economies of scale which make capital projects more economically viable;

☐ Helping to strengthen the bargaining position of countries in the region in an asymmetrical world; and

☐ Promoting the freer movement of human resources and thereby increasing output and productivity.

Pattern

One consequence of freer trade in southern and eastern Africa would be to enable existing industries to relocate to, or new enterprises to be established in, countries where costs of production are lowest. The "flying geese" pattern in southeast Asia, whereby labour intensive industries have moved from one country to another to take advantage of lower wages or other factor inducements, is something that could occur in an enlarged Comesa.

The most significant attraction to South Africa of joining Comesa — apart from its annual imports bill of R18 billion — would be participation in the latter's cross-border initiative, sponsored by the World Bank, the EU and the African Development Bank.

The initiative, endorsed by 13 of Comesa's 22 members, is based on a new integration concept that promotes mobility of factors, goods and services across national frontiers, while minimising chances for diversion of trade and investment.

Rates stifle Africa

(1) Star 12/3/95

Harare – High interest rates and controls on foreign investment stifle stock markets in southern Africa, despite efforts to promote development, financial experts say.

Ignorance of equity markets and low per-capita incomes in most of the region except South Africa also militate against the growth of financial markets, the experts added in interviews ahead of an economic conference in Zimbabwe next Monday.

"High interest rates are a major problem. They impact very much on the growth of stock markets because it's very hard to get a regional investor to buy equity where the short-term return is very low in comparison to money market rate returns," Mike Tunmer, chairman of Zimbabwe's Stock Exchange (ZSE) said.

The Harare exchange, with 65 listed companies, is the most vibrant market in the region after South Africa, where 645 companies are listed on the Johannesburg Stock Exchange.

Of the 11 countries in the region, only Botswana, South Africa, Zambia and Namibia make entry to foreign investors relatively easy. The rest have varying levels of controls. – Reuter.

Autocracy 'preventing democracy for Africa'

(1) ARG 12/7/95

□ Freedom hampered, says Socialist International

TYRONE SEALE
Political Staff

THE democratic momentum in Africa is hamstrung by the absence of a democratic culture in certain leaders, financial sponsors' abandonment of the continent and the extent of the financial and economic crisis.

This is the view of the Socialist International, whose council completed its meeting in Cape Town yesterday.

The organisation is the world's largest alliance of socialist, social democratic and labour parties, comprising 110 parties and organisations from all continents.

The meeting, which focused on democracy and development in Africa, saw the adoption of several resolutions framed at a Socialist International Africa committee meeting two months ago.

The council noted there had been more and more pluralistic elections in Africa, but said in many cases this pluralism had been rather formal.

But significant democratic advances in certain countries were jeopardised by the resistance of the former powers in the Ivory Coast, Burkina Faso, Cameroon, Togo, Zaire, Kenya and Equatorial Guinea in particular.

There was also a lack of democratic culture in certain new leaders, there was the extent of the financial and economic crisis and the temptation for financial sponsors to abandon Africa in favour of other parts of the world.

The organisation reaffirmed its commitment to the establishment of independent national electoral commissions and to lending support to socialist and social democratic parties on the continent.

While the Socialist International has no legal powers to enforce its resolutions in specific countries, it is regarded as one of the most powerful political lobbies worldwide.

The council also noted that in the light of increasing poverty, slight economic growth and crippling debt, the economic policies carried out in Africa did not yield the expected results.

It recommended, among other things, that African countries export more sophisticated products with more added value, that the debts of the poorest countries be scrapped and that agriculture and human resources be developed to promote Africa's self-sufficiency and eliminate poverty.

Poverty was spreading throughout the continent and the political and economic transition which had brought hope had so far produced scant results.

"Africa is seen as the great loser in the sea of changes which have taken place on the world stage.

"Africa's inability to keep up, and the prevalence of the economic over the political, are leading to an increasing marginalisation of the continent," the council resolution said.

It was essential to overcome debate-blocking pessimism and to create conditions that would encourage Africa's participation in world trade.

African leaders gather to discuss food shortages

CT 25/7/95 (1)

KAMPALA: African leaders arrived in Uganda yesterday for a conference on ways to overcome food shortages and malnutrition in the world's poorest continent.

Security in the capital Kampala was tight, with policemen and troops taking up positions on all main roads after the failed attempt to assassinate Egypt's President Hosni Mubarak in Addis Ababa last month.

Uganda's President Yoweri Museveni received his counterparts arriving from Burundi, Rwanda, Malawi, Mozambique, Eritrea and Namibia.

The presidents of Botswana and Zimbabwe and Zaire's Mr Mobutu Sese Sekö had also said they would arrive later in the day.

The two-day conference, which began last night, is expected to ratify resolutions adopted by African scientists who met in Kampala at the weekend.

In January this year, the UN Food and Agriculture Organisation warned that although food supplies in Africa had greatly improved, many areas devastated by drought and war still relied on foreign handouts.

The UN said some 28 African countries would require food aid of up to 2,3 million tons in 1995 — 20% below last year's total thanks to improved harvests. — Reuter

ARG 26/9/95

Presidents appeal for mass food aid

(1)

KAMPALA. — Six African presidents haveay made a passionate appeal to other governments in Africa to give due emphasis to traditional staple foods to help satisfy their populations' needs and to avert "mass starvation" in the continent.

In a communique released here at the end of the two-day "Third Presidential Forum on the Management of Science and Technology for Development in Africa" the six heads of state also called on African governments to enhance modern technology to help food production and to process a range of diversified food products for their people.

The communique was signed by presidents Quett Masire of Botswana, Bakili Muluzi of Malawi, Joachim Chissano of Mozambique, Pasteur Bizimungu of Rwanda, their host Yoweri Museveni of Uganda and Robert Mugabe of Zimbabwe.

The main theme of the conference, which was attended by nearly 800 top scientists and technology-oriented entrepreneurs from within and outside the continent, was "Food Nutrition and Development".

The presidents committed themselves to pursue a 10-year programme to achieve food security for the African child, through policy organs that would encourage concerted efforts to translate policies into actions for an efficient food production industry and to foster a robust inter-African network of food markets.

The presidents noted the poverty-stricken population of Africa that had no food purchasing power, observing: "The African poor can neither produce enough food for household consumption, nor do they have access to marketed food for lack of money."

The presidents also pledged to mobilise the entire continent's talents and technological skills through encouragement of equal pay for the same work performed by African experts and the expatriates brought into Africa, a move that will help avert a brain-drain from the continent.

The conference also established a round table of technology-oriented entrepreneurs in Africa to lead a more demand-driven technological development and chose the Malawian capital, Lilongwe, to host the headquarters for the African Foundation for Research and Development (Afrand), which would be charged with the task of following up undertakings made.

The Afrand was also asked to put in place tactical guidelines and processes, including a demand-driven science-based agricultural processing, marketing and distribution system, that would ensure "perpetual food and nutritional security in the next decade." — SAPA-AFP.

'Food Africa's top priority'

(1) ARGT 27/7/95

'Action' promise by leaders

KAMPALA. — African leaders have agreed on a plan to ensure that the continent has enough to eat by the year 2005.

"It is now a question of Africa's very survival," they said in a statement at the end of a two-day conference in Kampala.

Food and nutritional security were "the priority of priorities" for the world's poorest continent, they said.

The heads of state of Mozambique, Botswana, Malawi, Zimbabwe, Rwanda and Uganda signed a plan detailing how to eradicate hunger and malnutrition within 10 years.

The plan included committing themselves to a programme of "pragmatic action" to feed Africa but it failed to spell out specific action.

"We appeal to African policy organs to act in concert and to review and translate cogent policies into pragmatic action needed to promote and enhance the efficacy of the sectors that support the entire food production industry," the plan said.

It will be a tall order. Wars, political stability and poor weather have wrecked crops across Africa, according to reports presented at the Third Presidential Forum on Food and Nutrition in Africa.

Up to 200 million of Africa's 700 million people are faced with starvation, conference documents said. Between 60 and 70 percent of the population in sub-Saharan Africa are malnourished.

In January, the UN Food and Agriculture Organisation (FAO) said that although food supplies in Africa had improved, many areas devastated by drought and war still relied on foreign handouts.

The FAO said 28 African countries would require food aid of up to 2,3 million tons in 1995 — 20 percent below last year's total thanks to improved harvests.

In separate remarks, the heads of state said the problem of the lack of food in Africa went far beyond just providing enough to eat to political freedoms and relations between states.

Botswana's President Quett Masire said Africa needed to pool resources to fight drought and must build a way to come to the rescue of drought victims swiftly.

President Robert Mugabe of Zimbabwe said the fight against hunger must start with more investment into research into quick-yielding crops to beat the dry spells that led to famine.

Dry weather had delayed plantings in Botswana, Lesotho, Namibia, Swaziland, Zambia and Zimbabwe and western parts of South Africa's grain-growing belt, the FAO said.

It also said the food situation in Burundi and Rwanda, torn by ethnic violence and insecurity, remained critical.

Rwandan President Pasteur Bizimungu called for a joint effort to fight food insufficiency, arguing that single states did not have enough resources to tackle the problem on their own.

Ugandan President Yoweri Museveni said political differences made it hard for governments to beat hunger and malnutrition.

"My country for instance produces more food than it needs but it cannot export its surplus because there are no markets for it, sometimes because of the lack of political will on the part of the potential markets," he told the Kampala meeting. — Reuter.

20% less food aid expected

CT 28/7/95

NAIROBI: Some 23 million people living in sub-Sahara Africa face food shortages this year and donor supplies are declining, the United Nations said yesterday.

The Rome-based Food and Agriculture Organisation said in its quarterly forecast released in Nairobi yesterday that food aid worldwide is expected to drop by 20% "due to a tightening supply and budgetary constraints for some aid donors".

The report said the region's cereals harvest this year is forecast at eight million tons below last year and blamed widespread drought and civil strife "which continues to disrupt farming and distribution" in some countries.

AFRICA

Integration still elusive in strife-torn West Africa

ARG 1/8/95

ACCRA. — The 20th anniversary summit of the Economic Community of West African States, far from being a time for celebration, showed how civil war, military rule and political turmoil made regional integration as distant a goal as ever.

Not for the first time, it was Liberia and its squabbling warlords and politicians who cast a damper on the party.

Most heads of state of the 16-member ECOWAS stayed away, preoccupied by domestic troubles, or unwilling to risk being saddled with its presidency and the thankless task of mediating among Liberia's factions.

In the absence of other candidates, the summit unanimously re-elected Ghana's president, Jerry Rawlings, as ECOWAS chairman.

Apart from Mr Rawlings, only the presidents of Guinea, Niger, Benin and Ivory Coast attended, plus the head of Liberia's interim ruling council.

Niger's president Mahamane Ousmane said many leaders were too preoccupied with domestic problems to make the journey. "I think member states were represented at an adequate level."

ECOWAS is riven by divisions between French-speaking and English-speaking members, and by increasing exasperation with the Liberian peace process.

"We won't come next year if it's just to talk about Liberia," said one French-speaking delegate.

Seven Francophone ECOWAS members, relatively wealthier and more peaceful than their English-speaking neighbours, already share a common currency and are pursuing their own integration in the West African Economic and Monetary Union (UEMOA).

The shock of devaluation of the CFA franc in January 1994 accelerated the process.

One of ECOWAS's stated aims is a single currency for all 16 members, and the summit's final communique asked central bankers to study the introduction of West African travellers' cheques.

The summit made no mention of one of the region's most pressing problems — the political crisis in Nigeria since the cancellation of the June 1993 election. The recent conviction of 40 alleged coup plotters by a military tribunal has brought a storm of international criticism.

A special resolution appealed to the UN not to withdraw its military observers from Liberia. The observer mission's mandate runs out on September 15 and Secretary-General Boutros Boutros-Ghali has said it will not be renewed unless there is real progress towards peace. — Sapa-Reuter.

Little press freedom in Africa, conference told

ARGT 1/8/95 (7)

HARARE.— About 80 percent of Africans have no access to free domestic press, an international network of media executives said.

Johann Fritz, director of the Austrian-based Global Network of Editors and Media Executives, told an international conference on freedom of expression that press intolerance was widespread.

"The most populous countries on the continent have a rating of 'no free press', which means that 80 percent of the entire African population does not even have access to partly free domestic press," Mr Fritz said, citing a 1994 report on the state of the media in Africa by New York-based Freedom House.

Only four out of 51 African countries were last year classified to have a free press. They were Botswana, Malawi, Namibia and South Africa, while 19 were graded as partly free and 28 not free at all.

Most notable countries where the press was said to be not free were Nigeria, Togo, Ivory Coast and Zambia.

Mr Fritz said many African leaders were using criminal courts to settle personal scores with journalists and the most common charges used to intimidate and harass the media were defamation and slander.

He singled out the current criminal defamation trial of three Zimbabwean journalists over reports of President Robert Mugabe's alleged secret marraige to his former personal secretary.

In Tanzania, he said, political cartoons had been banned, while in Kenya critical writers were harassed on the basis of the argument that "to have democracy, Kenya needs peace ... and that any criticism causes a breach of peace".

Lack of democracy and civil conflicts were the main hindrances to freedom of the press.

Some African governmments, Mr Fritz said, had set up "private media", to appear to the donor community that they are working towards democracy, when in fact they would indirectly control those outlets. — Sapa-AFP.

Investment opportunities arise in Africa

By Gordon Bell CT (PR) 7/8/95 (1)

SAPA

Following decades of abysmal economic performance, Africa is starting to put its house in order and the windows of opportunity are opening for investors, particularly for South African entrepreneurs.

The World Bank expects economic growth in sub-Saharan Africa to average 4 percent a year over the next two years — outstripping the dismal growth levels over the past decade and bringing life back to a region plagued by political and economic instability.

Between 1985 and last year, African real per capita incomes fell more than 1 percent a year on average, but the World Bank said the continent was set to achieve its first improvement in real incomes since the late 1980s.

One witness to Africa's economic woes has been Standard Chartered Bank which has soldiered on in Africa for the last 130 years — through wars, coups, and famines.

"In the long run, as globalisation continues and as South Africa continues to play a leading role in Africa, there will be significant opportunities for South African companies," said Alex Thursby, the corporate chief of Standard Chartered Bank in Africa.

Ghana, held up as model of World Bank success in Africa, is attracting considerable attention.

Thursby said Ghana held the key to investment opportunities in West Africa, a region rich with unexploited oil and mineral resources.

Ghana holds the key to investment opportunities in West Africa, a region rich with unexploited oil and mineral resources

Ghana achieved economic growth of 3,8 percent last year — only slightly lower than its past ten-year average of 4 percent.

While its level of infrastructure remained a problem, it had seen vast improvements in the last two years, particularly at its airports and harbours.

Thursby said South African investors could cash in on Ghana's opportunities by providing capital goods and supplying the strong emerging middle-class, with products such as pharmaceutical goods and electronic appliances.

South African companies would also do well to consider investments in the country's timber industry and the mining sector, particularly in the provision of technical services and equipment to the gold mines.

And for those firms wanting to set up in Ghana, capital and profit could be fully repatriated and investments were guaranteed against expropriation.

If most of the product was export bound, no minimum capital investment was required and the company's tax rate fell to about 8 percent.

Although the country's inflation was at about 30 percent and the currency was likely to weaken further, companies should be relieved that corruption was being controlled, said Thursby.

However, corruption was still a major problem in East Africa.

Speaking on the opportunities for investors in East Africa, Alan Dodd, the deputy head of Standard Chartered Bank in Kenya, said that although the region was politically stable compared to other African nations, corruption was a problem that had to be addressed.

One of Africa's economic highlights had been the startling growth achieved in Uganda.

It enjoyed growth of 10 percent over the past year, with a more-than-respectable inflation rate of 2,9 percent. Kenya's economy grew at 3 percent last year and Tanzania's at 4 percent. But the latter country's inflation rate of 40 percent was worrying.

Dodd said the region provided generous investment incentives, including tax and duty exemptions, guarantees against expropriation and, in Kenya, an export processing zone.

He has identified particular opportunities for South African producers of paper and pulp, machinery, transport and transport equipment, and pharmaceuticals.

AfDB problems reflect those of a continent

CT (BR) 7/8/95 (1)

By Tina Susman

SAPA-AP

Abidjan — Twenty-nine years ago, in a pioneering spirit fuelled by the end of colonial rule, African leaders built a bank for Africa, run by Africans with African money.

Today, the African Development Bank is a bloated bureaucracy accused of waste, nepotism and corruption, a metaphor for the dire straits of the continent it was meant to save.

While highly paid executives attack each other across conference tables, the United States and other outsiders are accused of trying to seize control.

"It is similar to the internal power struggles that have destabilised many African countries," said Ignatius Peprah, an economist from Ghana.

It is difficult to see how the bank will "meet Africa's needs in the 21st century," he said.

While the problems are not new, they have taken on a new urgency because of Africa's economic struggles and its need for outside help. The continent already spends more than 35 percent of its export earnings paying interest on its debt.

The economies of the bank's 52 African member nations are in such bad shape that only 14 are eligible for new loans. Borrowers are $600 million behind in their payments. The bank's declining resources have forced it to reduce new loans, from $2,5 billion in 1993 to $1,4 billion last year. The bank has a top-grade credit rating, but Standard and Poor's said recently that it was watching the bank's problems.

The main problem is getting more capital from member nations so the bank can keep on lending money.

This is where African and non-African shareholders disagree. The 24 non-African shareholders, led by the United States, do not want to pump in any more money until borrowing rules are tightened and supervision of outstanding loans improves.

Some African shareholders, led by Nigeria — the biggest shareholder with a 10 percent stake in the bank — accuse the non-Africans of trying to seize control and destroy the bank's heritage.

Projects

Critics said the bank was lax in keeping track of money that it lent for projects which included roads, hospitals and dams.

"It's a serious problem when something screws up," said Daniel Duesterberg, adviser to the American representative on the bank's board, Alice Dear. "You find out a loan was made 10 years ago for a water project, but that no wells had been built, and it is hard to pin the blame on anybody."

The problem was highlighted last year in a stinging report by David Knox, a former World Bank president. He described a chaotic, overstaffed organisation with too many chiefs, too many departments and too few professionals willing to take responsibility. While noting that many staff members were excellent, Knox said they were "surrounded by much dead wood."

The target of much recent criticism is bank president Babacar N'Diaye of Senegal, whose 10-year tenure has coincided with the bank's downturn.

N'Diaye, who commissioned the Knox report, is praised for bringing in professionals and launching reforms based on the report. But critics said he had let problems, such as nepotism, flourish.

N'Diaye fired back with his own report in May, accusing some bank directors, whom he did not name, of squandering bank money on lavish overseas trips and personal affairs.

He contended some even stole bank china and exaggerated the size of their families to take advantage of the bank's generous education allowances.

N'Diaye decided not to run for a third five-year term, and was to have been replaced during a meeting in Abuja, Nigeria's capital, but no one got the required majority despite four rounds of voting.

The voting logjam was blamed on Nigeria, which refused to withdraw its candidate even though he placed a distant third.

Nigeria accused the United States and other Western countries of ganging up against it because of their opposition to Nigeria's dictator, Gen Sani Abacha.

Aid and debt eat at Africa's

(G) wm(BM) 11-17/8/95

Trade and investment are necessary to set Africa back on the road toward economic development. Karen Harverson reports

AFRICA urgently needs trade and investment to drive its development which is slower now than it was 30 years ago, says one of Southern Africa's leading economists.

Tony Hawkins, professor of Business Studies at the University of Zimbabwe, was speaking at a Standard Chartered conference held last week.

Noting that per capita incomes in Africa were lower now than they were in the 1960s, as populations grew faster than economies grew, Hawkins explained that unlike the South East Asian countries, whose rapid economic development was driven by trade and investment, Africa's lack of development is driven by aid and debt.

"In the 1960's Thailand's gross domestic product (GDP) was lower per head than Ghana's — today, it is five times greater," said Hawkins.

He said a radical change in certain African countries' economic policies was necessary to attract investment by multinationals which he believed would be crucial in leading the development of Africa.

"Many African governments have shown commitment to the liberalisation of trade and investment policy but have found it difficult to implement these changes."

Another problem facing many African countries is that their economies are 80 percent commodity-based and highly vulnerable to adverse international trends and climatic conditions.

"Fortunately, the protracted downturn in commodity prices in 1992 and 1993 appears to have ended and this bodes well for potential investment."

Another plus in Africa's favour was that the return on investment in Africa was greater for multinationals than in any other country.

"Of course, the risks are also much higher."

Hawkins said that Africa's best chance for attracting investment was in traditional industries or in the area of privatisation.

"Excluding privatisation, most investors are attracted to ventures in oil, gas and mining, especially in West Africa."

Africa's difficulties are compounded by tiny markets which hold little attraction for the modern multinational companies, said Hawkins.

Only South Africa and Nigeria have market sizes topping the $10-billion mark.

"South Africa is the only 'star' on the continent in terms of market size, growth rate and market attractiveness. It's the only market investors view as essential to enter."

He said investors measured the market attractiveness of a country in terms of resource endowment, political stability, policy environment, infrastructure and institutional capacity, foreign debt-burden and export concentration.

"Of these, policy environment is the most important. Resource endowment is a key factor in attracting investment but not essential as proven by the successful economies of the South East Asian countries."

He said countries such as Mauritius, Botswana, Namibia and Swaziland were seen as "limited scope" countries.

"They have good policies and political stability but their markets were just too small to attract investment interest beyond exploitation of raw materials."

Despite its market size, Nigeria,along with Cote d'Ivoire, Angola, Zimbabwe, Ghana, Kenya, Uganda, Zambia, Cameroon and Tanzania, was ranked as a "problem child".

"These countries have good growth environments when markets improve but the scope is limited by the moderate market size. Investors need to pick the winners and establish joint ventures."

He relegated Ethiopia, Mali, Mozambique, Sierre Leone, Toga, Somalia, Rwanda and others to the ranks of "dog" countries.

"These are viewed as no-go countries which will take a long time to develop market attractiveness."

He warned investors to adopt a "watch and wait" attitude to these African countries apart from some exports and marketing outlet opportunities.

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West African Ecobank on track for expansion

(1) BD 16/8/95

ABIDJAN — Ecobank, a home-grown West African offshore operation set up in the face of local and foreign hostility, plans a carefully paced expansion across the region after initially biting off more than it could chew.

The private group, which operates in five countries, says that although 1993/94 net after-tax profit rose almost 50% to $5,8m, its performance during the first seven years had not matched expectations.

But having embarked on a total recapitalisation of its under-performing Ivory Coast subsidiary, and unveiled plans to start up in Burkina Faso in 1996, it is confident of moving closer to stimulating regional trade and integration.

"We took on a lot at the beginning," said Togo-based parent Ecobank Transnational Incorporated president Mahenta Fall.

Ecobank began in Togo in 1988. It opened branches in Ivory Coast and Nigeria in 1989 and Ghana and Benin in 1990.

Fall said Ecobank's African founders faced initial opposition from Francophone West Africa's central bank and various countries in the region. Gbondjide Koffi Djondo, himself a founder, went further: "This hostility was not only from the central bank, it was strongly fed by foreign banks. . . particularly French banks."

Ecobank wants to share in any boom in Ivory Coast, which predicts 1995 growth of 6,5%.

MD Rizwan Haider says the group plans to play a full part in an expanded Abidjan Stock Exchange, which is planned to serve Francophone countries in the region.

Fall said Ecobank, which had assets of $403m, wanted to offer quick capital transfers through its subsidiaries and its own resources. He said several states wanted Ecobank to open on their soil. — Reuter.

Tazara railway line faces uncertain future

BD 16/8/95

DAR ES SALAAM — The future of the 1 860km Chinese-built railway linking Tanzania and Zambia looks shaky as a result of increasing competition from SA transporters and a shortage of funds to upgrade the utility.

SA has taken over 75% of the cargo that used to be handled by the 17-year-old Tanzania-Zambia Railway Authority and "without concerted efforts, the railway line's future is doubtful," says a senior Tazara official.

The railroad links Tanzania's port capital of Dar es Salaam, located on the Indian Ocean, to the township of Kapiri Mposhi, north of the Zambian capital of Lusaka.

At the time it was built, Zambia needed to find an alternative to its traditional transport route that led through then white-ruled Rhodesia (now Zimbabwe) to SA. Spurned by the West, the Tanzanian and Zambian governments turned to the Chinese for help.

The result was China's biggest development project in the developing world, a massive venture built by Chinese and Tanzanian workers.

But the end of apartheid in SA, and peace in Mozambique — another alternative route for exports from Zambia — and Malawi, which also uses the railway, has exposed Tazara to competition from other southern African transporters.

Fears about the future of Tazara date back to 1993 when, during a visit to Tanzania Zambian President Frederick Chiluba said his country would increase ties with SA. Chiluba was true to his word. Zambia, which partly owns Tazara along with Tanzania, is now increasingly using SA ports for both its imports and exports because the road and railway services between the two countries are more efficient and faster.

Nevertheless, Zambian Deputy Communication and Transport Minister Gilbert Mululu gave the customary pledge of support for the railway when he met Tanzanian and Chinese officials in Dar es Salaam over the weekend. "The railway line is our backbone and we will ensure that it survives," said Mululu.

China's Assistant Minister for Foreign Trade and Economic Co-operation Tang Wensheng promised that "China will continue to co-operate with Tanzania and Zambia in strengthening Tazara." To this end, Beijing has extended a $23m loan to the utility.

The list of pledges included one from Tanzanian Deputy Finance Minister Venance Ngula, who vowed that "come what may, we will ensure the railroad exists".

But pledging support will prove much easier than ending the financial and operational difficulties of a railway service whose 1 400 wagons and 29 diesel-electric locomotives have transported far less goods and fewer people than planned.

Tazara officials say the utility needs at least $200m to strengthen its operations so as to enable it to face up to its competitors.

Under a $300m, 10-year improvement programme which ends this year and was financed by the World Bank and Western countries, Tazara was to have moved 2,5-million tons of cargo and 2,5-million passengers a year. But freight went down from about 1-million tons in 1992/1993 to an estimated 540 000 tons in 1994. And only about 750 000 passengers used the railway service last year.

In addition to the shift to SA, the decline in the economies of Tanzania and Zambia has also helped to reduce the volume of traffic on the line.

All this is forcing Tazara to streamline its operations. Its workforce is to be slashed from the present 6 600 to 4 000 by June next year.

"We are transforming Tazara into a market-oriented institution," says Tazara CE Antisne Mweemba.

However, he has few illusions: "The future financial viability of the railroad to operate in a commercial environment is bleak," he admits. "Something has to be done." — Sapa-IPS.

SA to join African bank tomorrow

CT(BE)24/8/95 (1)

By Thalia Griffiths

REUTER

Abidjan — The African Development Bank will formally admit South Africa tomorrow with Pretoria taking a cautious 1 percent shareholding, but joining in time to take part in elections for a new bank president.

Bank sources said the governors, who will meet in Abidjan tomorrow for a rerun of the elections that ended in deadlock in May, will first vote on admitting South Africa.

South African officials said the decision to join the bank could provide a badly needed injection of confidence.

Under fire for corruption and mismanagement, the bank needs a president supported by both African and non-African members so it can unblock its soft-loans arm and start work on a planned restructuring.

South Africa has attended bank meetings as an observer since 1991.

Bank sources said that as the biggest economy in sub-Saharan Africa, South Africa would be entitled to a shareholding of up to 12 percent, overtaking Nigeria which has 10,53 percent.

The bank failed in five rounds of voting in May to elect a successor to outgoing president Babacar Ndiaye.

An election at the bank's annual assembly in Nigeria's capital of Abuja on May 25 ended in stalemate and the same three candidates — Seyyid Abdulai of Nigeria, Omar Kabbaj of Morocco, and Timothy Thahane of Lesotho — are standing again in Abidjan.

South Africa has pledged its support to Thahane, a vice-president and secretary at the World Bank, who is backed by the Southern African Development Community and the United States.

In the vote in Abuja, Thahane had the highest number of votes but failed to secure a majority in five rounds of voting. Abdulai, placed third, failed to withdraw as the fourth and fifth-placed candidates had done.

Standard and Poor, the credit rating agency, placed the bank on credit watch at the end of June.

Bank sources say the standoff over the presidency obscured progress made in Abuja.

Governors voted to limit executive directors to two three-year terms. They also approved an independent external review of the bank's administration and financial management to clear the air for the new president.

Bid to rehabilitate Africa's ramshackle railways

CT(BE) 25/8/95 (1)

By Joe Khamisi
Independent Foreign Service

Nairobi — Kenya, Uganda and Tanzania require millions of dollars to rebuild their dilapidated railway systems after years of neglect.

Regional experts say lines — most of them built during the colonial era — need upgrading, and aging wagons require rehabilitation. The state of rail-infrastructure degeneration in East Africa, experts say, is hampering the flow of passenger traffic and constraining cargo movement.

Recently one of the world's biggest producers of soda ash, Magadi Soda Ash, bought a $220 000 locomotive from Zimbabwe because the company was losing substantial revenue due to delays on Kenya railways.

Uganda often complains about the slow movement of its principal export product, coffee, from inland to the port of Mombasa on the Kenyan coast. The delays are so serious that the US Agency for International Development (USAID) has called a two day symposium to deliberate the matter.

It will review the status and costs of transportation in the region and formulate recommendations for lowering transportation costs as a means of boosting regional and overseas trade.

The symposium will be held in the northern Tanzanian town of Arusha on June 22. It will be attended by public and private transportation officials from the three countries.

Last year cargo movement in Kenya almost came to a halt due to a large number of unserviceable wagons. Kenya had to turn to South Africa from which it leased 10 engines at a cost of R924 000 a month.

Experts here say, however, that rehabilitation of the rail systems is not enough by itself. The process must be accompanied by sound management, technical and financial practices which have been grossly lacking.

Uganda, which has a locomotive workshop at Nalukolongois, west of the capital Kampala, is perhaps the only exception. It is tipped as a possible central facility that could serve railways in East and Central Africa. Since the workshop was built in 1988, 25 locomotives have been overhauled, saving the country more than $7 million.

It is equipped with a machine shop, diesel engine overhaul, wheel reprofiling, handle motors and generators and is capable of manufacturing spare parts for locomotives.

Uganda has more wagons on rail than any of its two neighbours — a total of 1 400. At one time last year Kenya had only 20 working wagons. Uganda is negotiating with the World Bank for $60million for rehabilitation of the Kampala-Kasese line.

Row with pan-African bank patched up

(1) Star 26/8/95

By ALISON JAMES
INDEPENDENT FOREIGN SERVICE

Abidjan – A row that threatened to mar South Africa's admission to the African Development Bank was patched in Abidjan yesterday, according to Finance Minister Chris Liebenberg.

South Africa, set to become the newest member of the continent's only pan-African lending institution, was expected to have its membership ratified at a directors' meeting in the Ivory Coast capital yesterday. Membership would have allowed South Africa a vote in the election of a new bank president, a process which began in Abidjan late yesterday. However, at the 11th hour on Thursday the bank said South Africa could not be admitted in time for the vote.

The decision prompted an outcry from South Africa's finance department. Department chief director Dr Elty Links warned that the decision would have a "very negative reponse from (the South African) Cabinet and Parliament".

Speculation in bank and diplomatic circles in Abidjan was rife. One interpretation was that the bank's last-minute refusal to admit South Africa in time was to stop it taking part in the vote for the presidency, increasing the chances of Nigerian candidate Seyyid Abdulai and Morocco's Omar Kabbaj. South Africa, along with its southern African neighbours, is backing Lesotho's Timothy Thahane, a vice-president of the World Bank.

Another suggestion was that bank members were angry about South Africa's decision to join the body with a stake of only 1%.

Liebenberg, apparently angered by the bank's stonewalling, met chairman Paul Doussou. Afterwards Liebenberg said: "We were very reassured. We were told how eager the board of governors and directors of the bank were for us to join."

The reason given to Liebenberg for the delay was that the necessary legal formalities had not been completed in time.

"The reasons we heard on the grapevine were wrong," said Liebenberg. "There was a breakdown in communication.

"There was a misunderstanding regarding the process a new member has to go through and we were taken aback at not being fully aware of the legal delays."

He denied that South Africa had hoped to have a vote yesterday. "Our presence was not to vote. It was to meet our future fellow governors.... in any event, the percentage vote we would have had could make little difference to the outcome."

Voting for the president by the bank's 52 African members and 25 non-regional members from north and south America, Europe, Asia and the Middle East was due to begin behind closed doors at Abidjan's Hotel Ivoire yesterday.

AfDB keeps SA on hold

(1) ST 27/8/95

SOUTH Africa's admission as a shareholder in the African Development Bank had been delayed, Finance Minister Chris Liebenberg said on Friday.

Mr Liebenberg led a delegation which met the AfDB's board of governors in Abidjan Friday morning. He said he had been assured South Africa's membership was still welcomed by all shareholders.

"South Africa has complied with all the requirements to take up its membership and is now waiting for the bank to process the legal technicalities of the application," the minister said.

Long barred from membership because of apartheid, South Africa was due to join the AfDB on Friday as the 53rd African shareholder in the bank, one of Africa's most important financial institutions.

A joint committee of the AfDB and its African Development Fund has recommended the governors "do everything in their power" to speed up South Africa's admission.

Bank governors were meeting on Friday in their second attempt this year to appoint a new president to succeed Senegal's Babacar N'Diaye. — Sapa-AFP.

ARMS FOR AFRICA

(1) ST 27/8/95

Deadly trade poses threat to stability

By CHRIS BISHOP: Mozambique

IN A flash of flame and a deafening crack another arms cache is destroyed deep in the Mozambican bush, near the western border with Zimbabwe.

Many thousands more arms caches are hidden in the bush across Mozambique, worrying the authorities and police, who fear they are feeding a deadly arms trade.

"Every day 10 or 15 of our investigators report finds of arms caches. Every day," says Mannex Nyengendza, an explosives expert for the contractor Mine-Tech, which clears mines and destroys illegal arms caches.

And Artur Canana, the governor of Manica, admits that weapons fuelling an illegal arms trade have been sold out of police stations.

"There is nothing we can do about the indiscipline of certain officers, which is making the whole problem worse," he shrugs.

The daily discoveries of arms caches make a mockery of UN claims that all of Mozambique's one million weapons from its civil war were either handed in or destroyed. Up to 20 tonnes of ammunition and weapons are found at a time, enough to start a small war.

Lionel Dyke, a former colonel in the Zimbabwean Army, who lived and served in Mozambique for more than 20 years, said: "We are finding a lot of these caches which were not surrendered during the UN days. One is in the middle of a town. I am amazed the UN didn't have it shown to them or have it destroyed — it is very dangerous because the hundreds of thousands of rounds of ammunition alone are a problem, not necessarily starting another war, but from the point of view of banditry, poaching and criminals being able to arm themselves over a long period of time."

Evidence of the illegal trade in weapons litters Mozambique and its borders. In the markets of the frontier towns of the western Manica province, AK-47s can be bartered for a can of oil.

Police outside Mozambique fear border-jumpers are trading weapons to South Africa, Zimbabwe, Malawi and Swaziland.

Zimbabwean police in the country's eastern Manicaland province, which borders Mozambique, claim a 30 per cent increase in armed robberies last year was due to the flow of illegal weapons.

Bandits inside Mozambique, many of whom are ex-combatants frustrated by poverty and unemployment are taking to the bush to live by crime.

Among the victims is farmer Clive Stewart, a Zimbabwean farming tobacco near the Mozambique-Zimbabwe border, who was shot by bandits while driving home one night from a restaurant.

Mr Stewart's response has been to hire 26 fully armed former Frelimo guerrillas to patrol his farm. Every night they clock in with instructions to shoot armed intruders.

Mr Stewart said: "There are now robberies taking place during the day, which is worrying, because there is a drought and little food around — people need money and I think things are going to get out of hand."

Observers agree that little can be done to stem the tide of illegal weapons from Mozambique, raising further questions over the future of the uneasy peace.

New AfDB head promises reform

CT(???) 28/8/95 (1)

By Beth Duff-Brown

SAPA-AP

Abidjan, Ivory Coast — After 20 hours of back-room negotiations and shifting alliances among shareholders, a Moroccan economist was elected head of the African Development Bank at the weekend.

Omar Kabbaj, 53, a senior government economic adviser and former representative to the World Bank and International Monetary Fund, was elected president after nine gruelling rounds of voting.

The win came after Nigeria, the largest shareholder of Africa's top lending institution, conceded the defeat of its candidate, Seyyid Abdulai, and threw its 10 percent vote behind Morocco.

That bumped Timothy Thahane, an economist from Lesotho who was backed by the United States, from the lead in the race for the five-year presidency.

In the end, Kabbaj emerged with 63 percent of the vote.

Babacar Ndiaye of Senegal is stepping down after 10 years as president of the beleaguered bank, which is plagued by a bloated bureaucracy, allegations of corruption and a tenuous debt rating.

Kabbaj, who would this week become the bank's sixth president since its founding 32 years ago, vowed to submit a three-year reform plan to the board of governors within four months.

"The media sometimes exaggerates the bank's problems," said Kabbaj.

"The bank is still one of the most important and prestigious institutions of Africa and we will work to re-establish its credibility and image."

The United States and most of the bank's 24 non-African members had favoured Thahane, a vice president and secretary of the World Bank who lives in Washington.

While many European members withdrew their support from Thahane at the last minute to break the deadlock, the United States, with a 6 percent stake in the bank, backed him until the end.

"We fought a good fight," said Lionel Johnson, the deputy assistant secretary of the United States treasury department and acting governor of the African Development Bank.

Voting began on Friday morning and was still deadlocked at midnight. The impasse was not broken until Saturday afternoon.

"We felt that Thahane was the better qualified of the two candidates," said Johnson. "But we don't have any problem with Kabbaj; he has our full support."

Johnson said the election was not just about the presidency of the bank. "This will define the vision and the very soundness of the bank into the 21st century."

Western members of the bank have demanded that it tighten its credit policies, cut bureaucracy and restructure operations. The United States has led a proposal by the non-African members for a 50 percent increase in the bank's capital, to about $33 billion, if financial control is shifted to them.

That has infuriated many of the 52 African members, some of whom emerged from the closed-door session proclaiming, "Today is Africa's day."

Nigeria threw enormous weight behind its candidate, with a 27-member delegation and reports that they had promised poorer countries gifts of money and aid if they stood by their candidate.

But Abdulai never gained more than 16 percent of the vote.

Moroccan chief for African Bank

DN 28/8/95 (1)

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"The media sometimes exaggerates the bank's problems," Kabbaj told a news conference. "The bank is still one of the most important and prestigious African institutions and we will work to re-establish its credibility."

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Indeed, voting began on Friday morning and was still deadlocked at midnight; the impasse was not broken until 2pm on Saturday.

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Johnson said the election was not just about the presidency of the bank. "This will define the vision and the very soundness of the bank into the 21st century."

Now that the bank has a new president, the African Development Fund, the bank arm providing low-interest loans, can get on with determining how many loans to make in the next three years.

The economies of African members are in such bad shape, however, that only 14 of them are eligible for new loans.

Borrowers are \$600m behind in their payments, and the bank has had to reduce new loans from \$2,5bn in 1993 to \$1,4bn last year. — Sapa-AP.

CC

AfDB members 'unhappy' with SA

CT (BR) 30/8/95 (1)

FROM DALE LAUTENBACH
THE INDEPENDENT FOREIGN SERVICE

Adewale Sangowawa, the vice-president of the African Development Bank (ADB), has confirmed there was a "lot of disappointment" among bank members that South Africa was entering the institution with just a one percent share of the capital.

Sangowawa was attending the annual Southern African Development Community summit in Johannesburg yesterday.

Asked whether there had been any politicking in the ADB's last-minute decision to delay South Africa's accession to the Bank, he said no. Pressed further, he acknowledged that had SA been on the outside with a 10 percent bid "everyone would have rushed the membership through".

"One percent didn't make anyone want to rush," said Sangowawa.

Chris Liebenberg, the South African finance minister, led a delegation to the bank's headquarters in Abidjan last Friday — where it was widely expected that SA would be granted membership — just before voting began for the bank's next president.

In a sudden turnabout, it was announced that SA's accession would be delayed because certain legal formalities had not been completed in time. At first the South African delegation was incensed at this stonewalling, but Liebenberg met with the bank's senior officials and later told the Independent Foreign Service that he was "reassured".

Cautious

Given the rather parlous state of the bank's finances, Sangowawa was asked whether there was indeed some appreciation for SA's cautious entry.

"They are probably being over-cautious when compared with the benefits South Africa can draw from membership," he said.

In reality, South Africa could not have come in with a flashy 10 percent of the bank's capital. A maximum of 2,59 percent was available to SA and anything bigger would have had to have been by way of a special issue.

A country's stake in the bank is usually calculated on its GDP and Nigeria is presently the biggest stakeholder with more than 10 percent.

Sangowawa noted that SA had not ruled out an increase in its stake in the future but "maybe other members don't feel so satisfied with that promise", he said.

SA's entry would now go to a postal vote by the board of governors of the bank once the board of directors had approved the formulation. This could take six-odd weeks if there were no problems, said Sangowawa.

Meanwhile, the contentious elections for the bank's new president at last got under way in Abidjan at the weekend and the Moroccan candidate Omar Kabbaj emerged with the prime post.

Noteworthy on the political playing field is that Morocco, unlike all its fellow African members in the bank, is not a member of the Organisation of African Unity.

AfDB members 'unhappy' with SA

(1) Star 30/8/95

■ BY DALE LAUTENBACH

Adewale Sangowawa, the vice-president of the African Development Bank (AfDB), said there was a lot of disappointment among bank members that South Africa was entering the institution with only a 1 percent share of the capital.

Sangowawa was attending the annual Southern African Development Community summit in Johannesburg yesterday.

He said there had been no politicking in the AfDB's last-minute decision to delay South Africa's accession to the Bank.

However, he acknowledged that had South Africa been on the outside with a 10 percent bid "everyone would have rushed the membership through".

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He said: "(South Africa) is probably being over-cautious when compared with the benefits the country can draw from membership."

However, South Africa could not have come in with 10 percent of the bank's capital. A maximum of 2;59 percent was available to South Africa and anything bigger would have been via a special issue.

Re-colonisation for the 'basket-cases'?

Barely 18 months after the final curtain of colonialism has dropped on Africa, it has been suggested that some struggling African countries be re-colonised writes Dr GREG MILLS for The Argus Foreign Service.

(1) ARG. 4/9/95

THE 38 years of Africa's post-colonial period since the independence of Ghana have, for the most part, been characterised by a catalogue of disasters. As a result, by the start of the 1990s, much of the continent was perceived to have degenerated into a desperate cocktail of military regimes, coups d'etat, mismanagement, nepotism and structural decay.

Since the fall of communism in eastern Europe and the Soviet Union, Africa has followed the trend of democracy by throwing out dictators — benign or otherwise — and by earnestly, if not completely successfully, setting up accountable systems of government.

Since 1989, some 30 single-party or military governments have transferred power through multi-party elections, increasing the total of multi-party democracies in Africa's 53 independent states to 37.

Greater accountability has most recently also been sought through the establishment of Nuremberg-type trials in Rwanda, Ethiopia and Malawi.

Furthermore, the remarkable nature of South Africa's own transformation stands out as an example of what can be achieved in the face of adversity.

Yet hopes for change have received some setbacks along the way: the catastrophes in Somalia, Liberia and most tragically, Rwanda, stand out in the minds of the international community.

During this period since the end of the Cold War, the very structure of the continent has also been questioned; where the viability of states, their borders, and their inability to provide even basic amenities has come under scrutiny.

In this there has been a constructive appraisal of the role of Africa's civil society — the churches, trade unions, NGOs and extra-parliamentary political forces. But it also led to a re-examination of the concept of state sovereignty, and the suggestion of imaginative proposals about what to do — in the face of international apathy and disregard — with Africa's "basket-cases", where there is little prospect of hope and growth, and great prospect of upheaval.

At a recent meeting in Johannesburg, Professor Ali Mazrui put forward an innovative method of dealing with the problems of African state weakness. The lack of peace, stability and inherent viability could be managed, he suggested, through "inter-African colonisation", just as the then Tanganyika colonised Zanzibar in 1964, or, as Tanzania, invaded Uganda in 1978.

He argued that African states needed to reconcile themselves to doing more — to pushing and shoving their weight around the African continent, not relying on the West to take responsibility.

He argued that South Africa, Egypt, Nigeria, Ethiopia and Zaire were the five "pivotal" African states for the 21st century, expected not only to operate presumably as growth nodes, but to absorb the lion's share of Africa's responsibilities as an "Africa Security Council".

Barely 18 months after the final curtain of colonialism has dropped on Africa — were Professor Mazrui not speaking as a black African — these suggestions could be taken as patronising and insensitive. And while thoughtful and imaginative, their practicality is dubious.

Not only are two of the five anticipated African leaders (Nigeria and Zaire) themselves in turmoil and candidates for assistance, but Ethiopia has only recently emerged from a debilitating period of civil conflict, which has led to the fracture with Eritrea.

Furthermore, Egypt is battling with Islamic fundamentalist demands on government, occasionally in the form of terrorist attacks.

South Africa itself is also coming to grips with democracy and should, many would argue, focus its energies internally to create conditions of sustainable growth and development, thereby offsetting the legacy of racism and through its success, act as a beacon of hope and a role model for Africa.

But more importantly, any "re-colonisation" now will be extremely difficult to manage, and any decision to intervene would have to be negotiated if it were not to be seen as potentially divisive and a cause of conflict.

Without the agreement of all major African powers, neighbouring states and the "colonised state" itself, civil dissidence and non-sustainable state structures might arise. All this apart from the fact that relatively healthy or not, there is no state in Africa which does not have major domestic, principally economic hurdles to overcome.

ARG 4/9/95

As one of the potential colonisers, South Africa has its own fish to fry, and given the sensitivities pertaining to its role in the continent, would have to handle any intervention multilaterally.

This is not to say that South Africa and other African powers should not acknowledge their African responsibility towards the development and pacification of the continent. Yet it is unlikely that support for and assistance with the rebuilding of state structures can take the form of formal re-colonisation.

● Dr Greg Mills is director of studies at the South African Institute of International Affairs.

African hoteliers view future with optimism

(1) ARG 7/4/95

DENNIS CAVERNELIS
Staff Reporter

DESPITE problems with infrastructure, staff, a drop in tourism, and malaria, African hoteliers remain optimistic about the future.

Protea Hotels' regional managers, representing the group's 84 hotels in Africa — 60 in South Africa and 24 in 11 countries in the rest of the continent — attended their annual conference in Sea Point this week.

Ian Dougan, general manager for the five Tanzanian hotels, was previously general manager of the Hilton in the United Kingdom, and also worked in Kenya.

"Managing a hotel in the UK is different to managing one in Africa, but at the end of the day we are there to look after our guests.

"Tanzania is no different in operation to many African countries. It's a beautiful place, but there are problems with infrastructure, such as communications, roads and the availability of goods.

"In South Africa you can go down the road to buy fresh produce and meat, but you can't assume these things will be readily available in the rest of Africa," said Mr Dougan.

Mr Dougan said another problem was the lack of a "a Tanzanian work and tourism culture", and the lack of a well-trained workforce: "It is a lot of work to train people, but it is an exciting challenge, and I look forward to being around after things have improved."

The toughest part of working in Africa, said Mr Dougan, was trying not to catch malaria. "I have had it four or five times."

The biggest problem facing Wayne Colpitts, general manager of Pinewood Village in Kenya, is the drop in tourism.

"Last year Kenya was the most visited sub-Saharan country, but now more people are going to South Africa," said Mr Colpitts.

Most Kenyan visitors were from the United Kingdom, Germany, France and South Africa.

Mr Colpitts also faces infrastructure problems, especially with water and power supplies, but on the positive side, he described Kenyans as "a fantastic people, very hospitable".

Botswana is probably one of the most stable and viable of all African countries, said Jo Huse, manager of the Grand Palm Hotel in Botswana.

Mr Huse, who has lived in all parts of Africa for 25 years, said running a hotel in Botswana was "very similar" to running one in South Africa: "You can get everything there."

Ahmed Ezzelarab, a partner in the Egypt's El Sokhnah Hotel, expects a bumper tourism season this year and next year.

El Sokhnah (Arabic for "the hot") is one of the group's newest hotels and opened in April. The name refers to a hot spring which "according to legend God asked (the spring) to flow for Moses and the children of Israel when he led them through the Red Sea", said Mr Ezzelarab.

"Most visitors to Egypt are from Europe, and we expect a very good season in 1995/6. The link between South Africa and Egypt is very strong, and with three weekly flights between South Africa and Cairo we expect an increase in the number of South African tourists," said Mr Ezzelarab.

Rights Court will have judges of 'high moral character'

THE proposed African Court on Human and People's Rights will consist of 11 judges of "high moral character and of recognised competence in the field of human and people's rights", according to the draft protocol document presently under discussion in Cape Town.

The judges must be nationals of member states of the Organisation of African Unity and no two judges shall be nationals of the same state.

"The jurisdiction of the court shall extend to all cases and disputes submitted to it on the interpretation and application of the African Charter on Human and People's Rights, this protocol and any other African human rights instrument."

The court will also act in an advisory capacity to interpret the charter or other human rights instruments.

The seat of the court will be determined by the OAU's assembly, although cases could be heard in the territory of any OAU member state.

If the court finds that there has been a violation of human rights, it shall order an appropriate remedy.

The court may also rule that the consequences of the situation that constituted the breach of such right be remedied, and that fair compensation or reparation be paid or made to the injured party.

All states party to the protocol shall undertake to comply with the judgment in any case to which they are parties.

The judgment of the court may be executed in the country concerned in accordance with domestic procedures governing executions of judgments.

Search for justice in Africa

There is cause for optimism – jurists' commission chief

(1) ARG 8/9/95

AFRICAN legal experts have converged on Cape Town — under the auspices of the Organisation of African Unity and the International Commission of Jurists — to draft a protocol towards the establishment of an African Court on Human and People's Rights. A report by ROGER FRIEDMAN.

Picture: ANDREW INGRAM, The Argus.

HUMAN RIGHTS COURT PIONEERS: Assistant secretary-general of the Organisation of African Unity, Ahmed Haggag, left, and secretary-general of the International Commission of Jurists, Adama Dieng, at the Waterfront in Cape Town for the meeting of legal experts.

WHILE certain African countries are revelling in new-found democracy, others still suffer brutal repression, spiralling violence and ongoing human rights abuses.

But there is cause for optimism, Adama Dieng, secretary-general of the International Commission of Jurists, told delegates to the meeting of African legal experts at the Waterfront in Cape Town.

"We are going to mobilise the forces of progress, of justice and of freedom, in order that the dreams of all the sons and daughters of Africa may be realised," he said.

The international process for the protection of human rights in Africa began more than 30 years ago at the Lagos (Nigeria) Congress of African Jurists.

Out of the Lagos Congress emerged "The Lagos Law", which allowed for the creation of a tribunal giving open recourse to anyone questioning the jurisdiction of signatory states.

Twenty years later the application of The Lagos Law manifested itself in the adoption of the African Charter on Human and People's Rights.

Another 12 years later, in Dakar (Senegal) in 1993, African jurists came together once more. They felt any move to protect human rights in Africa would remain incomplete if Africa was not endowed with true human rights jurisdiction.

The International Commission of Jurists was mandated by the experts to arrange a series of consultative meetings aimed at completing the groundwork for the establishment of an African human rights court.

A work group was established in Geneva to finalise a preliminary draft for the additional protocol relating to the African Charter.

In Tunis (Tunisia), in June 1994, the Assembly of Heads of State and Government of the OAU adopted Resolution AHG 230 in which they invited the general-secretary of the OAU to summon experts to meet around the establishment of an African human rights court.

Hence the meeting in Cape Town. (Ironically, South Africa has not yet acceded to the African Charter on Human and People's Rights.)

Minister of Justice Dullah Omar welcomed the initiative "wholeheartedly" at the conference opening yesterday.

The initiative to establish a continental human rights court could not have come at a better time, he said.

Mr Omar said some of the "constraints" facing Africa were the legacy of past domination, but "a substantial portion is directly attributable to breakdown of governance and the lack of democratic institutions".

"We believe that there is a relationship between human rights and democracy on the one hand, and development on the other," he said.

Mr Omar warned that Africa was still characterised by a stark diversity of political systems, cultures and levels of economic development; while a perusal of reports by the OAU and other international human rights organisations "still paint a picture of wide-scale abuses ranging from enforced disappearances, torture and arbitrary deprivation of life, to absence of due processes".

"While we are not at this point in a position to predict with precision what the impact of the (proposed) court will be, we are no doubt convinced that its establishment will raise awareness in the field of human rigts generally."

OAU assistant secretary-general Ahmed Haggag, said South Africa's leading role in the search for solutions to conflicts in South Africa made it an ideal setting "for an encounter of this importance".

"Perhaps no continent and no people have experienced so much agony and suffering as a result of massive violation of human rights.

"It is therefore all the more reason that we in Africa should be in the forefront in the struggle for the scrupulous observance of human rights.

"In order to achieve this objective as well as to enable our continent to contribute with the rest of the world to consolidating the respect and protection of human rights, we have to strengthen our institutions at the national and continental level.

"At the same time, in concert with other members of the human family, Africans must struggle for a world order which is humane and takes into account the legitimate aspirations of the people for economic and social development, which cannot be divorced from the human rights agenda."

● The conference is being attended by about 80 delegates from 18 African countries, including justice ministers, members of human rights commissions, law professors and representatives of foreign affairs ministries.

It is scheduled to finalise a report on proposals for the court on September 12.

Saturday Star
September 9 1995

So-called white elephant keeps a region on track for future

① Star 9/9/95

Passenger and cargo traffic has been reduced on the Chinese-built 'Uhuru Line' once built to help Frontline states avoid using former apartheid South Africa's ports. But DUNCAN GUY of the Independent Foreign Service discovered that African trade will never die along the great African railway

New Kapiri Mposhi (Zambia) – Kiswahili, Africa's Bantu-Arabic trading language, begins to be heard here where watered rivers, snaking through the crisp winter grass, indicate the beginning of the end of drought country.

"*Chai na mkate* Hundred kwacha," shouts a Zambian railway station vendor advertising her tea and bread to passengers coming off the train, on the Tazara rail line, to stretch their legs on terra firma after a 1 860 km, two nights and a day's train ride from the humid, green coconut coast of Dar es Salaam.

Some 5 000 Chinese labourers and their local counterparts spent six years building the $230-million line, completing it in 1976.

From New Kapiri Mposhi, it starts along the old colonial Great North Road into Tanzania, then leaves the route along the road into previously virgin vast tracts of *brachystegia* woodland and drier baobab and sausage tree country forming Tanzania's "Uhuru Corridor" Considered an engineering miracle when it was built, it crosses steep gradients and 300 bridges, and passes through 19 tunnels.

But its main aim was to help Frontline states reduce their dependency on South Africa during the apartheid era.

Now that time has passed, and with a drop in Zambian and Zairean copper production, levels have dropped to 640 000 metric tons a year since 1993, a drop of 260 000 tons from the average during the sanctions era.

With another drought relief year in progress, the line could well be freighting huge amounts of cargo, but if it does it will be in the face of other competition in the region.

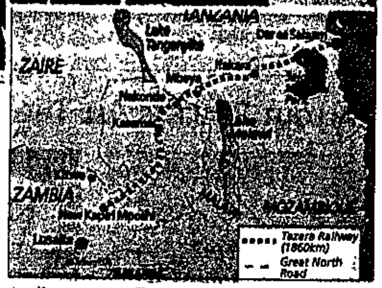
While it might be a financial white elephant unless it becomes more self-sustaining, it has become an integral part of modern African life which embraces cross-border trading and free-market enterprise.

Managing director Antisne Mweemba says Tazara's greatest competition comes from the opening up of previously underutilised corridors in South Africa and Mozambique.

Structural adjustment programmes imposed by the World Bank and IMF are guidelines that debt-ridden countries must follow to meet their obligations.

The effect has been massive closures of previously subsidised commercial and industrial enterprises, causing unemployment and leading to an increase in self-employment.

This has brought about a change of lifestyle in the region.



LIFELINE: Tanzanian vendors on the "Uhuru Corridor", opened up by the Tazara railway line. (Inset) The Tazara railway line from New Kapiri Mposhi to Dar es Salaam

PICTURES DUNCAN GUY AND IVOR SIYAME

It is illustrated best by three passengers in a first-class compartment who last rubbed shoulders with the masses in third class when Zambian police kept people away from the entrance to the station platform before boarding time by whipping them with ropes and belts.

Ivor Siyame was once an accountant in Kitwe, on the Copperbelt. "I was retrenched but now I engage my hobby, photography, and I have opened a studio. I am on my way to a funeral in my home area at Nakonde on the Tanzanian border."

Francis Musonda was also retrenched, from Zambia Railways, and has invested the little he has left in his village home in Kasama, on the Zambian section of the line. He's in first class only because a number of tickets was part of his retrenchment package.

Eddie Chanda, a former salaried shop cashier from Kitwe, has a sparkle in his eyes. "I discovered I could make more money trading on my own. So I travel to Zanzibar to fetch compact discs and videos."

Zanzibar, with its low import duties, attracts merchandise from silk shirts to electronic goods and reconditioned vehicles from the Middle and Far East, notably Dubai.

Legally or illegally they make their way to the mainland through "Dar" – the port, an open mouth for Africa to consume the goods, and the Tazara line functioning as a long throat to bring them into the depths of Africa.

From Burundi, Rwanda, Uganda and Zaire, business people trek to Dar for the same reason. Back on the Tazara, in second class, two Kenyan businessmen represent the line's facilitating of trade inside Africa.

"We brought hair extensions (wigs) from Nairobi to sell in the Copperbelt," said one. No bank in Kenya would exchange the Zambian kwacha they earn for local shillings. But Zambia's very free-market economy allows *bureaux de change* to sell them US dollars for their kwacha profits.

The train arrives promptly at stations. Flocks of children, many of primary school age, sell cigarettes, bananas, mineral drinks and dried fish.

Nakonde is the border stop where most third-class passengers spill out to shop for imported goods, then make it back to the station on time for a train going back.

Again there's platform pandemonium. Police are quick to use their belts for crowd control, a sight less common in Tanzania.

More characteristic than immigration officers are the money changers – often crafty characters known for their thieving tendencies. But they provide an essential service. Although Tanzanian shillings and kwacha are accepted tenure in border towns, the moment the train crosses the line, drinks at the bar and food in the dining car are for sale only in the currency of the country the train is in.

South African beer is as popular as local Tanzanian Safari and Zambian Rhino and Mosi lager.

A paper mill flashes by at Mgololo, prompting the topic of privatisation.

Like Zambia, Tanzania has many state-owned enterprises up for sale. But unlike Zambia, which had its first multiparty elections in 1991, Tanzania's democratic poll only takes place next month.

The villages bear a striking similarity to those in Madagascar. Irrigation canals connect streams with fields, making subsistence agriculture seem different from anywhere else on the subcontinent. Brickmaking in rustic furnaces is also common.

As the second night since leaving New Kapiri Mposhi falls, the train passes through the Selous National Park, larger than Swaziland and a destination for the occasional tourist train from Dar es Salaam.

For business travellers, arriving early in Dar is more important than seeing wild animals So they catch up with the news from the many newspapers published in Tanzania in the run-up to elections.

Most are in Kiswahili with names like Motomoto (fire fire), Majira, Nipashe, Ria, Michezo, Wakati Ni Huu and Rafiki (friend). "Our first president, Julius Nyerere, preferred people to speak Kiswahili rather than English," says a primary school teacher bound for Ifakara. "It is a pity. It has put us behind countries like Uganda and Kenya."

But on the train in modern, market-oriented, post-Cold War Africa, Kiswahili lives on in the train as Zaireans speak to Somalis, Ugandans to Zanzibaris, Tanzanians to Kenyans. – Independent Foreign Service

Moroccan heads African Development Bank

(1) ARG 9/9/95

ABIDJAN. — Omar Kabbaj of Morocco has been sworn in as new president of the troubled African Development Bank and has pledged to restore international confidence in it.

Mr Kabbaj, elected after nine rounds of voting, took the oath of office at the Ivory Coast headquarters of Africa's biggest development lending institution eight days after Standard and Poor's downgraded its credit rating.

"The biggest challenge facing the bank now is the pace with which it regains the trust of the membership," Mr Kabbaj said in his induction speech.

Mr Kabbaj, a former minister-delegate for economic affairs at the Moroccan prime minister's office, pledged to implement internal reforms and to push for a fast resumption of lending by the African Development Fund soft-loans arm, which has not been replenished since January 1994.

Standard and Poor's lowered its rating on the bank's senior debt to AA-plus from AAA on August 30, saying the move reflected increasing politicisation of its corporate governance and management.

"I have well understood their message. This decision may help us to be more enterprising in instituting reforms," Mr Kabbaj, 53, told a news conference.

"There are 76 member-states, you cannot avoid politicisation. What has to be avoided is bad politicisation. All important decisions in this kind of institution — be it the World Bank or the International Monetary Fund — are political."

He added that Standard and Poor's said his commitment to reform should underpin the bank's future creditworthiness, and said other rating agencies had not revised their assessments.

He said a meeting on replenishment of the African Development Fund was planned to take place in Portugal on October 19 and 20. Mr Kabbaj said another meeting on the bank's planned general capital increase would be held in Washington on October 9.

Sub-Saharan Africa outperforms the JSE

(1) ST(BT) 10/9/95

By SVEN LUNSCHE

SA INVESTORS would be well advised to cast their eyes to the stockmarkets north of the Limpopo.

Research by McGregor Information Services into the economies of sub-Saharan Africa shows that many of the stockmarkets in the region have outperformed the JSE over the past two years.

As the table shows, the market capitalisation of stockmarkets in the region have shown increases of at least 50%. In the case of Ghana, the rise has been a phenomenal 1 817%, largely due to the strong performance of Ashanti Goldfields, which accounts for 90% of the capitalisation of the exchange.

While the JSE's market capitalisation of about R1 000-billion is 20 times larger than all the other sub-Saharan markets put together, overseas investors are beginning to take advantage of recent exchange control relaxation and privatisation in these economies.

SA investors are prevented by exchange control regulations from investing in other stockmarkets, although there are moves afoot to consider lifting the rules if investments are earmarked for stock markets on the continent.

However, a number of SA companies have listed their subsidiaries in Namibia and Botswana to raise capital.

Robin McGregor, founder of McGregor's Information Service, says the sub-Saharan economy is showing signs of strength which will be enhanced by improved political stability, an increase in investor confidence and more rapid privatisation.

The research by his companies includes details of the top 1 000 companies in the region, excluding South Africa, and will be in the next edition of *Who Owns Whom.*

SUB-SAHARAN AFRICA'S STOCK MARKETS

	% market capitalisation increase over latest 2 years	Latest price/earnings ratios	Number of listed companies
GHANA	1817	7,5	17
IVORY COAST	57	n/a	30
JSE	52	18,2	646
KENYA	493	10,0	67
MAURITIUS	609	n/a	30
NAMIBIA	58	9,8	9
NIGERIA	58	6,3	174
ZIMBABWE	351	12,6	63

Graphic: FIONA KRISCH Source: WHO OWNS WHOM

Banks revise thinking on African gas projects

CT (BR) 11/9/95 (1)

By Remi Oyo

SAPA-IPS

Lagos — Hot air, African governments are known for; valuable gas deposits under their jurisdiction just waiting to be tapped, less so.

The problem is that much of sub-Saharan Africa's gas deposits lie in deep water off the coast and involve big capital costs in piping it to the surface and building the export terminals for sale to European thermal power stations.

But there are signs that some private banks, backed by the World Bank, are increasingly willing to put up the money. Namibia's Kudu gas field is being developed, the United States' giant Enron has plans for Mozambique, Cote d'Ivoire has its eye on export markets and there is interest in Equatorial Guinea's and landlocked Rwanda's reserves.

Angola, Cameroon, Congo and Gabon all have natural gas deposits, associated with their oil industries, which at the moment lie wasted.

Nigeria, however, is the prize. Its gas reserves, estimated at 3 451.000 million cubic metres, are among the world's largest.

"Apart from the deep-water oil fields, the future of this industry in Nigeria from the year 2010 is in gas," says Bill Edman, the managing director of Chevron in Nigeria.

For 20 years there has been talk of utilising this resource, but instead it has gone up in smoke, literally, damaging the environment and deepening the grievances of communities in the oil producing areas.

In 1993, Nigeria flared 75 per cent of the three million cubic feet of gas it produces daily, more than enough to match the total consumption of the Netherlands.

Now, however, one major project to harness Nigeria's gas to supply the power plants of regional neighbours Benin, Togo and Ghana came a step closer to realisation this week.

The four countries initialled the \$270 million West African Gas Pipeline agreement which aims to start carrying 515 million cubic metres from the Escravos oilfields by 1999, rising to 1 650 million cubic metres a year by 2014.

The project is a reaffirmation of the close energy links within the West African region.

African health aid barrel running dry

(1) BD 13/9/95

Kathryn Strachan

Funds available for providing international humanitarian assistance to Africa would hardly last until the end of the year, the UN World Health Organisation regional committee for Africa said this week.

The sum paid to the World Health Organisation this year for humanitarian aid for Rwanda was less than 10% of that received last year.

The crisis in humanitarian aid is a focus of the committee's annual meeting, being held in Brazzaville, Gabon.

Other countries in the region have so far received less than 33% of funds requested. The WHO regional office for Africa explained that this sign of "donor fatigue" was mainly due to unrest in Rwanda, Burundi and Zaire.

But the regional office pledged that despite the funding crisis it would continue to provide humanitarian assistance to the Rwandan population and it would support the rebuilding of national health services.

Due to poverty, conflicts and the weakness of national health systems, the health crisis in Africa had worsened and had been accompanied by the resurgence of epidemics since 1993.

The most deadly was the cholera epidemic in Goma in Zaire, last year, following the massive influx of refugees into the country.

Serious epidemics of dysentery broke out in more than 10 countries, with up to 20% of those infected dying.

Countries had taken important steps in controlling diarrhoeal diseases. Malaria continued to rage, at times in epidemics, and the incidence of certain communicable diseases evolved dramatically in the region. This was the case with sleeping sickness, especially in central and West Africa. Countries were having great difficulties controlling this disease.

The problem of tuberculosis worsened in the wake of the AIDS pandemic. There were about 171-million cases of tuberculosis and 500 000 deaths a year on the continent.

The resurgence of plague had made it necessary to use insecticides and raticides to control the vector lice and human reservoirs of the disease.

Progress was made in the eradication of polio, guinea worm disease, neonatal tetanus and leprosy.

In light of the AIDS pandemic, the WHO urged the 46 African member states to intensify their AIDS prevention and control activities.

More than a third of the countries in the region had adopted policies on blood safety while all countries intensified their information campaigns.

Much remained to be done, however, in information targeted at adolescents. Many of the states had yet to formulate specific policies for youths and to train personnel to supervise youths.

The situation of access to condoms was hardly better. Not one country could boast a programme on efficient management of condoms to meet the rising public demand.

From the meeting it was also clear that AIDS prevention and control programmes were encountering financial and operational difficulties.

Only a few member states had assigned specific national budget lines to AIDS activities, while the vast majority of the programmes depended solely on funding from donors.

The regional office of the WHO urged the countries to integrate HIV/AIDS activities into existing health services in order to ensure the sustainability of interventions.

With the global emergency created by AIDS, the UN had found it necessary to establish a joint UN programme on AIDS (UNAIDS), which will have to address the challenging task of bringing about changes in lifestyles. The programme will become operational in January next year.

UNAIDS will provide technical assistance to the states, recruit national staff from a number of countries and give two years of financial assistance to the programmes.

African court for city?

[redacted] (1) CT 13/9/95

CAPE TOWN has been mooted as the site of the proposed African Court of Human and Peoples' Rights.

This was disclosed yesterday by an assistant secretary-general of the Organisation of African Unity (OAU), Mr Ahmed Haggag, at the end of a meeting of government legal experts on the establishment of the proposed court.

He said "an informal poll" of the experts had decided Cape Town would be the best place for the court.

The formation of the court could take up to five years — its protocol has to be ratified by 11 of the 53 members of the OAU before it can be formally established, secretary-general of the International Commission of Justice Mr Adama Dieng said yesterday. But he hoped this would only take two years because of "the commitment of many African leaders to human rights".

The Justice Department said the government was eager for the court to be established in SA. — Political Staff

African states due to meet to discuss differences between economic groups

CT (BR 14/9/95

By Ian MacKenzie
Reuter

Leaders of eastern and southern African states would meet in Namibia in January to thrash out differences between two regional economic groups, a senior regional official said on Tuesday.

Bingu wa Mutharika, the secretary-general of the Common Market for Eastern and Southern Africa, said Namibia's President Sam Nujoma had agreed to host the meeting.

The meeting would bring together leaders of the 20-nation common market and the 12-nation Southern African Development Community.

The two groups have been at odds for years despite the fact that 10 of the development community members also belong to the common market.

The development community was formed in 1980 as the Southern African Development Co-ordinating Conference in a bid to lessen the dependence of the black southern African states on South Africa.

It evolved into the development community two years ago to include the newly democratic South Africa.

The common market was founded in 1981 as the Preferential Trade Area for eastern and southern Africa. The common market was established with a new treaty among its members last December.

"Because the development community is an economic community, whereas the common market is simply a common market, there is a likelihood that as the programmes are implemented in trade, development, industry transport and communications, overlaps may result.

The summit would be followed by the annual common market summit, probably on January 19.

He said the common market had experienced problems in the process of regional integration and development, but there had been some marked successes.

Member countries had reduced tariffs within the region by 70 percent, with a target of zero rates for essential products by 2000 and a common external tariff. Trade between countries in the region was rising 10,8 percent a year, he said.

"It means the common market is working, or trade would not be going up at that rate."

Computerised customs data, a regional yellow-card insurance system and a computerised trade information system were other trade-boosting facilities.

South Africa has so far not joined the common market, and Mutharika said it was understandable that Pretoria would want to assess its options.

Resilience key word in Africa, not pessimism

CT 19/9/95 (1)

ROBIN HALLETT

A FRIEND from South Africa asked me recently: "Why don't you write something about Afro-pessimism? Back home people are so traumatised by what has been happening in Rwanda – they just don't care to look at the rest of Africa at all."

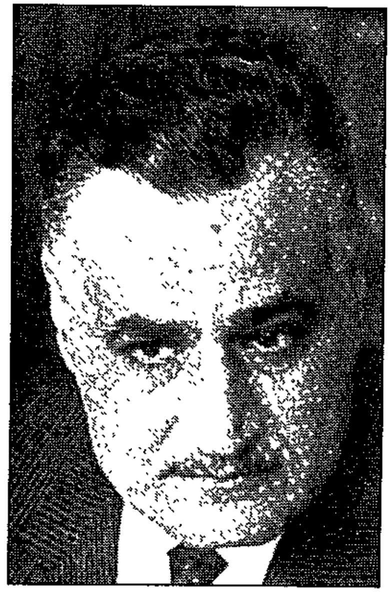
A common enough view in England no less than in South Africa. That great surge of optimism which accompanied the decolonisation of Africa in the late 1950s and early 1960s – the age of New Africa's "founding fathers": Nasser, Senghor, Kenyatta, Nyerere, Kaunda and the rest – has completely evaporated. Some people – no doubt thinking of themselves as cynical devotees of *realpolitik* – speak of Africa as if most of the continent – or at least its black middle – can be written off completely. East Asia, with its thrusting economic "tigers" and the awakening giant of China – that is where the 21st century's action is going to be.

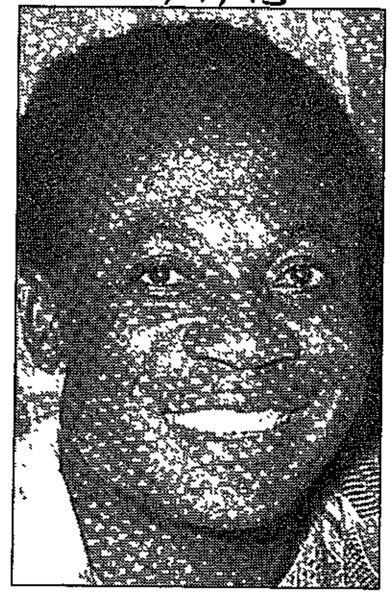
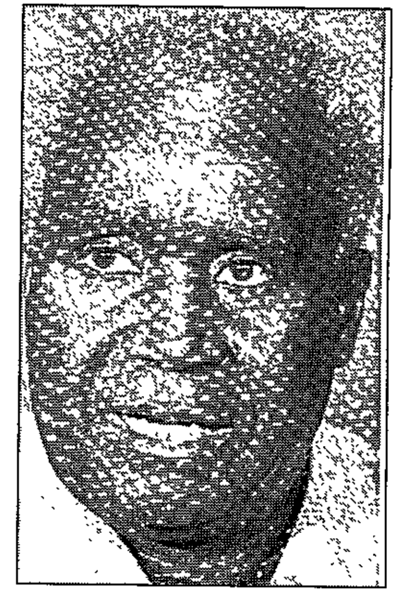
I am afraid I had to treat my friend to a sermon that I find myself giving whenever the conversation turns to "Africa". That word, I say, really represents a figment of our imagination. We use it to include 50 or more very different countries and close on 500-million people. The essence of Africa, indeed of any great inhabited land mass, is its extraordinary diversity. You simply cannot make effective generalisations from such a base.

"But what about Angola?" my friend broke in. "And Somalia and Zaire and Liberia and..." I interrupted his litany of disaster areas; its implication was clear: everywhere you look – or, to be more precise, every time you come across a news item from Africa – you seem to be presented with a spectacle of gloom and doom, disaster and decay.

"Not so," I said – and began to play the few small trumps I had in my hand. I spoke of the remarkable achievements of the Eritreans busy rebuilding their country after a generation of war. The same could be said of the people of Uganda, Mozambique, Namibia and parts of Somalia.

My friend was kind enough not to point out that these countries represented a small part of Africa. He refrained, too, from mentioning Aids, debt, desertification, population explosion, adverse terms of trade – afflictions of which those who live in the comfortable Western world have virtually no first-hand experience. Our conversation ended inconclusively.



MODERN AFRICA'S FOUNDING FATHERS: Nasser, Kenyatta, Nkrumah and Kaunda. Some say their world of the 1950s and 1960s has evaporated.

But I felt I had done nothing effectively to counter the implication of his original question – that we have no alternative, but to be pessimistic about the future of much of Africa.

Yet as one who has tried to train himself always to think in historical terms, I feel a deep unease about the concepts of optimism and pessimism. In one sense the whole story of human evolution encourages an optimistic view of human capabilities. On the other hand, humankind is only one among millions of other living species – and in the course of time it seems virtually certain that, like other species, we too will become extinct.

I do not find such cosmic meditations very satisfying. Like the giant in the fairy-tale, I crave for the scent of human flesh. I want to know more about individual lives.

So I watched with particular relish a documentary recently put out on BBC-TV. Entitled *One Day in Africa,* it followed six individuals through the course of a single day – Friday, May 5 1995. Three were men – a taxi-driver in Cairo, a Tuareg nomad in Mali, a teenage soldier in Liberia – and three women – a peasant farmer in Tanzania, a professional woman in Kampala, Uganda and a black South African schoolgirl living on the Cape Flats. A documentary like this presents a mosaic of vignettes, fragments of "ordinary" life voiced over by the reflections of those being filmed as they go about their daily business.

In all six cases there was no hint of pessimism. For the older ones – the Egyptian taxi-driver and the Tuareg, who are Muslim, and the Ugandan woman, who says she goes to mass three times a week, religion – its rituals woven into the texture of daily living – obviously provides a source of deep contentment.

"Your own country is always better than anywhere else," says the Tuareg, who lives on the edge of the desert.

"My house is my kingdom; it may look miserable to some people, but I would not change it for Buckingham Palace," the taxi-driver tells us. And the Ugandan woman, whose profession is described as "political lobbyist", sees her country as offering "great opportunities for peace and development".

But the teenagers too are animated by hope. The young Liberian soldier, who sees himself as a freedom fighter, dreams of the time when peace will come and he can resume his education and eventually acquire "a luxurious apartment" with a tennis court and swimming pool.

The young Capetonian revels in the joys of the New South Africa – we see her bubbling with excitement going to a Careers and Skills Exhibition in the Good Hope Centre in the morning and to a crowded "rave" in the evening.

Of the six, only the Tanzanian woman farmer, who also has by far the hardest life, takes a more stoical view of her future prospects – and even her day does not pass without singing and laughter.

A critic might say that these six had been carefully chosen so as to convey an up-beat impression. But by Western standards their lifestyles would have seemed pretty modest. Here were six people obviously making the best of their circumstances and leading far from unrewarding lives.

I found myself rethinking the idea of pessimism – isn't it a mood that comes more easily to the external observer? Doesn't the outsider, while laying claim to a wider vision, miss something vital? And is not that "something" ordinary – or perhaps one should say extraordinary – human resilience?

ROBIN HALLETT IS THE AUTHOR OF STANDARD WORKS ON AFRICAN HISTORY.

Opposed ... Chief Mukuni has always said no to grand plans that do not benefit his people. PICTURE: DUNCAN GUY

'Tap Zambezi and falls will run dry'

Star 19/9/95 (1)

ZAMBIANS are alarmed at SADC proposals to draw water from the great river to help drought-stricken neighbours, reports Jealous Bwalya of The Star Foreign Service.

Southern African Development Community's (SADC) multi-million dollar ambitious water project on the Zambezi, aimed at meeting the needs of Zimbabwe, Botswana and South Africa, seems headed for serious confrontation with both the local inhabitants on the banks of the mighty river and environmentalists.

The plan by South Africa and two of its water starved neighbours to tap water from the Zambezi has created one of Zambia's biggest controversies, perhaps dwarfing the one which surrounded the now-abandoned Batoka project on the same river.

In banner headlines carried in two major dailies, the Zambia Daily Mail and the Times of Zambia, irate Zambians said the project should not be "given a quarter to take off".

Leading the attack is the influential environmentalist Nicholas Katanekwa, who is also national director of the National Heritage Conservation Commission, and International Council of Monuments and Sites secretary-general Simon Musonda, also a Zambian.

Zambia's southern region's most influential chief, Chief Mukuni, a former BP Shell environmentalist himself, and whose kingdom spans the longest distance along the Zambezi in Zambia, says he is ready to die over the tapping of water from the river.

"Whatever criteria was used by SADC presidents to arrive at a decision to start sharing the Zambezi river with neighbours who are not even sharing boundaries with us is lopsided. Zambia should not bow to either SADC or international pressure to start diverting the Zambezi waters miles away," says Chief Mukuni.

The chief, whose palace is 10km from the Victoria Falls, argues that once water is tapped from the upper Zambezi the falls will dry up.

"Look," he argues, "we have had no good rains the past three years and the falls are a bare rock. What would happen if just a quarter of the water was diverted to South Africa? It will mean no falls for good."

Musonda says: "The decision to either put up a dam or tap water from the Zambezi must have been based on ill-conceived feasibility studies which do not embrace ecological, environmental health, the national economy and the Rio de Janeiro treaty to which Zambia and all its neighbours are a signatory."

He dispels as "worthless" the notion that Zambia will make millions of rands from the export of water to such areas as the Gauteng region.

Katanekwa said: "In the same way we killed the Batoka dam project,we will kill this project."

But SADC co-ordinator of environment and land management sector Bataung Leleka said the protocol on shared water course systems in the region would promote environmentally sound, integrated management and equitable utilisation of water resources in shared river basins.

"This will no doubt enhance the socio-economic upliftment of people's living standards. The agreement should override most of these fears so that water flowing from rivers into the ocean can be put to good use by those far from such resources."

The tapping of water from the Zambezi was perceived as one which would boost agricultural production in eastern Botswana and south western Zimbabwe, especially Bulawayo, where there is severe water rationing.

ARG. 20/9/95 (1)

Africa scrambles for wheat

PARIS. — A new surge in wheat prices has broken the patience of Third World importing nations, sending African food buyers hunting for scarce supplies after weeks of waiting in the hope that their import bills might fall.

Wheat prices went through the roof earlier this year when freak weather interfered with the US crop and government analysts began predicting the lowest global stocks in 20 years.

On Monday, new highs were hit in the Chicago futures pit, the world's largest wheat market.

"World wheat prices have doubled in the past 14 months and there are no discounts available for importers on the world market," said a leading European food official.

Egypt, the world's second biggest importer, decided this week it could wait no longer as prices for the best American wheat hovered around 15-year highs. Its top government buyer bought 450 000 tons of wheat from the United States on Monday, only days after telling the big grain firms he preferred to wait until prices starting falling.

Now, traders say, drought-hit Morocco wants wheat for its mills by December. Algeria and Jordan need wheat for November.

Egypt is also said to be back in the market for Australian wheat once the southern hemisphere's harvest begins in December.

As prices rise, diplomats say African nations are increasingly unhappy about the effect of rising import bills on their debt-weakened economies.

Those who have little way of raising dollars to pay for wheat are in the front line of the wheat explosion as the dollar recovers on the financial markets.

"Developing countries, especially Black Africa ... will be certainly be most affected," said Francois Guillaume, a former French farm minister who specialises in the continent's affairs.

Most alarming, diplomats said, is the fear that high prices will stoke unrest in Africa's poor cities, where inhabitants tend to eat bread rather than local subsistence crops.

Ghana's second city, Kumasi, ran out of bread earlier this month when bakers went on strike to protest against high costs.

And Ivory Coast Economy Minister N'Goran Niamien told the European Union this summer that his country faces "catastrophic consequences" if its millers run out of wheat.

The EU responded by promising to supply 500 000 tons of wheat to Africa and elsewhere in October. But EU officials admit prices will be less attractive than in the past.

In the West, analysts say shoppers who nowadays eat bread sparingly have mostly been sheltered from high wheat prices.

High wheat prices do not yet pose an inflation threat to the Western economies, brokers GNI Ltd said yesterday.

The European Union is nonetheless concerned about rising wheat prices for its food industry and has slapped a virtual freeze on exports in order to hold back supplies.

July's decision added to the strength in world wheat prices and infuriated French farmers who say they have a "moral duty" to grow more grain and sell it to developing nations.

EU analysts say that could provoke a row with less export-dependent farmers in Germany and elsewhere when the EU decides later this month how much grain to produce in 1996.

■ South Africa's wheat production estimate for 1995-96 has been revised upwards to 2,28 million tons from 2,26 million a month ago, according to latest figures from the National Crop Estimates Committee.

Final wheat production in 1994-95 was a below average 1,83 million tons, harvested from 1,04 million hectares planted.

In the current season some 1,36 million hectares had been planted due mainly to improved rainfall patterns.

Domestic consumption is around 2,2 million tons per season.

Although normally self-sufficient, South Africa has had to import wheat over the past few years because of the near-drought conditions. — Sapa-Reuter.

Tourism violates human rights row

(1) ARG 20/9/95

KAMPALA. — Claims by a British non-government body that tourism development in Uganda, Tanzania and Kenya is the cause of human rights violations has angered national parks authorities in all three countries.

The NGO, Tourism Concern, which raises awareness of the social and environmental effects of tourism, says conservation and tourism development has displaced thousands of people, often without compensation and sometimes at gunpoint.

"People losing their homes for tourists to have holidays and for other people to get richer is not an acceptable way to develop the tourism industry," says Tricia Barnett, co-ordinator of Tourism Concern, explaining the motive behind a campaign called "Our Holidays, Their Homes".

Most tourism-related displacement in East Africa is caused by the creation of national parks, on which human settlement is forbidden, and game reserves, on which it is restricted.

Although these are set up in the name of conservation, they are closely linked to tourism as wildlife safaris generate the largest proportion of tourist revenue in the region.

Tourism Concern argues that tourism, although vital to a country's economy (it is the largest source of foreign exchange in Kenya and Tanzania), may be bought at too high a price, particularly if the people who are paying with their land and livelihood are not benefiting from the development.

Indigenous people are particularly at risk as they have few ways to fight back. According to Jean Keefe, author of a book on the subject, they find displacement especially harsh because when they are separated from their ancestral lands they lose part of their cultural identity and sometimes the meaning of life itself.

Tourism Concern picks on a wide range of examples, including the Maasai who occupied the Ngorongoro crater in Tanzania (now one of the most famous wildlife spots on earth) until they were evicted at gunpoint in 1974.

The Maasai now live on the rim of the crater and have to obtain a special pass to water their cattle on their former grazing ground.

In Kenya, the pastoral Samburu were moved to make way for two new game reserves and no longer have access to dryland grazing. They now rely on food aid to survive.

Coastal people around the resorts of Mombassa and Malindi have lost access to their livelihood because of the creation of marine parks and hotels.

In Uganda, the ongoing campaign focuses on the Bahima, who in 1982 were evicted from what is now Lake Mburo National Park without compensation and have been in conflict with the government ever since.

National parks officials in all three countries hotly dispute Tourism Concern's claims.

Lota Melamari, director-general of Tanzania National Parks, calls Tourism Concern's claims unfounded and says the requirement for a permit to water their cattle should not be looked on as a hindrance to access.

In Uganda, Samson Werike, public relations officer for UNP, stresses that the dispute in Lake Mburo is now resolved: the park area has been reduced and displaced people have been compensated with either money or land.

Speed land reform, world labour urges

ARG 20/9/95

HARARE. — The International Labour Organisation says southern African countries should speed up land reforms to boost employment and productivity.

ILO specialist Nelson Moyo told delegates at an employment seminar in Harare that colonial racist policies still hampered employment in the region.

"The high level of unemployment is also a consequence of racist policies of the past, especially in countries like South Africa, Zimbabwe and Namibia that deprived the indigenous population," Dr Moyo said.

Southern Africa offered significant employment potential.

"Employment-intensive infrastructure programmes will be required to support the development of the tourism sector, which is employment-intensive. It is a pity that governments have tended to favour capital investments."

The use of a large labour force in public construction works could be a major source of employment for the majority of the region's population.

"This requires a decision by governments that when they spend money it results in higher employment levels," Dr Moyo said. "In many countries there still exist strong lobbies against labour-based methods." — Sapa.

Neighbours richer than SA citizens, says bank

BD 21/9/95 (1)

Simon Barber

WASHINGTON — A new economic yardstick being developed by the World Bank to supplement GDP shows that Namibians and Botswanans are three times as rich as SA citizens, and have a higher asset value.

Add together three facets of a nation's economy: its natural resources, the productive capacity of its people, and the value of its "produced assets" — factories, infrastructure and the like. Divide by population. The result is per capita wealth.

SA's per capita wealth, as of 1990, comes to $61 000, placing it 69th out of 192 countries charted by the bank. Botswana comes in 31st, with dollars $188 000. Namibia is close behind at 34th, with $181 000.

The top African country is oil-producing Gabon, coming in 27th, at $232 000. Nigeria, by contrast, trails badly at 174th, proving that natural resources are not everthing, especially if you have a lot of people to share them among and those people are not very productive.

The people of Botswana and Namibia play relatively little role in their countries' wealth. Their share of overall value is 17% and 22% respectively, while natural resources contribute 81% and 75%. In SA's case the breakdown is: people 40%, plant 14% and nature 46%.

That means that each man, woman and child in SA contributes $24 400 to the country's net wealth; a Namibian $39 820; and a Botswanan $31 960.

None of these numbers, which reflect the health and education levels and resultant productive potential of the populations in question, is impressive. By contrast, the average citizen of the US, which ranks 12th overall with a wealth of $421 000, is valued at $248 390.

Japan ranks 5th, with per capita wealth of $565 000. It has virtually no natural resources, and though it is highly industrialised, fully 81% of its wealth is accounted for by human assets, each with an average value of $458 000.

While large, resource-rich and empty Australia easily tops the chart at $835 000 (Canada is next with dollars $704 000), your average Aussie adds only dollars $175 000 to his nation's wealth.

As for the bottom end of the chart, an Ethiopian, whose country comes in dead last with $1 400, is valued at a devastating $560; a Nigerian at $738.

Althouth this is all very much back-of-the-envelope stuff, the bank is trying to make an important point: a country's net wealth, and therefore what it will be able to pass on to succeeding generations, depends less on what lies beneath its soil than on the extent to which, through education, proper nutrition and the like, it has been able to add value to its people. The Western industrialised nations have been pretty good at this, as has the Pacific Rim. The less developed world, especially those with mineral blessings, have done far less well despite hordes of Western technical experts theoretically helping them.

Investors target African countries

BD 21/9/95 (1)

WASHINGTON — It is the first cheery news about investors' interests in Africa in recent times.

When most international agencies are filing gloomy reports about Africa, the arm of the World Bank which guarantees foreign direct investment in developing countries has reported a sharp increase in the investments it helped channel to the continent in the past fiscal year.

The Multilateral Investment Guarantee Agency says the 1996 fiscal year, which began on July 1, could herald a lot more direct investment for the continent.

The agency's 1995 annual report shows it insured investments worth US$124,95m. This is an astronomical rise from the previous year's paltry $5,75m. It also beats the previous record of $88m in 1993.

The number of guarantees also rose — from two last year to seven, bringing the total in the agency's five-year life to 18, with a total value of $220,5m.

The number of active — preliminarily approved — applications for insurance had risen from four in 1990 to seven in 1991, nine in 1992, 20 in 1993, 29 last year, and 47 this year.

Christopher Bellinger, of the guarantee agency's Africa and Middle East region, said next year was expected to be even better for the continent.

However, he said Africa had been hurt by its image as "a very notorious environment to work in".

A dampener for the guarantee agency's cheery news was that all new investments were concentrated in just four of its 45 African members: SA, Tunisia, Uganda and Morocco, with all but Uganda receiving investments for the first time.

There were two guarantees for SA, both for a slag steel processing plant, for Ferroserv (Pty), a wholly owned subsidiary of Multiserv International of the Netherlands. One — worth $4m — covered Multiserv's equity investment in the project. The other was a $4,5m insurance to US-based Harco Corporation for its guarantee of a $3,5m loan by the First National Bank of Southern Africa to the project.

According to the Multilateral Investment Guarantee Agency, Ferroserv will improve the output of a local, privately held stainless steel company by recovering metals from the plant's slag output.

Both investments were covered against the risks of currency transfer and war and civil disturbance.

"Most of the construction materials for the crushing and milling plants will be obtained locally, as will most of the equipment and machinery," said the guarantee agency.

The Tunisian project was unusual for the agency, being its first gas project and its first re-insurance agreement with Britain's Export Credits Guarantee Department. The project, British Gas Tunisia Ltd, would be wholly owned by British Gas. It involved the Miskar gas field, undersea gas pipeline and an onshore plant.

For Uganda, the agency issued two guarantees, both worth US$1,7m, to France Commodities SA for its joint venture to clean, grade and bag Ugandan coffee for export to Europe.

It sees three benefits from the project: increased competition on the local market to the benefit of producers, about 30 jobs, and technical training for employees.

Morocco's guarantee went to Banco Exterior de Espana SA, described as a leading Spanish trade finance bank, worth $9,9m. The guarantee covers the bank's $10m loan to its Moroccan subsidiary, Banco Exterior Maroc SA (BEM) for its expansion.

BEM, according to the agency, will employ 45 more Moroccans, improve the quality and availability of financial services, encourage trade with Spain and stimulate local industries. The insurance covers only currency transfer.

A clear element in all these is that the guarantees tended to go to only those projects wholly or largely owned by foreign investors.

The agency report is significant for Africa as it shows a growing preparedness by long-term investors to invest. Conversely, shorter-term investors, such as those who invest in mutual funds and stocks, have tended to shun the continent. This scenario may actually serve Africa's interest. As the IMF showed in its recent annual report, short-term international capital flows can disrupt local economies because of their high mobility. — Sapa-IPS.

Food aid for hungry countries is falling

AD 21/9/95 (1)

ROME — The UN Food and Agriculture Organisation (FAO) warned yesterday that food aid shipments to the world's poor and hungry nations were seen falling next year to their lowest level since the 1970s.

The Rome-based agency said the same "low income food deficit" countries would be hit further by sharply rising cereal import costs forecast for the 1995/96 year.

"Many national food crises persist in Africa and several other parts of the world, and the food supply situation is seen to be tightening in many parts for the 1995/96 year," FAO said in its Food Outlook report.

It said its forecast of total food aid in cereals to be provided in 1995/96 (July/June) was 7,6-million tons.

"At the forecast level food aid shipments would be down by nearly 1-million tons compared to 1994/95 and their lowest since the mid 1970s," FAO said.

"Moreover for the second consecutive year, food aid shipments in cereals would fall sharply below the minimum annual target of 10-million tons to developing countries established by the World Food Conference in 1974."

FAO said cereal production in southern Africa was likely to be about one third below normal in 1995/96 and the subregion's cereal imports and food aid needs had risen substantially since the previous year.

Large numbers of refugees in Rwanda and Burundi would continue to require aid while excessive rainfall and floods had damaged crops in southeast Asia. "Substantial quantities" of food aid would also be needed in several former Soviet republics.

"In the Near East, both Afghanistan and Iraq continue to suffer from shortfalls in food production and (their) large vulnerable populations . . . require food assistance."

The agency said cereal import prices would rise sharply due to high international prices and ocean freight rates.

The continued decline in world cereal reserves meant world food security in 1996/97 would depend "critically" on a substantial increase in cereal production in 1996.

"To meet expected consumption needs in 1995/96, global cereal stocks will have to be drawn down significantly for the third consecutive year to a level some two to three percentage points below the minimum that the FAO secretariat considers necessary to guarantee world food security," it said.

"This implies the world will begin the new 1996/97 season with only a small safety net to cushion against any major crop failures next year." — Reuter.

SOLID PERFORMANCE *Mauritius is one of the African countries that has registered positive GDP growth*

Africa is on the right track, says World Bank

(1) ~~35t~~ CT (BR) 29/9/95

This is the first of two articles on development in Africa and prospects for the future, from the 1995 World Bank annual report

In fiscal 1995 the Africa Region vice presidency of the bank presented a document to the executive directors for discussion. Its title, "A Continent in Transition," reflects the state of sub-Saharan Africa in the mid 1990s: one of transition from one-party systems to multiparty democracies, from centrally managed to market-oriented economies, and from economic stagnation or decline to per-capita-income growth in many countries.

The region's GDP, excluding South Africa and Nigeria, grew by 1,2 percent last year and is projected to grow more than three times faster this year as the steep decline of growth in countries such as Malawi and Zambia is reversed and countries such as Cote d'Ivoire, Ethiopia, Ghana, Kenya, Mali, Senegal, and Uganda accelerate significantly.

Although the recovery has been assisted by good weather and an improved global economic environment, it also reflects changes that augur well for the future, especially a big jump in the region's gross domestic investment.

There were variations among countries, as usual, especially linked to economic policies. Nowhere is this clearer than in the countries of the Common Franc Area which significantly realigned their common currency early last year.

Evidence indicates that that decision, along with economic reforms, has been effective in getting most economies back on the growth path. Growth of GDP turned around by 2,1 percentage points on average for the 13 countries of the zone (excluding Comoros) last year, compared with 1991-93, and became positive for the first time this decade in ten of the thirteen countries.

Agriculture clearly responded, but so too did industry, which grew by 6,7 percent in Cote d'Ivoire. Although export growth accelerated, it remains relatively low, because producers still need time to respond to new opportunities.

Liquidity

There was dramatic improvement in some activities last year — for example, Sahelian livestock, rice, canned fish, tourism, textiles and other manufacturing — while cotton production in 1994/95 was up by 50 percent in Burkina Faso and Togo and by more than 25 percent in Mali. Groundnut production was 40 percent larger than the year before in Senegal.

At the same time the liquidity of banks improved. While prices rose sharply in all countries last year, for the zone as a whole inflation was kept below the level anticipated on the basis of the magnitude of the devaluation.

Elsewhere, while a few countries experienced declines in real GDP (Burundi, Malawi, and Zaire in particular) or near-stagnation (Nigeria), production was generally up.

Several countries (Mauritania, Mauritius, Mozambique, Tanzania, Uganda and Zimbabwe) registered GDP growth of between four and 6 percent. For some, growth in this range was for the second, third, or fourth year in a row.

The report points out that 21 countries achieved positive per capita income growth during 1988-93. This trend continued and spread last year, especially in countries implementing economic reform programmes. These countries' efforts deserve to be supported by the donor community.

Since 1987, Africa's partners in development have responded to African reform initiatives with quick-disbursing balance of-payments support under the Special Programme of Assistance (SPA), which constitutes the most important aid co-ordination and co-financing mechanism in Africa.

The third three-year phase of the SPA began last year. In October, with the addition of Eritrea and Congo, the total number of SPA-eligible countries grew to thirty-one. To date, under SPA-3, 17 donors have pledged $6,7 billion in balance-of-payments support to eligible countries.

Although providing resources in support of reform remains the primary purpose of the forum, the programme's meeting and special working groups have been effective in co-ordinating policies and procedures on broader issues.

Priorities under SPA-3 include integrating poverty-reduction measures into reform programmes and public expenditure and institutional capacity. Working groups are developing recommendations in these areas. They will also be considering ways to incorporate women's issues more systematically into economic reform programmes.

The criteria of performance shaped the evolution of assistance to the CFA zone and donors responded massively to the currency realignment. Adjustment programmes in the CFA zone were assisted by more than $2,5 billion in balance of payments support in 1994 and, in addition, more than $5 billion in debt relief was provided.

Multilateral institutions made the largest contribution and the bank's share of new funds, which went to all countries except Equatorial Guinea, was nearly 40 percent. In the calendar year following the devaluation, the Bank approved the release of 13 tranches of ongoing adjustment operations, new adjustment credits and three supplements under the "Fifth Dimension" programme.

The bank's response primarily to need — as opposed to need and performance — in fiscal 1995 was illustrated by the emergency assistance provided to Burundi and Rwanda.

Portfolio performance is key to getting results on the ground. The Africa Region's portfolio performance continued to improve, whether measured by the development-objective (DO) rating, the implementation process (IP) rating, or the disbursement ratio.

For example, the proportion of problem projects, based on the DO rating (which rates projects on the extent to which project development objectives are expected to be met) fell from 21 percent in fiscal 1992 to 19 percent in fiscal 1994. Based on the IP rating, the figure fell from 25 percent to 20 percent.

The improved portfolio performance is partly the result of improvements in the political and economic environment. The improvement has also been helped by the restructuring of the portfolio, improved financial management of projects (through, for example, systematic preparation of audit reports and strengthened accounting capacity) and more effective supervision.

Management

Such actions, which led to improved implementation of the region's portfolio, also help to improve the effectiveness of assistance from other donors and to improve broader-level economic management in the countries concerned. For these additional reasons, the bank has implemented a strong program of portfolio-management actions.

These include the strengthening of the links between macro-economic and sector-specific policies, programmes, and activities — which is key to good project design; reaching early agreement with local stakeholders; enhancing donor dialogue leading to, among other things, common implementation arrangements; encouraging local capacity building and utilisation through well-focused training (on procurement and disbursement issues, for example); and continuing emphasis on supervision.

Civil service reform is key to the successful implementation of programs and is, therefore, a priority of the bank. Attention in this area extends beyond the narrow fiscal aspects and focuses, rather, on the performance of core government functions and service delivery.

Reform in this latter area are off to a good start, for example, in Malawi under the Second Institutional Development Project, which became effective in December last year. The project aims to strengthen the capacities of the Ministry of Finance and the Department of Human Resources Management and Development. These efforts are expected to help enhance efficiency and effectiveness through improved performance of personnel and better budgetary and financial management functions.

A special feature of the Malawi project is the reliance on considerable local participation through workshops involving a significant number of middle and senior-level civil servants. There is also strong support for the project at the higher echelons of government.

Before the project was approved by the bank's executive board, the Malawi government demonstrated its commitment by promulgating the Public Service Act, which contains provisions for fostering predictability, transparency and accountability in the conduct of government business.

Dogs of war run wild in Africa

(1) ARG #' 30/9/95

■ Morally questionable, but possessing a certain buccaneering glamour, mercenaries have played a major role in Africa's transition to independence.

NAIROBI. — Call them soldiers of fortune, dogs of war, or just "advisers".

Foreign mercenaries have strode across Africa for decades, cutting a bloody path from the Congo to the Comores.

Names like "Mad Mike" Hoare and Colonel Callan crop up as intriguing footnotes in the history of Africa's often violent transition from colonial rule to independence.

Bob Denard, the Frenchman who leads the force fighting against the government in the Comores, has a mercenary's curriculum vitae stretching back to the Congo.

Today in Sierra Leone and Angola, former South African soldiers are putting the muscle into government forces opposing rebel groups.

In the mercenaries' heyday the toughest were nicknamed *les Affreux* — the Terrible Ones — "who for a fee would do the dirty work for Africans they couldn't do for themselves", wrote David Lamb in his book *The Africans*.

Such work may be morally questionable, but mercenaries nevertheless carried a certain buccaneering glamour, celebrated in films such as the *The Wild Geese* or songs like Warren Zevon's *Roland the Headless Thompson Gunner*.

But their work would often end in tragedy — as in Callan's foray into Angola in 1976, which ended with the death of many of his men and his own execution — or farce, as in Hoare's botched coup attempt in the Seychelles in 1982.

Ex-French Foreign Legionnaires, British paratroopers, exiled Rhodesians, South Africans, Belgians, Portuguese rueing the end of colonial rule — all have been drawn to the mercenary flag and the money they could earn.

Denard fought in Indochina and found a return to the battlefield more enticing than a job as a car salesman. Callan was the *nom de guerre* of Greek Cypriot Costas Georgiou, who served in Northern Ireland with the "Paras".

He and his motley crew fought in Angola for Holden Roberto's FNLA against the Cuban-backed MPLA, in the tussle for power after the pull-out by Portuguese colonial rulers in 1975.

By all accounts he was pathological. Anthony Mockler in *The New Mercenaries* quotes an eyewitness account that describes him as testing a new shotgun by "calling over the nearest FNLA soldier, standing him to attention, inserting the shotgun in his mouth and blowing his head apart like a mango".

Some of his men mutinied and he executed 14 for cowardice. He was later captured by the MPLA government and executed, along with an American and two British mercenaries, after a trial in Luanda that grabbed world attention.

Hoare, a dapper Irishman with an officer's bearing, first ventured into Africa in the 1960s when he led mercenaries who fought in the Congo civil war. He returned to the scene in the Seychelles, leading a coup that overthrew Chief Minister James Mancham in 1977.

Hoare was to lead another attempt against Mr Mancham's successor, Albert Rene, in 1982. It ended in a fiasco and helped debunk the mercenary myth.

He and his force flew in on a commercial flight from South Africa under the guise of a drinking club called "The Ancient Order of the Foam Blowers".

But a customs official found their guns among toys for local children. The mercenaries hijacked an Air India plane back to Johannesburg, where they were arrested, tried and briefly jailed. — Reuter.

African lending programme focuses on collaboration

(C) CT (BR) 2/10/95

This is the second part of a two-part report on development in Africa over the past year, from the 1995 World Bank annual report

The broad-sector approach to investment lending is a more comprehensive way of approaching lending operations in Africa. It stems from dissatisfaction with some of the results achieved by traditional investment operations financed project by project and donor by donor.

The unsatisfactory results reflect sufficient government grasp and ownership of projects, inadequate allocation of recurrent resources to sustain the project, the pursuit of conflicting strategies resulting from a lack of donor co-ordination, and the diffusion of the limited national implementation capacity.

The broad-sector approach tries to address these problems by bringing the government and donors together into a collaborative framework:

☐ The local stakeholders are in the driver's seat of the programme from the start to ensure local ownership and sustainability. This requires a transfer of project-preparation responsibilities from donors to local stakeholders;

☐ The programme is sector-wide in scope, covering all policies and projects, and addressing aggregate current expenditures in the sector;

☐ The interventions implement a coherent sector policy framework — developed in close collaboration with the country's private sector, non-governmental organisations and project beneficiaries;

☐ Donors locate their assistance within the government's defined programme, rather than promoting their own approaches;

☐ Efforts are made to establish common implementation arrangements for all operations within the sector; and

☐ Long-term external technical assistance is minimised, with a focus instead on capacity-building.

Three such operations were approved during the past 18 months (The Mozambique second roads and coastal shipping project; Zambia health sector support project; and the Zambia agriculture sector investment programme). Each incorporated features of the broad-sector approach and all were carefully developed over several years.

With a growing focus on effect and with an increasing understanding of this collaborative framework, the number of broad-sector operations is expected to rise to about 20 percent of total lending in the next three years. Most of these operations will be in the social sectors, agriculture, and roads, because these sectors attract a multiplicity of donors in Africa and because broad government ownership is most critical if results are to be sustained.

The bank made strides this past fiscal year towards institutionalising participation in order to enhance both the quality of work and the chances of getting the desired results on the ground.

Participation is defined as a process through which stakeholders influence and share control over the development initiatives, decisions and resources that affect them. It may incorporate a wide range of techniques such as consultation (through borrower forums, for example) or joint assessments.

Consultation is the form of participation that has recently been the most prominent in the bank's Africa region. The preparation and discussion of the strategy document, A Continent in Transition, involved consultations in about 30 African and donor countries.

Systematic borrower consultation in the form of client-feedback surveys, which assess the attitudes of borrower-government officials toward bank services, has been undertaken in nine countries (Côte d'Ivoire, Mali, Guinea, Madagascar, Malawi, Mozambique, Uganda, Zambia, and Zimbabwe). Participatory and consultative methods are now being used increasingly in economic and sector work, especially in the preparation of poverty assessments.

On the operational side, too, the use of techniques such as participatory rural appraisals and beneficiary assessments has increased over the past two years. In Angola, for example, a beneficiary assessment on urban water and sanitation involved consultation with the primary users in urban communities to determine attitudes, preferences, and perceptions towards water and sanitation services, as well as options for community-managed water and sanitation projects.

Funds

To support such participatory activities, the Africa region established, in fiscal 1995, special systematic client consultation funds in each department.

At the same time, the Africa region vice-presidency has been a major user of the Fund for Innovative Approaches in Human and Social Development, established in late fiscal 1994, which supports participation, consultation, and social assessment in operations through capacity building and operational support.

The region has set fiscal 1998 as the target date for building beneficiary consultation into all its major lending and non-lending activities.

Improving the supply response in the wake of adjustment remains the driving force of private sector development efforts in the Africa region. During the past year, efforts continued to help client countries improve their business environment, accelerate public enterprise reform and privatisation, and restructure and diversify the financial sector.

In addition, efforts continue to be made to enhance private sector competitiveness through measures aimed at internal liberalisation — the abolition of monopolies, the promotion of competition in domestic trade, and the rationalisation of investment-incentive schemes. And example of this multi-pronged approach is evident in the private-sector adjustment and competitiveness credit for Senegal, approved in the past fiscal year.

Attention is also being paid to increasing private sector participation and investment in infrastructure. At present, the competitiveness of African firms is undermined by the high cost and low quality of infrastructure services. Performance-based management contracts have been used to encourage private participation.

A landmark project in Côte d'Ivoire, approved in fiscal 1995, supports the first privately owned and operated independent power-generating plant in Africa. Early experience with private sector participation has led the government of Côte d'Ivoire to redouble its efforts to encourage additional private participation in the power sector.

In nearly every country there has been an increased emphasis on dialogue with the private sector and on supporting channels of communication between client governments and the private sector. Support to the local chamber of commerce, as planned in the Mauritania capacity building project for the development of the private sector, can help such organisations become better interlocutors for private sector interests.

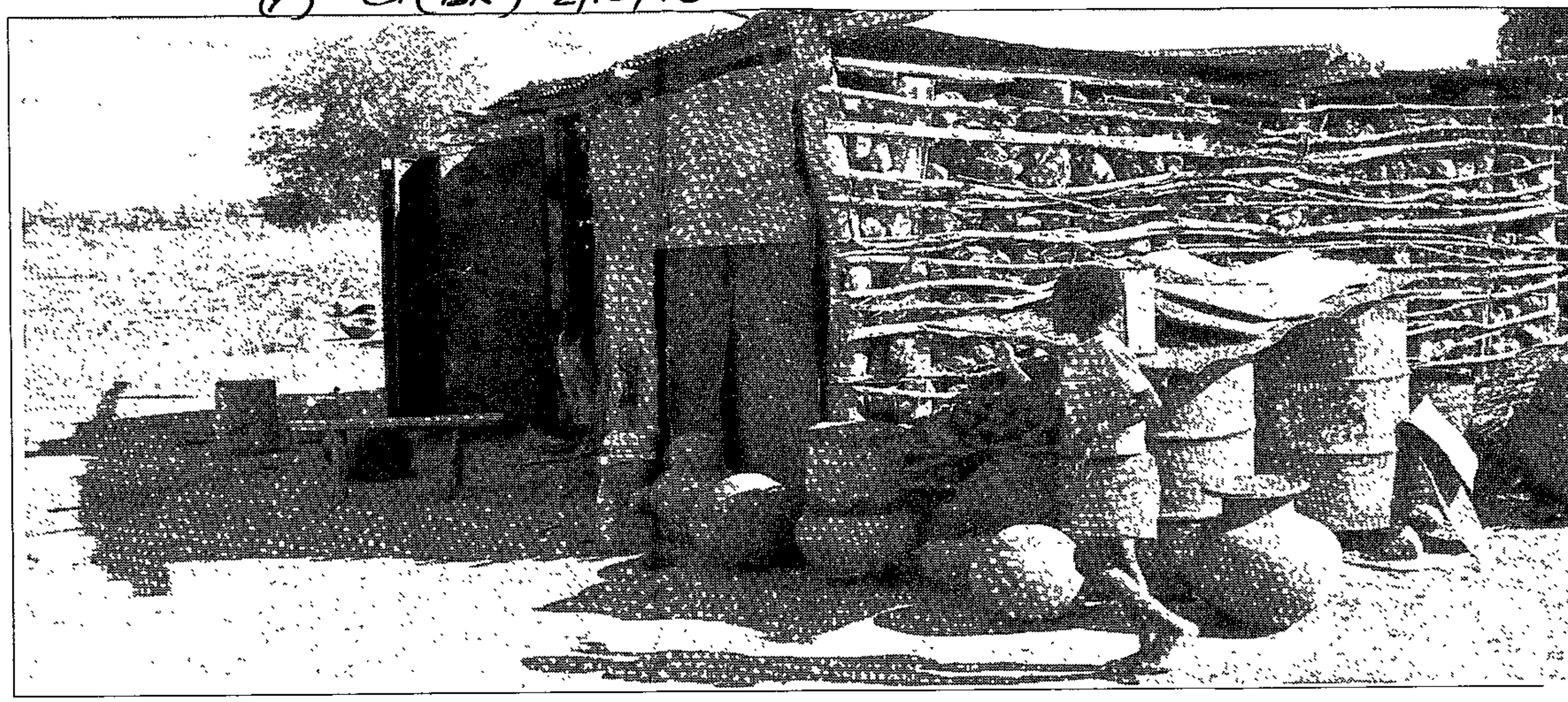
Roundtables with the business community and surveys that monitor firm-level conditions on a continuing basis are being used to better understand the constraints faced by enterprises.

In December last year, the Africa region vice-presidency, in conjunction with the finance and private sector development vice-presidency, organised a two-day seminar in Nairobi on The Resumption of Private Sector Growth in Africa. The seminar brought together senior representations from 10 African countries. It confirmed the existence of large untapped potential in the African private sector, highlighted some of the problems that entrepreneurs face, and suggested ways in which the bank could channel support to the business community more directly.

Opportunities

Human resource development and poverty reduction in particular, are at the forefront of the bank's objectives in Africa. These central objectives were pursued during the year in various ways, both directly and indirectly.

Many of the projects approved, that support long-term growth, have focused on creating the necessary environment for increased employment opportunities, improving the efficiency of markets, and redirecting the allocation of public expenditures more toward the poor.



BUILDING UP *Houses of returned refugees in the district of Magude, in Mozambique*

PHOTO: AIM

Other projects are designed to provide broadly or narrowly targeted assistance for the poor in areas that range from health to adult literacy and food security. Poverty targeted interventions have involved diverse measures such as raising productivity in agriculture, human resource development or improving living conditions, provision of safety nets, and better national resource management.

The projects through which such objectives have been pursued have been similarly varied. The most innovative among them in the past year were the Zambia agricultural sector investment programme and the Chad population and Aids control project, both of which were prepared in collaborative ways involving beneficiaries, official donors and non-government organisations.

The best illustration of an innovative, indirect, yet effective intervention to improve social conditions has been the demobilisation programme in Uganda, which the government continued to implement during the year and which aims at re-allocating public spending away from the military.

The programme was prompted by a public expenditure review in 1992 that showed an expenditure pattern in which defence spending amounted to about 40 percent of the annual recurrent budget, crowding out investments in the social sectors.

Given the need to design, finance, and implement a large-scale reduction in military force, the government requested that the bank become the lead agency in putting together and mobilising resources for such a programme.

As time was of the essence, the bank restructured ongoing credit to include a component for assisting the socio-economic reintegration of demobilised soldiers and their dependents into a productive civilian life. The programme was targeted at about 50 000 veterans and their dependents (about a 50 percent reduction in force) over a three-year period.

It provided veterans with a fresh set of civilian clothing, transportation to their home districts, a transitional safety net of cash and in-kind payments (agricultural tools and building materials for a house, for example) over a six-month readjustment period, job training and enhanced health benefits — especially for the disabled and chronically ill. Primary school fees were also paid for veterans' children for one year. The average cost of this package was about $1 000 a veteran.

Under the programme, to date, about 33 000 veterans and more than 100 000 dependents have been successfully integrated into their home communities. About $35 million has been mobilised through a bank co-ordinated, multi-donor effort to achieve this result. A final-phase demobilisation of 12 500 veterans is under implementation and is expected to be completed by December this year.

As a direct result of the programme, defence spending was reduced from 38 to 22 percent of overall recurrent expenditure, making room for substantial increases in social spending.

Africa needs private investment to spur growth

(1) CT(BR) 4/10/95

Tony Hawkins, a professor of business studies at the University of Zimbabwe, examines the role of small business and foreign private investment in Africa's quest for development

One graph in this year's annual report of the International Finance Corporation (IFC) — the World Bank's private-sector investment arm — tells it all.

It not only shows that the ratio of private investment to GDP in sub-Saharan Africa is lower than in any other region, but also that the ratio has been falling since 1990, except in Mauritius, sinking to 8 percent in 1993.

Noting that the "long-awaited revival" of Africa's private sector in the wake of liberalisation and structural readjustment has yet to materialise, the IFC pins its hopes on "the renewed dynamism" of the informal, small-scale agricultural sector.

The sub-Saharan region is not attracting substantial foreign direct investment because markets are small, the region's economies are struggling to control budget deficits, the financial sector is undeveloped and the region's physical infrastructure is weak.

Three-quarters of the foreign investment goes into hydrocarbons (oil and gas) and much of the rest is earmarked for mining. Manufacturing and services are poor relations.

Given this depressing background, the IFC hopes to promote private enterprise by focusing on five areas:

☐ Revival and expansion of Africa's extractive industries — mining, oil and gas — where there are substantial opportunities. IFC contributes either by investing directly or mobilising funds for countries that are finding it difficult to raise commercial finance;

☐ Development of the small enterprise sector. Small businesses make up the bulk of the region's private sector activity and the IFC is seeking to provide indirect finance through the development of financial institutions, such as leasing and hire-purchase companies, venture companies and technical assistance;

☐ Expansion of financial markets by providing guarantees for local currency loans and through stock exchange development;

☐ Restructuring and privatisation of existing industrial assets. Last year it approved four projects to refurbish hotels and invested in a privatised tannery in Tanzania;

☐ Financing major infrastructure investments. The region's infrastructure needs are massive, services are poor, prices high and there is significant unsatisfied demand.

Few will quarrel with IFC's priorities for the region, but missing is the institutional capacity aspect.

There is no suggestion as to how sub-Saharan Africa can get away from its dependence on primary commodities, thereby developing the industrial base that is virtually non-existent outside South Africa, Nigeria, Zimbabwe, Cameroon and Côte d'Ivoire.

Small enterprise development, which is a central theme of IFC strategy, is vital, but at the same time, it is hard to see such small-scale schemes as the driving force behind an industrialised economy.

The small enterprise strategy is somehow a second-best solution.

It is effective in creating jobs and in supplying some of the needs, especially of low income groups in rural areas. But the mass-consumption market of the towns and cities has different consumption demands and ambitions which few, if any, small businesses satisfy. — Reuter

Uganda calls for debt relief

CT (BR) 6/10/95

(1)

Kingston, Jamaica — Uganda demanded a quick solution to the debt problem plaguing impoverished countries, saying huge repayments were crippling its economy.

"It is not that we will not pay, but we cannot pay," Jehoash Mayanja-Nkangi, the finance minister told a Commonwealth finance ministers meeting in Jamaica.

Britain's Chancellor of the Exchequer Kenneth Clarke had earlier singled out Uganda as being unfairly treated over debt, despite efforts to put its economy back on track after years of misrule. Mayanja-Nkangi said three-quarters of his country's debt were to the international financial institutions like the World Bank and International Monetary Fund which have always opposed writing off any money owed to them.

Uganda uses aid from donor countries to service debt to these institutions. — Reuter

Better African 'lines' ahead

ARG 9/10/95 (257) (1)

GENEVA. — If South Africa's well-financed telephone network is discounted, the continent today has by far the worst telecommunications system in the world.

Although Africa often seems to be the lost continent of telecommunications, recent positive signs indicate that the region's information infrastructure may soon achieve new growth.

Line penetration, a standard measure of telecommunications development, stands at well below one line per 100 people; the continent has less than two percent of the world's telephone lines; and about three-quarters of all Africans will, on present figures, never get the chance to make or receive a telephone call.

But recent steps toward liberalisation, competition and even privatisation in the region indicate that some African nations could soon see their fortunes improve, say officials in Geneva for Telecom 95, a quadrennial meeting of key players in the industry.

"In virtually all of the countries of Africa, a heavy restructuring of the telecommunications sector is under way," says Marcel Werner, secretary of the non-profit Telecommunications Foundation of Africa.

"More and more telecommunications administrations are going ahead with liberalisation because they are unable to expand their networks as they would like."

Officials in nearly a dozen African countries have set up mobile (cellular) telephone systems, according to statistics compiled by the International Telecommunication Union, (ITU), the United Nations agency sponsoring Telecom 95. Almost a dozen nations are considering issuing licences for cellular networks, often to private groups.

Ghana already has a second private operator for basic telecom services; Zambia, Ivory Coast, Senegal and Congo are planning at least partial privatisation of their telephone companies; and Guinea is already offering 49 percent of its national operator, according to the Massachusetts-based consultancy Pyramid Research.

Furthermore, a half-dozen projects are under way to provide high-capacity networks that would span the continent.

One, a pan-African satellite called Rascom, expects to have $180 million (R648m) in financing in place by January in order to launch a satellite in 1997. The South African network operator is looking into expanding its ties with surrounding nations.

And United States telecommunications giant AT&T is proposing an undersea fibre-optic cable that would ring the continent.

Finally, in a region notorious for allegations of poor management and where misappropriation of resources is rampant, many countries have started demanding greater accountability from telephone company officials and greater transparency in their operations, says Raymond Akwule, a professor at George Mason University in Virginia in the US, who follows African telecommunications development.

Professor Akwule specifically cites Gambia and Ghana as nations that are making good progress toward better management. Such home-grown reforms, Professor Akwule says, are the real key to further development of African telecommunications.

"The solution should be spearheaded by the Africans," he says.

"By looking within, they can change themselves."

Still, enormous problems remain. Levels of line penetration on the continent are alarmingly low. Western Europe and the US have 50 to 70 lines per 100 people. Zaire, for example, has just nine lines per 10 000.

Although no African nation could afford levels such as those seen and used in the developed world, five to 10 lines per 100 people would be economically viable, says Mr Werner.

"The demand for quality services in Africa is very high. The companies are trying to keep up with very pressing demand."

Althouhg few would say that Africa can develop sophisticated telecommunications on its own, so far companies from developed countries have not put down much cash.

"Most of the countries are liberalising, but the politicians are scared," said Gerard Mutti, head of of Zambia Telecommunications. "They're liberalising, but there's still no money to support their promises."

One potential source of funding for Africa may come in the form of investment from WorldTel, a public-private partnership supported by the ITU.

The group will focus on specific telecommunications projects in developing nations that take concrete steps toward liberalisation of communications and foreign investment laws.
— Sapa-IPS.

Africa demands more help

(1) CT(BR) 9/10/95

Bruce Cameron
Political Editor

Washington — African states have demanded greater International Monetary Fund (IMF) and World Bank assistance to help them out of their debt and capacity crises as well as a bigger role in the activities of the two institutions.

The demands were made in a closed-door meeting of African member states with James Wolfensohn, recently appointed president of the World Bank, in Washington on the eve of the World Bank/IMF annual meetings.

In an interview after the meeting, Finance Minister Chris Liebenberg said African countries were looking for greater recognition for their macro-economic reforms.

He said Wolfensohn's recognition of the economic difficulties in Africa had brought a new understanding to the World Bank.

Liebenberg said there was a growing degree of positiveness from the anglophone African countries, particularly those in southern Africa. There had been a greater feeling of common purpose in the region since the 1994 South African elections.

The main demands made by the African states included:

- Increased assistance in the face of indications that many industrialised countries were reducing aid to developing countries;
- The writing off of burgeoning debt;
- Greater assistance for human and institutional capacity building;
- Assistance with private sector development; and
- Assistance with regional economic integration.

Liebenberg calls for debt relief solution

Greta Steyn

BD 12/10/95

WASHINGTON — Finance Minister Chris Liebenberg yesterday called on the IMF and World Bank to find an equitable solution to the problem of debt relief for poor countries.

In his annual statement to the joint AGMs of the IMF and World Bank, he did not refer to proposals that the IMF sell part of its gold reserves to help finance debt relief for heavily indebted poor countries, which is generally expected to be one element of a relief strategy. Instead, he was at pains to show that SA cared about the debt plight of its African neighbours.

He said: "For the first occasion in many years, there are encouraging political and economic signs that the African continent is on the upturn and that structural reforms are progressing briskly."

But his speech also suggested that the relief should not be doled out too liberally. He said the bank and fund's debt solution should provide a feasible exit strategy for the "most severely indebted" nations.

He told the international financial community Africa realised it had to take responsibility for its own economic future. Economic growth — based on trade and investor-friendly policies — lay in Africa's own hands.

Liebenberg emphasised SA's commitment to the African continent, but also said the country had massive internal problems that needed its attention. He noted that SA had attracted net capital inflows of almost R19bn in the year to June. "But the future is not without challenges, including large backlogs in social infrastructure, basic needs such as education, housing and health care, the eradication of poverty,

Continued on Page 2

Liebenberg

Continued from Page 1

BD 12/10/95

improvements in capital and labour productivity, higher savings and institutional reforms."

SA realised fully that domestic macroeconomic success would be insufficient for long-term economic development without parallel development within the region.

He also announced that SA was formalising its membership of the English speaking African Constituency of the IMF and World Bank.

He also hoped that the US would meet its commitments to the World Bank's soft-loan arm, the International Development Agency. It would be a "sad and indeed unnecessary irony" if, owing to a lack of resources, the soft-loan aspect of the World Bank's activities was curtailed precisely at the point where there was hope for an economic and political breakthrough.

He also praised the IMF for developing an early-warning system for financial crisis such as that suffered by Mexico at the end of last year.

The fund is to step up its surveillance of economies, and will also take a stronger stance in its discussions with governments under threat of financial disaster.

Comment: Page 6

Unicef and others abandoned by Paris

France fails to deliver on promised aid

Star 12/10/95

BY JAMES TOMLINS

Paris – France has cut tens of millions of rands from its contributions to African aid programmes, including the World Health Organisation and several AIDS agencies.

Other international bodies hit by the cuts include the UN Children's Fund (Unicef), the UN High Commissioner for Refugees (UNHCR), the World Food Programme and the UN Development Programme (UNDP).

Last year Paris promised to give R43-million to combat AIDS, but has since reduced this figure to a mere R6-million.

France also promised to donate R21-million to Unicef in 1995, only half of the 1994 contribution, but

MONEY pledged for African aid projects has so far failed to materialise

it is now less than three months before the end of the year and not a single franc has been paid.

Foreign ministry officials explain that the promised aid has been "frozen temporarily."

Dr Francois Remy, head of the French branch of Unicef, commented: "It would be a catastrophe if France gives us nothing."

France promised the UNPD R160-million for 1995 but has to date only come up with R71-million.

The UNHCR has only received R13-million this year, instead of the expected R37-million.

French officials have justified these cuts as deriving from the new austerity budget plan to keep state expenses down.

The Unicef cut is hardest to appreciate as, in December 1994, the then prime minister, Jacques Chirac, personally promised more money for the organisation.

But, since then he has become president of France, and the new Unicef head is not European as he had hoped, but an American woman. The end result is that African governments struggling to ease outstanding social problems will be unable to count on expected aid from Paris.

Paris cuts millions from aid to Africa

The Argus Foreign Service (1) ARG 12/10/95

PARIS. — France has cut tens of millions of rands from its contributions to African aid programmes, including the World Health Organisation and Aids agencies.

Others hit by the cuts include Unicef fund for children, the UN High Commissioner For Refugees, the World Food Programme and the UN Development Programme.

Last year Paris promised R43 million to combat Aids, but has reduced this to a mere R6 million. It promised R21 million to Unicef in 1995, half of its 1994 contribution, but not a single franc has been paid so far.

Officials say the aid is "frozen" temporarily.

Francois Remy, head of the French branch of Unicef, commented: "It would be a catastrophe if France gives us nothing."

France promised UN Development Programme R160 million for 1995 but has come up with only R71 million. The High Commissioner for Refugees has had only R13 million instead of the expected R37 million.

Officials justify the cuts as deriving from a new austerity budget.

SA aligns itself with Africa

CT (BR) 12/10/95 (1)

BY BRUCE CAMERON

POLITICAL EDITOR

Washington — South Africa has affirmed its support for Africa in the influential Bretton Woods institutions.

Minister of Finance Chris Liebenberg, in his speech at the annual meetings of the International Monetary Fund and World Bank, announced that South Africa had become the 21st member of the Anglophone Africa Constituency of the institution. South Africa passed up joining the far more powerful Swiss-led constituency to align itself with Africa.

South Africa holds a 0,93 percent vote weighting based on contribution to the institutions, strengthening the vote of the group to 3,38 percent. Nigeria is the other comparative heavyweight.

In his speech, Liebenberg endorsed calls for greater support for African countries, but said the South African region must "accept that responsibility for sustainable economic growth, based on trade, and investor-friendly policies and sound macro-economic principles, lies in our own hands.

"No less than 33 of 41 severely indebted lower-income countries are from the African continent.

"We would like to call upon the Bretton Woods institutions and the G7 countries to redouble their efforts to find a solution to this problem in a manner which is equitable, even-handed and which provides a feasible exit strategy for the most severely indebted nations.

"We make this appeal because for the first occasion in many years there are encouraging political and economic signs that Africa is on the upturn and structural reforms are progressing briskly."

Liebenberg appealed to donor countries to meet their commitment to the International Development Association, which provides soft loans to the poorest nations. "It would be sad and indeed a necessary irony if, owing to lack of resources, this aspect of the World Bank's activities are curtailed precisely at the point when there is hope for an economic and political breakthrough!"

PENSIVE *World Bank President James D Wolfensohn* PHOTO AP

Spotlight on African housing

■ HOUSING REPORTER

About 450 delegates from 53 African nations will next week be taking part in the All African Housing Ministers' Conference, which will focus on living conditions in the continent.

The three-day conference is expected to draft a position for Africa on living conditions.

The draft will be presented to the UN Commission for Human Settlements' Habitat Two conference in Istanbul, Turkey, in June. Habitat Two aims to make the world's cities, towns and villages healthier, safer, more just and economically sustainable.

It will also focus on cities and townships as they are affected by urbanisation and influx.

The first Habitat conference was held 20 years ago in Vancouver, Canada, and drew international attention to problems in both rural and urban settlements.

Habitat Two's aim is to have a blueprint for urbanisation ready by the year 2000. This will be particularly important for South Africa, as the country is faced with a 1,5-million housing unit backlog estimated to be growing annually by 200 000.

The conference will include participation of the private sector and non-governmental organisations.

(1) Star 13/10/95

SA to strengthen ties with Cuba

The South African Government was totally opposed to the isolation of Cuba in the socio-political and economic spheres, Foreign Minister Alfred Nzo said during his visit to Cuba yesterday.

Speaking at a lunch hosted by Cuban Foreign Minister Roberto Gonzales, he said it was for this reason that South Africa had voted for the lifting of the US blockade against Cuba at the 49th session of the United Nations General Assembly.

In his speech, Nzo conveyed President Nelson Mandela's "warm greetings" to Cuban President Fidel Castro and reiterated Mandela's invitation to Castro to visit South Africa.

He said it would be the worst form of political immorality and gross ingratitude if Africa were to forget the "tremendous sacrifices" the Cuban people made by supporting the freedom struggles of the peoples of southern Africa.

"Many countries of Africa have actually benefited from the dedicated services of your specialists in many fields, more particularly in support of medical services of many developing African countries.

"South Africa is part of that Africa which will never forget your internationalist solidarity. We take the opportunity of my first visit to your country to convey this deep gratitude to your people," said Nzo.

SA's establishment of diplomatic relations with Cuba had bolstered ties in various fields, such as culture, socio-economic issues and trade, he added.

South African exports to Cuba had increased from R36,5-million in 1993 to R41,61-million in 1994, while Cuba's exports to South Africa amounted to R14,6-million last year and were expected to increase in the future.

"I am pleased to learn that your embassy in Pretoria is in the process of planning seminars in South Africa to inform the South African business sector about business opportunities in Cuba," Nzo said. – Sapa.

Beijing names new envoy to Pretoria

China's key envoy in Africa has been reassigned to Beijing and appointed assistant minister for foreign affairs (Africa and Middle East affairs).

Li Peiding, who has ambassador status but is officially described as the director of the Chinese Cultural Centre, is to leave his post in Pretoria at the end of the month. He will be replaced by Beijing's ambassador to Harare, Gu Xiner, a veteran diplomat.

South Africa and the People's Republic of China do not have formal diplomatic relations. South Africa recognises the Republic of China (Taiwan) instead.

Li, who has been in Pretoria for 15 months, said he would pursue opportunities to ensure that changes took place.

The two governments have held tentative talks about establishing formal ties since 1990, in the face of a concerted effort by Taiwan to maintain [illegible] with South Africa. The Taipei government has invited numerous parliamentarians to the island and has poured millions of rands into South Africa to boost its standing locally. – Pretoria Bureau.

Farmers' land demands on union agenda

■ BY NORMAN CHANDLER
PRETORIA BUREAU

Star 13/10/95

South African farmers are preparing to make a last-ditch attempt to get the Government to backtrack on major aspects of its land distribution and restitution proposals.

They are to make their stand at next week's South African Agricultural Union (SAAU) national congress.

The Transvaal Agricultural Union (TAU) and the Natal Agricultural Union are putting forward resolutions criticising government infringements on property rights, and demanding that property rights be enshrined in the final constitution.

They are also concerned about the implications of the new Labour Relations Act and that the SAAU had not been given an opportunity to make recommendations to a parliamentary committee.

The SAAU, which represents about 60 000 farmers, will also be changing its constitution.

An important amendment, to be discussed at the meeting to be held near Vereeniging on October 17 and 18, is one which allows for 90 representatives – on a proportional basis – from all provinces, subject to the number of registered members in the provinces, gross value of production, contributions made to the financing of the SAAU, and the area they service as farmers.

This is regarded as opening the door to subsistence farmers who have in the past not been able to be part of the largely whites-only farming unions.

The TAU will also raise the crime issue, which "together with escalating unemployment and illegal immigration ... disrupts agriculture while increasing production and insurance costs".

SA companies start their economic scramble for Africa

CT(BR) 20/10/95 (1)

By Samantha Sharpe

REUTER

South African companies, like the 19th century explorers that preceded them, are starting an economic scramble for the wealth that Africa has to offer.

Exports to Africa soared 55 percent in two years to R8,63 billion last year, while imports from Africa almost doubled to R2,35 billion — an indication of the continent's growing market size.

The country's post-apartheid welcome into Africa means that mining houses are sinking new shafts in west Africa, its banks are opening doors in central Africa and food chains are offering products to markets hungry for new goods.

Observers would be hard pressed to find a major company that has not yet embarked on an entrepreneurial journey of discovery north of the Limpopo.

Mining conglomerate Anglo American, for example, is active in Mali, Senegal, Burkina Faso, Ghana, Tanzania and Zambia, and is close to signing a gold-mining deal with Ivory Coast. But the mining houses are not the only players crossing the border.

Banks are rapidly expanding into Africa — a move given some impetus by the collapse of pan-African bank Meridien Biao earlier this year. The bank's downfall saw the Standard Bank Investment Corporation seize its Tanzanian operations and First National Bank acquire a Swazi bank.

The banking industry says it will continue to increase its presence in Africa where its customer base needs it.

Its expansion thus reflects the growing demand for sophisticated financial services throughout Africa.

South African Breweries has half the state-run brewing companies in Tanzania and Zambia, as well as operations in Botswana, Lesotho and Swaziland and a 70 percent stake in Mozambique's national brewer.

Ask the average beer drinker in Zimbabwe about their favourite beverage and chances are it is a South African Breweries brand.

The leisure industry is also aware of the profit potential in venturing into Africa.

City Lodge Hotel says it will expand into southern Africa this financial year and that it has the rest of Africa in its sights in the next five years. The group has management contracts with 85 African hotels and is negotiating to acquire new contracts in Nigeria and Zanzibar.

Casino licences in Botswana for leisure company Global Resorts bode well for the company, especially given the confusion governing the gambling industry.

The country's largest retailer, Pepkor, is taking its subsidiary Shoprite Checkers to Zambia where it says it will open three new stores by year end. It is also opening a store in Mozambique. Competitor Pick 'n Pay plans to open stores in Namibia, Botswana, Zimbabwe and Kenya.

Electricity company Eskom is rehabilitating the power grids of several southern African countries, with plans to integrate them with South Africa's electric network.

Trade and Industry Minister Trevor Manuel says there is a wealth of opportunity among developing countries in the south.

"In southern Africa, especially, we could begin to look at our port, rail and road networks as well as the possibility of expanding the electricity grid into the region."

The transportation sector offers additional scope for African ventures.

SAA is negotiating alliances with Malawi, Kenya and Congo. A joint venture between the airline, Tanzania and Uganda has created a new company, Alliance, and industry sources say SAA is poised to take a stake in troubled Kenyan Airways.

A woman casts her ballot in the presidential elections as others wait in a school in Abidjan, Ivory Coast. Picture: AP

African stock exchanges plot course to prosperity

BD 24/10/95 (1)

GRAND BAY — African stock exchange leaders meet this week to plot how to put the world's poorest continent firmly on the international investment map.

With SA about to embark on the biggest shakeup of the JSE, hopes are running high that Africa's more than a dozen bourses are now on the path to unprecedented growth.

The October 24-27 annual assembly of the African Stock Exchanges' Association in Mauritius will work out plans which officials hope will ensure African exchanges are not bypassed by international investors.

But first the association must persuade governments that market reform is the way to attract investors and boost growth.

"That is why we chose the theme Liberalisation of African Capital Markets for this year's conference," said the association chairman Jimnah Mbaru.

"Opening up our markets fully to international investors is our priority. This is what we are going to deal with at this year's meeting: how can we assure investors that we are a viable market and we shall be there in the future?"

Dharmanand Virahsawmy, Stock Exchange of Mauritius manager, said: "We hope this conference will provide a further boost to African countries to liberalise their exchanges."

Association officials said African governments had to bite the bullet and deal with the process of democratisation and economic reform more vigorously in order to attract investment.

Bruno Hardy, a Mauritian stockbroker and chairman of the Mauritian exchange, said: "We need to attract investment, but that would be futile without political stability and economic reform.

"An investor is always looking for economic fundamentals, political stability and security for his funds. He is attracted by an economy where inflow and outflow of funds is free and open."

Mauritius is one of few African countries to have gone down the road of opening fully its capital market to foreign investment.

But SA is rapidly co-operating with the rest of Africa and, through the deregulation of the 108-year-old JSE next month, is poised to be its powerhouse.

Corporate and international players will enter the JSE from November 8 followed by negotiable brokerage rates, screen trading and, much later, dual capacity trading, officials said.

They said SA stocks were riding high on improved economic outlook and increasing international interest, and the JSE had the biggest weighting in the International Finance Corporation's composite index of emerging markets thanks to a recent bull run.

"The success of SA bodes well for the continent. The overall situation is looking far better for Africa than at any time in its history," an analyst said.

Although such glib forecasts litter Africa's overall poor post-independence economic history, Asea officials say they are confident this is no longer a dream.

They point to more than 14 African bourses in operation, with a market capitalisation of around \$270bn. SA is the biggest player, taking up 95% of capitalisation.

Association officials predict African exchanges could grow from about 2,2% share of world market to more than 3% by the year 2010 on the back of anticipated cross-border flows. — Reuter.

A rosy future in biodiversity

Kathryn Strachan (1) BD 26/10/95

THE rosy periwinkle, which grows only in Madagascar and provides the key compound used in the cure for childhood leukaemia, emerged as a symbol of hope for Africa's future at a conference of global policy makers last week.

At the North South Roundtable conference in Johannesburg — which brought together its members from former World Bank president Robert McNamara to architect of the UN World Development Report Mahbub ul Haq — interesting new perspectives on Africa's path into the next century came to light.

Susan George, associate director of the Transnational Institute based in Amsterdam, said that in the next century Africa's real power would lie in its pristine environment, its biodiversity and its natural resources.

By protecting its natural resources Africa would be able to provide the vital compounds needed for future medicines and foods — and the unreplaceable rosy periwinkle showed the way.

She urged African leaders present at the gathering to protect their environment, as this was their key to not only catching up with the level of development in the rest of the world in the next century, but perhaps outpacing it. However, her fear was that Africa would remain in the mindset of the present century, where power was based on petroleum.

McNamara, who was also US secretary for defence in the Kennedy era, gave the message that the First World had a lot to learn from the Third World.

While Americans criticised Cuba, the literacy rate in Cuba was twice that of Washington, he said. Also in Washington, the capital of one of the richest countries in the world, 68% of births were illegitimate.

Adebayo Adedeji, of the African Centre for Development and Strategic Studies based in Nigeria, said there was a need for Africans to provide a clear vision and leadership for the future which would replace outside forces which imposed inappropriate policies on Africa.

In response to questions on how conflict-ridden African countries could establish legitimate democratic leadership, ul Haq said there were positive developments, such as the fact that 30 countries had held democratic elections and that many had legalised opposition parties for the first time.

Investors targeting Africa

Top analysts see unique growth potential

(1) ARG 27/10/95

GRANDE BAIE (Mauritius). — Africa is a hot international investment target, in spite of its record of poverty, wars, drought and political strife, analysts here say.

At the annual assembly of the African Stock Exchanges Association (ASEA), they said Africa — the world's poorest continent — was arguably the ultimate emerging market, with unique growth potential, inexpensive labour and extensive natural resources.

Brokerage firms in the United States and Europe are floating new funds to invest in a continent where many governments have just thrown out socialist policies adopted after colonial rule.

"Africa still remains with massive potential for foreign investment," said Michael Howell, head of global strategy at the London-based Baring Securities Group.

"The amounts of funds coming into Africa are tripling," he said.

Analysts said there was good reason to be hopeful for Africa.

All-race elections and the end of apartheid and sanctions in South Africa 18 months ago had stirred new interest in the continent of 600 million people, the world's second largest.

Western-backed economic reforms across Africa are unleashing growth, they said, pointing to Ghana, Mauritius and Uganda, where governments had managed annual growth of more than five percent.

But the experts said Africa needed to develop infrastructure to attract capital and ensure investment flows were maintained.

"There are many rapidly developing funds looking to invest in African stocks. Therefore it is imperative that Africa develops infrastrcture to not only attract capital but to also maintain flows," said Cynthia Corbett of Standard Bank South Africa.

Funds already up and running in Africa included the Morgan Stanley Africa — a closed-ended fund floated last year with $50 million — and the Emerging Markets Africa Investment Fund.

Others were Alliance Capital Management's Southern Africa Fund and Robert Fleming's New South Africa Fund. Barings was also setting up a $100 million Investment Fund for Africa, which Mr Howell said would be operational in three weeks.

"Africa is in a prime stage of its evolution to capitalise on foreign interest, since historically most significant emerging markets returns are made in the early stages of their market development," Ms Corbett said.

"African stock markets are developing and growing in size."

She said increasing interest in Africa among investors had also been helped by a need to diversify portfolio investment, globalisation of world economies and enhanced communications.

Vincent Rague of the International Finance Corporation (IFC), an arm of the World Bank, said Africa badly needed to create merchant banks and institutional investors to enhance its markets.

"These institutions increase savings and investment, widen investor participation and create transparent and efficient capital markets," he said.

"A capital market that is not served adequately by these institutions is likely to remain small and unstable," he warned delegates.

The ASEA executives, buoyed by the presence of economic powerhouse South Africa, are trying to work out a framework at their three-day meeting to secure more investment.

More than 14 African stock exchanges operate with a combined capitalisation of $270 billion, 95 percent of it South African. — Reuter.

Africa a hot target for international investment

(1) CT(BR) 27/10/95

By Buchizya Mseteka

Grande Baie, Mauritius — Africa is a hot international investment target despite its record of poverty, wars, drought and political strife, analysts said yesterday.

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The Asea executives, buoyed by the presence of economic powerhouse South Africa, are trying to work out a framework at their three-day meeting for bourses to secure more investment.

Asea officials said African exchanges should be able to grow from a 2,2 percent share of world markets to more than 3 percent by 2010 with cross-border equity flows. — Reuter

Ghana is World Bank's model for improved economic growth in sub-Saharan Africa

(i) CT(BR) 30/10/95

BY DENIS WORRAL

MY TURN

Accra — After years of poor economic performance, the World Bank expects economic growth in sub-Saharan Africa to average 4 percent a year over the next two years — thus outstripping the abysmal growth levels of the past decade and bringing economic life back to the region.

The bank's success model is Ghana and it is also against this background that the bank has helped Ghana to prepare what is described as the Ghana Trade and Investment Gateway Programme.

The overall goal of the programme, which was finalised between the World Bank and Ghanaian government leaders at a high-level workshop in Accra on October 6, is to establish Ghana as a pre-eminent manufacturing, value-added processing, trading, financial and commercial centre in West Africa.

Beginning in 1983, Ghana began to implement a wide range of structural economic reforms.

Key elements were a sharp devaluation in the national currency — the cedis — to encourage exports and productive economic activity, a positive shift away from government control and intervention to a greater reliance on market forces, rehabilitation of transport, telecommunications and other infrastructures, and a restoration of fiscal and monetary discipline.

The result is that between 1983 and 1991 Ghana experienced average annual rates of real GDP growth of more than 5 percent. The banking sector has been revitalised, widespread trade liberalisation has been introduced and foreign exchange access has been liberalised.

A World Bank and the International Finance Corporation's (IFC) investor perception survey, which was published in March this year, showed that Ghana was viewed by the majority of international respondents as having established a solid foundation for sustained economic growth.

Denis Worrall

The immediate concern is to reduce further red tape and other constraining influences on economic activity by creating a regulatory framework and attitudes conducive to foreign investment. With more than 20 government department heads participating, this was the main focus of the workshop.

The drive behind the reforms comes from PV Obeng, widely described as Ghana's prime minister. Obeng, who is an engineer of about 40 years of age with a no-nonsense approach, has been adviser to President Jerry Rawlings since 1982. I was impressed with how forcefully he got the message across at the workshop.

The main engine for the development of the programme is the private sector and the measures taken to entice greater foreign private sector investment include the simplification of customs and excise procedures, the establishment of free zone industrial parks, the liberalisation of maritime and air transport through an open-skies policy, the strengthening of international-regional passage of services, transshipment through Ghana's ports and airports, the creation of free ports at the airports and ports, the creation of free-zone enclaves and then value-added manufacturing plants and services located in these enclaves.

Rather than adopt a shot-gun approach to private sector investment, the programme has specifically identified as targets the private sectors of the United Kingdom, Malaysia and South Africa.

Several South African companies are already in Ghana — for example, Gencor, Murray & Roberts, JCI, Anglo American, Nedbank and Protea Hotels, and others are exploring.

I felt quite at home in the biggest supermarket serving expatriates with its Nederburg wines, Ceres fruit juices and other South African products. There is also room for more.

In terms of the programme, PortNet has been identified as one of the possible operators/advisers to Ghana ports.

South Africa Express could be a candidate to strengthen regional airways and Murray & Roberts and LTA could be involved in the creation of the free-zone enclaves. Eskom and TransNet are listed as possible providers of physical infrastructure/utilities in support of the programme. Clinic Holdings is a possible provider of health services.

The IFC World Bank investor survey devotes a chapter to South African private sector involvement. While acknowledging that the perception of Ghana as a recipient of outward investment from South Africa is driven by the mineral sector, the report concludes that "the positive view of Ghana expressed by the mining conglomerates should be built upon as soon as possible and definitely prior to the lifting of exchange control by the Reserve Bank. The non-mineral sectors in South Africa should therefore be the target of a promotional campaign".

This is compelling reasoning. For South African companies Ghana offers tremendous opportunities in fields as diverse as telecommunications, printing and packaging, construction, hotels and tourism, chemicals, pharmaceuticals, fishing and food processing, not to mention mining.

The big advantage of involvement in the programme is that the World Bank and its agencies more or less guarantee the viability of the projects, will help with their financing and will clear away the bureaucratic roadblocks. There is room in this relationship also for small and medium-size companies. To this end, a Ghana-South Africa Business Association has been established with the support of the government and the World Bank. It will be launched next month.

☐ *Worral's company, Omega Investment Research, is a consultant to the World Bank on the Ghana Gateway programme. Worral is a former South African ambassador to the United Kingdom.*

Southern Africa needs RDP plan

Sowetan 31/10/95

Africa can be developed with SA expertise and international capital

SA Press Association

A SOUTHERN AFRICAN reconstruction and development plan should be started to ensure real peace and stability on the subcontinent, Transvaal Agricultural Union president Mr Dries Bruwer said yesterday.

"Not only will the economies of African countries be developed to their full potential but the whole of the sub-Saharan continent could be politically stabilised," he said in an interview.

"The possibilities of growth and prosperity in the region are enormous if leaders are prepared to face the challenges of this task."

A project of this magnitude would change the lives of millions of people and would have to be initiated by South Africa and in particular President Nelson Mandela.

Civil strife

Civil strife and lack of expertise had left sub-Saharan Africa's vast natural resources under-developed and underutilised, but this could be remedied if a country like South Africa was willing to take the lead in the planning and physical implementation of projects, he said.

"South Africa has expertise and knowledge to offer and I can see no reasons why international funding cannot be obtained.

Africa will remain a Third World continent increasingly dependent on international aid if its natural resources are not developed and utilised to their full potential.

"The international community is well aware of this fact."

Bruwer said a southern African reconstruction and development programme would solve South Africa's serious problems.

Influx of people

A mass influx of people from nearby states posed a threat to South Africa's natural resources, some of which, like water, were scarce.

South Africa's urban areas had become prime squatting sites for thousands of aliens flocking to "the land of milk and honey".

It was widely recognised that crime was soaring and unemployment was rife.

"These are all factors leading to dissatisfaction and even confrontation," Bruwer said.

"It destabilises the South African situation which will never recover if drastic measures are not taken to enhance the peace and stability in South Africa and our neighbouring countries."

SA 'should concentrate on Africa'

Star 3/11/95 (1)

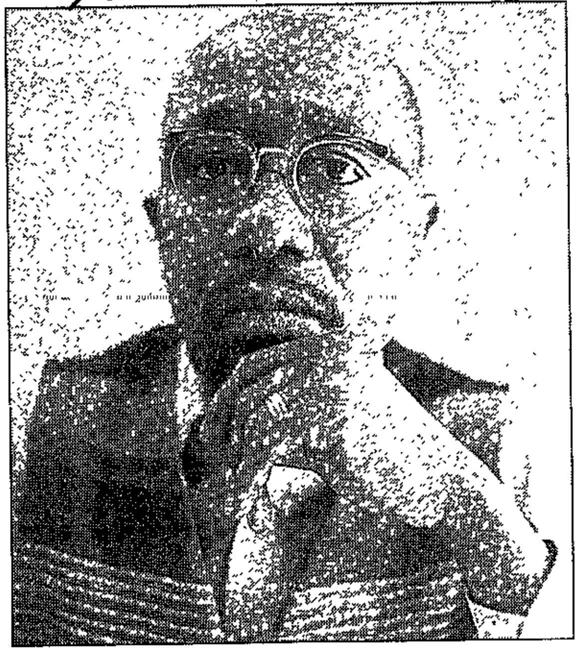
BY BRENDAN TEMPLETON

Amnesty International secretary general Pierre Sane has come to South Africa to persuade the Government to raise its international profile as a defender of human rights.

South Africa owed a particularly huge debt to the people of southern Africa, many of whom made great sacrifices to ensure South Africa gained its freedom, he said in an interview with The Star this week.

Sane has scheduled meetings with Deputy President Thabo Mbeki, IFP secretary general Dr Ziba Jiyane, ANC secretary general Cyril Ramaphosa and a host of other political leaders during his visit.

This is the first trip to South Africa by an Amnesty International secretary general – an irony not lost on Sane who hails from Senegal on the bulge of Africa.



Pierre Sane PICTURE: ANDREAS VLACHAKIS

His main concerns were South Africa's role in the protection of human rights in Africa and the United Nations; the violence in KwaZulu Natal; the torture of suspects by police; and South Africa's arms trade, he said.

According to Sane, Africa should be South Africa's primary concern because the country's wealth and stature meant it had the opportunity to play a leading role to protect human rights on the continent.

In particular, South Africa should try to ensure all members of the Southern African Development Community signed the five international covenants and conventions which were widely regarded as containing acceptable, standardised guidelines for the protection of human rights.

These were the International Convention Against Torture (which South Africa has still not ratified); the Covenant on Civil and Political Human Rights; the Covenant on Social and Economic Rights; the Covenant on the Elimination of Discrimination of Women; and the Convention on the Rights of the Child.

South Africa should also try to ensure all SADC members signed the African Charter, he said.

WINDOW SHOPPING *Retailers are hoping for a bumper season* PHOTO TRAVIS McCUE

EU pushes consumer safety in Africa

(1) CT(BR) 14/11/95

BY JOHN FRASER

Brussels — The European Union (EU) wants the countries of Africa to give their consumers a better deal.

So EU Consumer Affairs Commissioner Emma Bonino is seeking the power to vet aid grants, so that cash only goes to firms which respect basic standards of consumer safety.

She announced her plan, still to be endorsed by all 15 EU governments, as part of a review of European consumer policy.

"Understanding of basic food hygiene, use of medicines, home economics, food conservation and other subjects have been at the heart of the work of many consumer organisations for years.

"Issues such as the off-loading of unfit or unsafe production are of major importance in third world countries."

It is also possible that the EU could boost aid to support consumer groups in African countries, so that they can campaign more effectively for better standards.

South African consumers have a better deal than their counterparts in other African countries, but EU officials believe there is still room for improvement.

"There are basic consumer rights which are not universal in Africa, and we want to do all we can to improve matters," said an EU official. The EU's own consumer policy has sometimes led to some rather absurd scandals.

There has been much amusement about laws to standardise the safety of condoms.

However, EU officials have denied press reports that they are interested in achieving a standard size.

They say, instead, that they are interested in ensuring that all condoms sold in Europe are robust, and are not liable to split during use.

Meanwhile, eyebrows were raised when an EU law on toy safety was discovered to also cover — Xmas decorations. — Independent Foreign Service

Africa must act against abuses · Naidoo

(1) 15/11/95

Renee Grawitzky

AFRICAN countries had to have the courage to stop blaming the rest of the world for the continent's problems and begin taking responsibility to ensure they acted decisively against corruption and abuses of human rights, Minister without Portfolio Jay Naidoo said yesterday.

Speaking at the launch of the UN Development Programme's Human Development Report 1995 in Africa, he said: "We as people in Africa have to challenge the vested interests of foreign donors and ensure that assistance from the international community fits in with our priorities."

Naidoo said the objective of the RDP was to ensure — through consultation with affected communities — that the real needs of South Africans were being addressed.

In addition, government had to ensure that services were being delivered properly and money spent was achieving its objective, for example, in education and training, Naidoo said.

The majority of South Africans were illiterate, yet 25% of the total budget went into education which was more than the total budget of Tanzania, he said.

If people were not being effectively trained or educated the money would be redirected away from bureaucracy, Naidoo said.

He said government was committed to the empowerment of women and this was reflected in the number of women parliamentarians.

The first woman who had been appointed to the highest executive level in government was the director-general of the health department.

He said that close to 25% of households were headed by women, and attempts were being made to monitor the extent to which women were being empowered.

A representative for the UN said the Human Development Report — which focused on women — subscribed to the view that development could be sustained only if it centred on people.

During a workshop earlier this week, delegates discussed the report and issues around the lack of statistics about violence in the home and an economic assessment of unpaid labour.

Some discussion arose as to whether the report adequately addressed the extent of the abuses on human rights. Some delegates argued if "women's rights are human rights" why were these statistics excluded.

According to sources, delegates from the Develoment Programme explained that attempts to obtain data on such abuses had not been fruitful.

In addition, attempts at collating such data would have put in jeopardy the collation of data around the human development index.

A delegate from Botswana argued that the report could have contributed to masking the realities of people's experiences, including the extent of the abuse of human rights in a number of African countries.

It was argued that because the report looked at averages, situations in specific countries were not necessarily clearly reflected.

Minister without Portfolio Jay Naidoo receives a copy of the Human Development Report 1995, published by the UN Development Programme, from UNDP Bureau for Africa assistant administrator and regional director Ellen Johnson Sirleaf during the launch of the report in Africa yesterday. Picture: ROBERT BOTHA

Africa opens its heart to a new breed of trekkers

(1)

ST (BT) 19/11/95

SA companies from steakhouse chains to banks and parastatals are finding new markets north of the border as disillusioned European and US investors move out, reports ZILLA EFRAT

SA COMPANIES are fast making inroads into Africa in what is being called the "new Great Trek".

No longer the continent's pariahs, some SA companies — among them Protea Hotels and Multichoice — have almost succeeded in covering the continent from Cape Town to Cairo.

Several now rank as the undisputed African giants in their fields, and many more are just getting their toes wet.

Indeed, South Africa is flavour of the month in Africa, and the new trekkers — who range from retailers and mining groups to steakhouse chains and parastatals — are taking advantage.

They are increasingly filling the vacuum left by European and US corporations which became disillusioned with problems on the continent, like poverty and corruption.

Africa is not the most profitable market. The purchasing power in 1991 of its 560-million people was only $1 250 a head.

But Africa is closer and far less competitive than other markets, and it is seen by some SA groups as a natural extension of the SA market, offering them the chance to maximise their economies of scale.

What's more, several SA companies say that Africans view them as less threatening to negotiate with than their US and European counterparts.

It is rare for a large SA company not to be examining some opportunity north of the border.

Protea Hotels has been expanding across the continent fast, often in the face of strong competition from international groups, and is now Africa's biggest hotel group.

It recently won a contract to manage a hotel in Botswana previously run by the Sheraton group. And it was awarded a management contract, against stiff competition, for an Egyptian resort and four Tanzanian hotels.

Protea recently took over eight hotels, a tour operating business and an airport catering operation from a British rival in Malawi.

Many of the reasons cited by Protea for its success in Africa could apply to other SA groups. As an African company it is seen to understand management problems on the continent. And, unlike its international competitors, the group's marketing infrastructure is designed to bring business to Africa.

Last month, the City Lodge hotel group announced a joint venture with a Zimbabwean industrial company that will see it expand across southern Africa.

Meanwhile, MultiChoice now beams programmes from South Africa to Egypt and more than 40 countries in between. Over the past two years it has become Africa's biggest provider of pay television channels and the recent launch of the PanAm Sat 4 satellite will spread its influence further.

Standard Bank is believed to have the largest banking network in Africa. It operates in 14 countries north of the border.

Its expansion has been helped along by its acquisition in 1992 of ANZ Grindlay's African business and its recent purchase of Barclays's Lesotho outlet and pan-African banking group Meridien BIAO's Tanzanian operations.

SA Breweries operates in African countries including Tanzania, Angola, Zimbabwe, Zambia, Botswana and the Canary Islands. Its most recently announced deal was the acquisition of a majority stake in two of Mozambique's national breweries for R51-million.

Restaurant groups like Spur Steak Ranches are to be found in countries including Mauritius, Zambia and Botswana, while SA retailers have outlined plans to expand north of the border.

Shoprite-Checkers says it will set up three stores in Zambia by the end of the year and another four in 1996. It will also open Mozambique's first foreign supermarket.

Rival Pick 'n Pay plans to open stores in Namibia, Botswana, Zimbabwe and Kenya and is involved in joint venture talks that will further spread its network in the region.

McCarthy Retail has unveiled a R200-million plan to create a network of 35 supermarkets in southern Africa, while Consol's tyre distributor, Tredcor, has cornered 60% of the Botswana market.

State-owned organisations such as Eskom, Transnet and SA Airways are spreading their wings and South Africa's major mining groups are sinking new shafts across the continent, particularly in west Africa.

Anglo American is reportedly active in Mali, Senegal, Burkina-Faso, Ghana, Tanzania and Zambia, and is considering mining gold in the Ivory Coast.

Despite all this activity, SA companies' biggest area of dominance is in intra-African trade, largely because investment on the continent has often been limited by foreign exchange regulations.

Despite payment problems and corruption, the continent has emerged as South Africa's second largest export market after Europe. It has also become South Africa's largest destination for value-added goods.

SA exports to Africa jumped 55% in two years to R8,63-billion in 1994, while imports almost doubled to R2,35-billion rand.

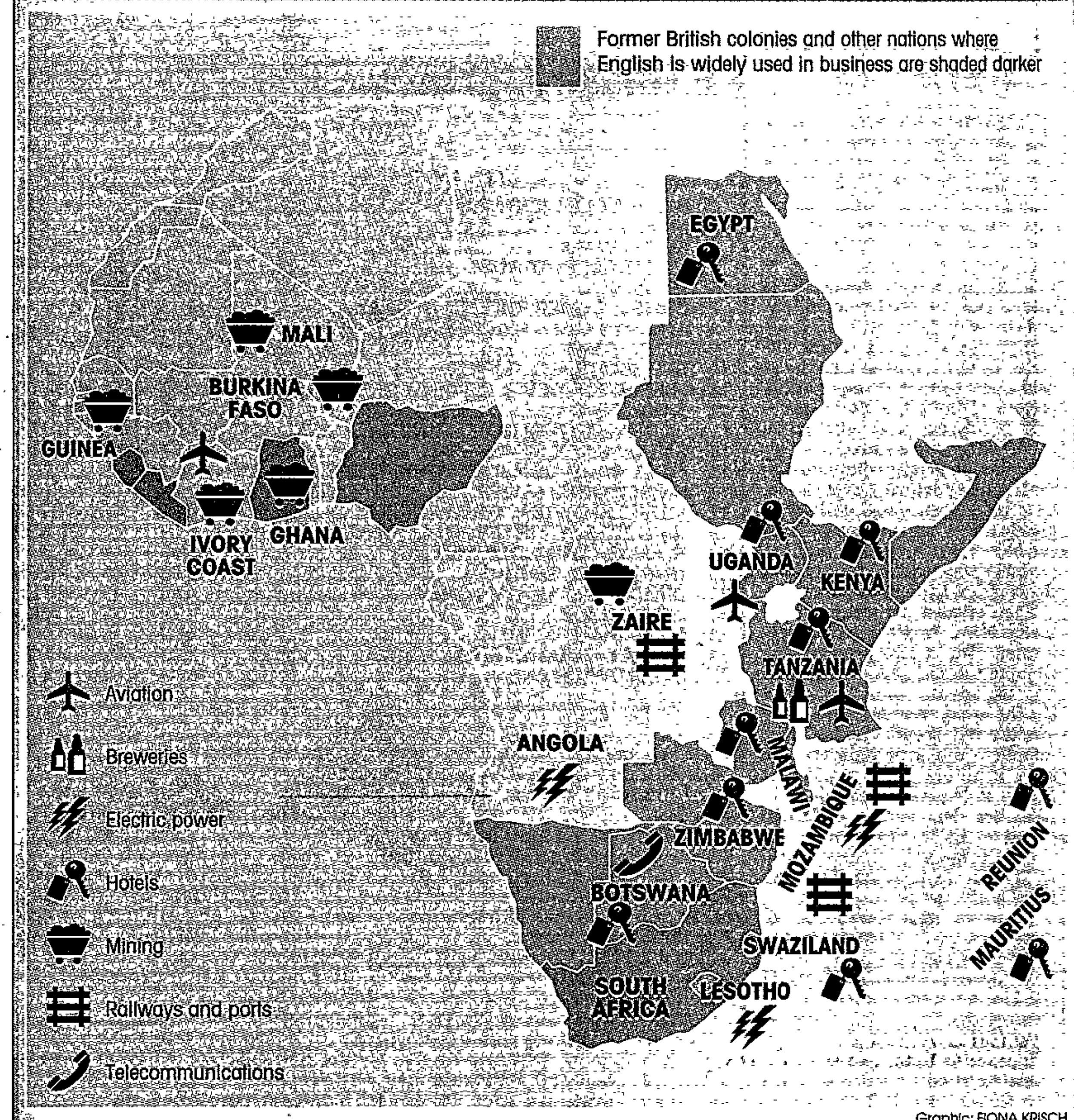
Paarl wines are now served in Burundi's smart restaurants, Cape apples are sold in markets in Accra, Ghana's capital, and SA technicians are setting up cellular phone networks in several capitals.

While SA companies often fill the gaps left by foreign companies, multinationals increasingly see South Africa as the gateway to the continent.

A number have moved their African headquarters to Johannesburg, while others have handed control of the sub-Saharan region to their SA operations.

For some, opening an SA office is a first tentative step in testing the African market. For others, like Coca-Cola, a return to South Africa has given new energy to the way they look at the continent.

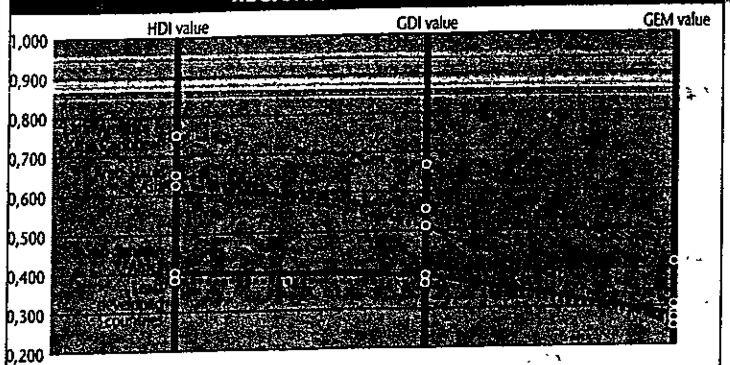
MAJOR INVESTMENT PROJECTS IN OTHER AFRICAN NATIONS BY SOUTH AFRICAN BUSINESSES SINCE THE END OF APARTHEID



Graphic: FIONA KRISCH

JOBS

REGIONAL COMPARISONS

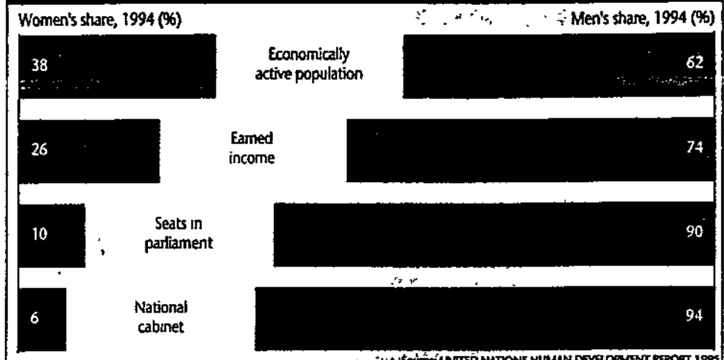


Graphic: FIONA KIRSCH

ADVANCES IN WOMEN'S HEALTH

	Life expectancy (years)		Total fertility rate (live births per woman)	
Country group	1970	1992	1970	1992
All developing countries	53,7	62,9	5,7	3,5
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Arab States	52,6	63,3	6,8	4,8
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
South-East Asia & the Pacific	53,6	65,5	5,6	3,3
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Latin America & the Caribbean	63,0	71,0	5,3	3,1
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Industrial countries	74,2	79,4	2,3	1,9

STILL AN UNEQUAL WORLD



Source: UNITED NATIONS HUMAN DEVELOPMENT REPORT 1995

Human prospects darkest in Africa

ST (BT) 19/11/95 (1)

While some progress has been made over the past three decades, sub-Saharan Africa still lags far behind other regions according to the most widely accepted measure of human development, writes **THABO KOBOKOANE**

SUB-Saharan Africa, including South Africa, continues to lag well behind other developing and industrial countries in the delivery of basic services.

This is the worrying conclusion of the sixth Human Development Report by the UN Development Programme, which was presented at a conference in Johannesburg this week.

The study, using the human development index, ranks South Africa at a lowly 95th out of 174 countries, well below the highest ranking southern African country, Botswana, at 38.

The index, which measures and ranks countries on the basis of their population's life expectancy, education and basic purchasing power, is the most widely accepted measure of development.

While the index of developing countries has improved three times as fast as in industrial countries, the latter have a real per capita income six times higher than that of developing countries.

Sub-Saharan Africa rates lower than any other region. At 0,389 it is less than half that of Latin America and the Caribbean at 0,823. Industrial countries score 0,916 out of a maximum of 1.

The survey nevertheless reports that much progress has been achieved in development in sub-Saharan Africa. Over the past three decades life expectancy has improved by 11 years to 51 years and the adult literacy rate increased to 51% from 28% — still the lowest in all regions.

The report estimates there is one doctor for every 18 000 people, compared with one per 7 000 in the developing and one per 390 in industrial countries.

The infant mortality rate dropped from 165 per 1 000 to 97 during the past three decades, yet about 26-million children are malnourished and more than 15% are underweight.

Between 1970 and 1992, women's life expectancy rose by more than six years to 52,4 years and adult literacy rates doubled. Female primary school enrolment rose 154%, secondary school attendance increased by 173% while attendance at tertiary education tripled between 1970 and 1990.

The report estimates per capita income at $559 compared with $982 for developing countries and $4 534 for the world as a whole.

It notes the situation is exacerbated by imbalances in resource allocation. In 1960 the share of military expenditure in the GDP of sub-Saharan Africa was 0,7%. In 1992 it had risen to 2,8%; in other developing countries this fell to 3,8% in 1990 from 4,2% in 1960.

Unemployment was found to have increased to 22,8% in 1990 from 7,7% in 1978 and is projected to increase to 30% by 2000.

The study characterises the African situation as "neither growth nor employment".

It says that the poor employment record of African countries is a result of the dynamic interaction between fast population growth and poor economic performance.

Data from the International Labour Organisation shows nearly 6-million people join the labour force in Africa every year, yet the formal sector employs less than 10% of the total labour force.

As a result many have been forced into the informal sector, which, according to the study, accounted for 25% of total employment in 1991 and 62,5% of urban employment in Africa.

The hardest hit are women, whose participation in the labour force is estimated to have decreased throughout the past decades — the only region where this has occurred.

However because of cultural traditions and economic necessity, this has meant a significant role for women in agriculture, where they comprise 80% of food producers.

Although women constitute a larger share of agricultural producers, the study finds almost all extension workers are men. It estimates that in the 1980s only 7% of agricultural field workers in Africa were women.

The status of women enjoys particular prominence in the UN study, which in addition to the human development index uses two new measures — a gender-related development index, which reflects imbalances in education and income, and a gender empowerment measure, which evaluates a nation's progress in advancing women on the political and economic levels.

The Nordic countries rated first on the gender-related index and the gender empowerment measure, where they have crossed the "critical 30% threshold for women's participation in political and economic decision-making".

The report finds that while access to education and health for women have improved, economic and political opportunities are still closed.

"Over the past 20 years, the doors to education and health opportunities have opened rapidly for women, but the doors to economic and political power are barely ajar," says Mahbub ul Haq, principal author of the report.

For instance, although the gender gap was halved in developing countries between 1970 and 1990, women still make up 70% of the 1,3-billion people living in poverty.

A new feature of the report is the study on paid and unpaid labour, which estimates that women's "invisible" contribution to the global economy is a staggering $11-trillion.

This estimate includes the value of the unpaid work performed by women and men and the underpayment of women's work at prevailing market prices.

Of the total burden of unpaid work, women bear an average of 53% in developing countries and 51% in the industrialised countries.

"There is an unwitting conspiracy on a global scale to undervalue women's work and contributions to society," claims Mr Haq.

"In virtually every country of the world, women work longer hours than men, yet share less in the economic rewards."

The study notes that the undervaluation of women's work not only undermines women's purchasing power, but reduces their already low social status in many countries, as well as their right to own property and acquire credit from financial institutions.

In many African countries, it notes, women account for more than 60% of the agricultural labour force and contribute up to 80% of the total food production, yet receive less than 10% of the credit to small farmers and 1% of the total credit to agriculture.

In 1990, it says, multilateral banks allocated $5,8-billion for rural credit to developing countries, but only 5% reached women.

The Star .... Monday November 20 1995

UN focuses on Africa's lost souls

(1)

Now 20/11/95

Nearly half of the world's 14,4 million refugees originate from this continent

By Michael Sparks

When most people think about refugees, continents like Africa are usually the first to spring to mind.

But in the past five years, nearly 24% of the world's refugees have emanated from Europe, up from 5,3% in 1990.

However, more than 43% of the world's 14,4 million refugees still originate from Africa, according to a book *The State of the World's Refugees* released by the United Nations High Commissioner for Refugees (UNHCR) at the Carlton Hotel in Johannesburg this week.

UNHCR regional representative Nicholas Bwakira said that at the time the book was edited, Africa had 6,7 million refugees, but that this figure was 7,4 million at present.

While most of the African refugees were previously from southern and east Africa, the continent's refugees were currently from central and west Africa because the regional conflict stirred up by South Africa's destabilisation policies had been resolved.

The UNHCR regarded its repatriation of 1,7 million Mozambican refugees – the largest voluntary repatriation on the continent and perhaps the world – as an example of how repatriation should be done.

Bwakira emphasised that the UNHCR aimed to become more proactive, trying to prevent crises from becoming civil wars in an attempt to stop people being forced to flee violence in their countries, thereby becoming refugees.

"In Rwanda, billions have been spent in aid. But if the international community had become involved earlier, the refugee situation could have been prevented," Bwakira said.

Deputy Home Affairs Minister Penuell Maduna said South Africa had already worked on such problems, becoming involved – along with other countries in the region – in resolving the crisis in Lesotho recently, as well as encouraging the peace process in Mozambique when it was in danger last year.

Zaire to the rescue?

MOYIGA NDURU of International Press Services reports from Nyanga, Zimbabwe, on a new plan to alleviate southern Africa's water shortage.

(1) ARG 22/11/95

THE rivers and dams that provide water to towns, villages and farmlands in southern Africa are slowly drying up. Even the mighty Zambezi is just a shadow of its former self.

The Kariba dam, which it feeds and which supplies Zimbabwe and Zambia with electricity, is just centimetres above the lowest point at which its generators can operate.

Drought has battered the region in the past decade and, if it continues at the same rate, there will be little water to be found throughout southern Africa in three decades' time, experts say.

A no-hope situation? Not quite. There could be a solution, experts say: Zaire.

Zaire has most of central Africa's rain forests and a quarter of Africa's water resources, including the Zaire River, 4 700 km long, running through areas with heavy rainfall. The average annual precipitation in some zones is as high as 2 200 mm.

According to Alan Conley of the South African Department of Water Resources and Forestry, the Zaire River dwarfs all waterways south of it.

"The capacity is over 10 times that of the Zambezi and of the order of 100 times that of the Orange or Okavango," he says.

Besides, the potential of the Inga hydro-electric dam, powered by the Zaire, is estimated at at least 45 000 mW, more than sufficient to meet the present electricity demand of the whole of southern Africa.

One idea discussed at a November 16-17 meeting on integrated development and regional water resources, held at Nyanga in Zimbabwe and organised by the Harare-based Southern African Foundation for Economic Research, was that of building a 140 km pipeline to pump water from Zaire into the Zambezi.

The largest river south of the Zaire, it rises in eastern Angola, flows south through Zambia and then flows generally eastwards, forming the borders between Zambia and Namibia, and Zambia and Zimbabwe, before crossing Mozambique to the Indian Ocean.

The Zambezi River Trust of Zimbabwe has already commissioned a Swedish consultant to explore the feasibility of the Zaire-Zambezi pipeline.

"I think what we need is the political will to get the project rolling," says Victor Kasimona, a leading water engineer in Zambia.

The project would also benefit Zaire, since, while its southern neighbours are strapped for water, it has too much.

"The swampy river is constraining development in that country," explains Eric Bloch, a Zimbabwean economist, who supports the idea of a water pipeline.

The swamps along parts of the river are impeding Zaire's efforts to build roads, railways and other infrastructure, he says.

The Zaire's water could go a long way towards reducing the water woes of southern Africa, where the demand for water is projected to rise almost three per cent annually between now and 2020.

At least three of the region's countries — Botswana, Namibia and South Africa — are acutely short of water.

In Namibia, for example, demand for state-supplied water increased from 37-million cubic millilitres a year in 1970 to 95-million a year in 1993, an average of 4,2 percent, and well above the population growth rate of three percent.

Rainfall is erratic, unreliable and unevenly distributed, making Namibia the most arid country in the southern African region.

Botswana is not much better off.

"In Botswana, we drill up to 300 m to get water underground," says Moremi Sekwale, a top water engineer in the capital Gaborone.

Demand for water is also critical in South Africa which accounts for only 10 percent of the total water resource in the region although it is home to about one-third of the 120-million southern Africans.

If present trends continue, there will be virtually no water in the three countries within 30 years, according to Thomas Mpofu of the UN Development Programme.

Not all experts in the region, however, support the idea of tapping water from Zaire.

"There has always been a constant amount of 102 cu km of water in the Zambezi. This is enough for use in Zimbabwe for the next 300 years," says Sekwale.

"I suggest we tap the water in Zaire for generating power in time of drought in southern Africa."

According to Sekwale, there is plenty of water for everyone. What is required is to take water from areas where it is underutilised and move it to areas of high demand.

One such initiative is the Lesotho Highlands water project, designed to pump water from the mountain kingdom to South Africa, but the project is hotly opposed by environmental groups and people who depend on the rivers that are to be tapped. — Sapa-IPS

Asia 'to fuel growth in Africa'

BD 5/12/95 (1)

Beatrix Payne

DEMAND for commodities from the rapidly growing Asian markets would be the backbone of future economic growth in Africa, Barings Investment management director and fund manager for the Simba investment fund Michael Power said yesterday.

"Economic power is shifting to where there is a concentration of population. Asia — with a population of more than 3-billion people — is driving revenue lines in Africa," he said.

The recent backwardation — where the spot price is higher than the forward price — in key commodities such as gold and copper had been on a surge in demand from Asian-based fabricators, he said.

"Almost 20% of the world's gold is consumed by India," he said.

But volume rather than moves in commodity prices will be the key to growth and many local gold mines will have to improve productivity. Commodity imports by Asian countries excluding Japan increased 11,9 times between 1970 and 1992 compared with a world average of 4,1 times.

"Africa has considerable natural resources but to date it has been punching below its weight," he said.

Coal prices were set to increase as demand from the region for thermal coal was expected to rise 200% by the year 2010 to 183 megatons.

China will need to install 150 power stations by the turn of the century to meet an expected 500% rise in electricity use. Richards Bay is set to play a key role in supplying coal to the region.

Economic growth in Asia will result in an increase in resource usage for personal consumption, infrastructural development and industrial purposes.

However African companies will have to improve their supply mechanisms to meet the fast growing demand. This will involve better corporate efficiency and a more hospitable environment on the part of African governments.

The $50-$75m Simba fund will be launched early next year with 40% of its investments in southern Africa.

Africa accuses Western nations of plundering its medicinal plant life

(4) Star 12/12/95

By Kenneth Blackman
Sapa-IPS

Africa produces a host of plant species that could be used for anything from a tasty midday meal to curing many of mankind's diseases.

Yet the continent gets nothing for the plants secretly used in Western laboratories as raw materials to develop drugs which are sold worldwide, Africa included.

Another Africa discovery – *Aneistroclauds Korupensis*, from the Korup mountains of south-east Cameroon – is at present being scientifically scrutinised.

According to Jean-Marie Fondoun, a plant genetic specialist at the Centre for Agricultural Research in Yaounde, Cameroon, local healers use the plant to treat a host of ailments, including venereal diseases.

Cameroon and US scientists have already begun tests on the plant, with the aim of eventually transforming it into a drug.

Analysis of the plant, said to contain a substance which counters the effects of the HIV virus, started two years ago.

Central Africa's forests have more than 10 000 species of plants, according to a report on the region's plant genetic resources. The document is to serve as the basis for the first global report on the state of plant genetic resources, to be adopted at the fourth international technical conference scheduled for June next year in Leipzig, Germany.

A global plan of action on plant genetic resources will also be adopted at the Leipzig indaba, organised by the UN Food and Agriculture Organisation, says UN official David Cooper.

The plan will focus on conservation, sustainable use and equitable sharing of the benefits of plant genetic resources, Cooper told a recent Dakar gathering.

Some delegates who attended believe regulation of plant genetic resources is long overdue.

"I have to stop myself from mentioning the names of countries which collect African plants, analyse them at home, and which are perhaps using them to prepare medicines – while nothing flows back to us," fumes Professor Ayingwe Loubini, who lectures at the University of Kikwit, Zaire.

"I know, for example, that there has been a study of the *strophantus* family of medicinal plants, used mainly to treat heart ailments and nerve disorders," adds Loubini.

He also conducts research on the use of plants in Zaire and has been working on plant-distribution maps in his country.

"Chemical analyses have been done on these plants, and I know there are people who have developed drugs from them.

"So we are afraid that when we disclose our medicinal plants, the rich countries will take them, analyse them, find out their chemical compositions and make synthetic products which they market, and then our plants will become useless," he says.

Loubini wants to see African scientists given the means to do research on plant genetic resources and share the benefits.

The role of big northern pharmaceutical corporations is also questionable in Africa. Plant genetic resources have high commercial value.

In fact, many African nations do not even have mechanisms that come anywhere near to protecting their plant resources.

In Congo, for example, there are no strict regulations, and border controls tend to be lax, making it possible for plants to be taken out illegally, according to Dr Jean Marcel Mingui of the Centre for Research on the Genetic Improvement of Tropical Plants in Brazzaville.

Mingui says: "People themselves are not aware of the importance of plant resources.

"A policeman who sees someone with a plant simply assumes that the person is going to use it to decorate a home."

MAIL & GUARDIAN
December 15 to 21 1995

SA becomes Africa's rebel HQ

(1) M+G 15-21/12/95

Exiled movements are setting up in South Africa, reports **Justin Pearce**

WILLIE NWIIDO'S family thought he had died on the gallows along with Ken Saro-Wiwa — until they got word he was in South Africa. Wanted in Nigeria for his political activities, the 30-year-old Ogoni doctor went into hiding, only to re-emerge in Johannesburg, promoting the cause for which Saro-Wiwa died.

South Africa, whose exiles once fought apartheid from offices in Zambia, Tanzania and the United Kingdom, has now become the first choice of home for exiles struggling against repressive regimes elsewhere in Africa.

At least four major Nigerian liberation groups have set up shop in South Africa in the last three months, and more are on the way. Zairean pro-democracy activists, among others, also operate in South Africa.

Nwiido is here to represent the Movement for the Survival of the Ogoni People (Mosop), which Saro-Wiwa founded. The Nigerian Human Rights Committee and the Nigerian organisation Democratic Alternative are represented in South Africa by Emma Edigheji, a lecturer at the University of Durban-Westville. The Campaign for Democracy in Nigeria, currently based in London, is to set up a South African office shortly.

Zaire's main opposition party, Union pour la Démocratie et le Progrès Social (UDPS), has established a branch among the large Zairean community in Johannesburg. The lobby group Freedom Flag for Congo-Zaire operates from Cape Town.

Nigerian and Zairean activists see South Africa, and President Nelson Mandela in particular, as potentially invaluable allies in bringing about change in their own countries.

"Nelson Mandela makes us proud to be African by the stand he has taken," Edighedi says. "He is regarded as the moral conscience of the world. We need to be close to his ears and get our message across."

Jean Kalinga of Freedom Flag, sees South Africa as "a model of democracy in Africa", and believes that other countries have much to learn from South Africa's transformation.

The Nigerians are encouraged by the fact that South Africa has no history of military coups — the fact that many West African countries closely resemble Nigeria in their political make-up has made pro-democracy activists hesitant to base themselves in neighbouring states.

But for all the goodwill which the exiles attribute to South Africa, it is clear that it took the hanging of Nigerian writer Ken Saro-Wiwa and eight others to spur the South African government into action.

"Before the hangings, foreigners would look at Nigeria and say 'these things can't be happening,'" Nwiido recalls. "Since the hangings everything has changed."

The Zairean resistance, by contrast, has been frustrated by South Africa's lack of commitment to opposing the Mobutu Sese-Seko regime. Kabundi Mutombo of the South African branch of UDPS insists it was the Nigerian hangings that "have shaken the South African giant from its long sleep", and accuses the South African government of keeping quiet about human rights abuses by Zaire, including murders, forced removals, and involvement in the Rwandan conflict.

Kalinga says his requests to Parliament to take a stand against Mobutu have been politely turned down, and he is equally frustrated by the apathy of most of the Zaireans who live in South Africa: "In Johannesburg there are thousands of Zaireans living a happy-go-lucky life — only here can they afford that standard of living." He warns that the Zairean community might be forced to face reality if a worsening of the situation in Zaire precipitated a mass influx of Zaireans into South Africa, which could prompt a clampdown by the South African government.

The Nigerian community in South Africa is smaller, but more politicised. According to one Nigerian journalist now based in Johannesburg, "almost everyone is involved in some way or another — though obviously with different degrees of seriousness." As the regime has intensified its repression of political activity in recent months, so the number of Nigerian exiles in South Africa has grown.

"Our secretary general is in solitary confinement," Edighedi says. "To organise and travel is dangerous. Our houses are occupied by the military. In Ogoniland, in particular, imprisonment and the constant harassment of the population by soldiers has made effective organisation impossible."

The Nigerian activists are troubled by charges — made, among others, by South African government members — that their opposition is fragmented. They point out that a proliferation of groups is inevitable in a country of some 100-million people of diverse ethnic heritage.

'Nelson Mandela makes us proud to be African by the stand he has taken. He is regarded as the moral conscience of the world'

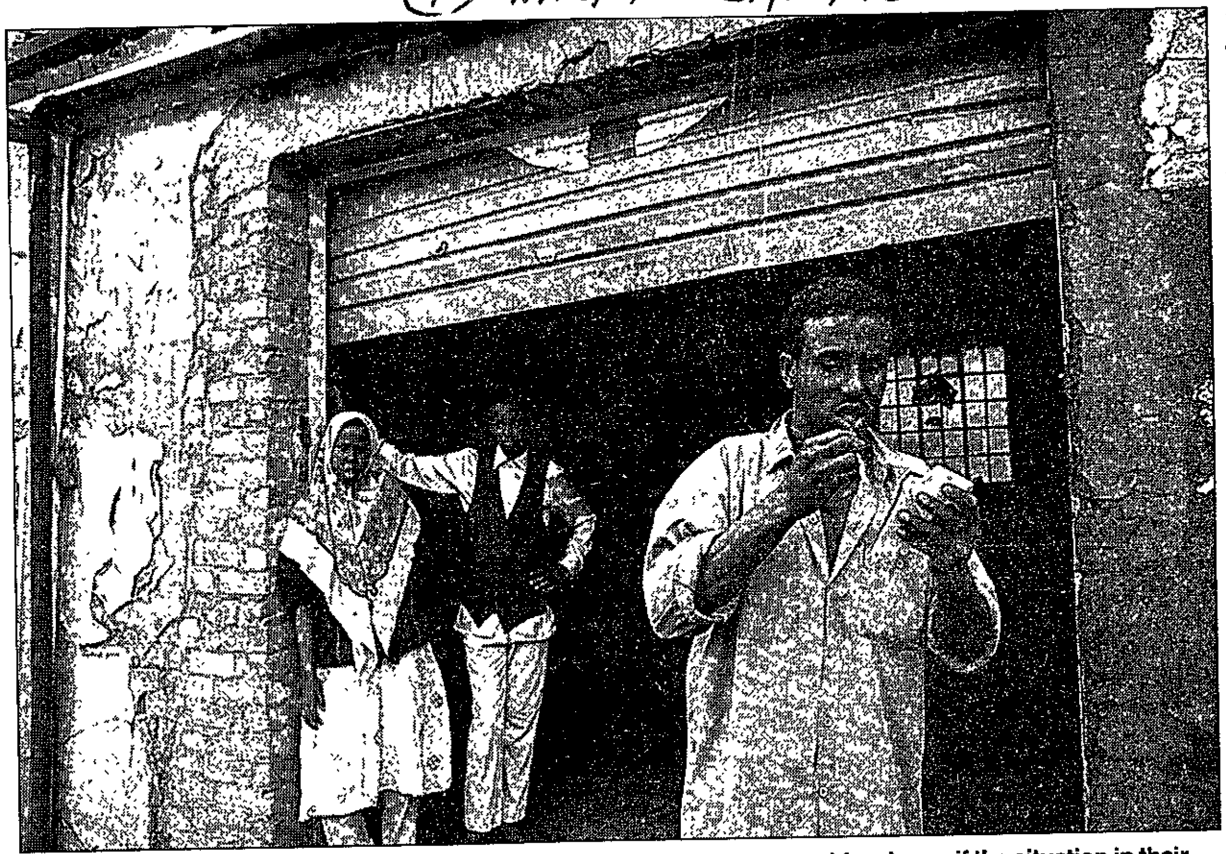
And they are united by "a common understanding that the military regime needs to be terminated immediately", as Edighedi puts it.

All agree that an oil embargo against Nigeria would be the most effective way to isolate the regime, as this would deprive the country of over 80 percent of its foreign exchange earnings. The exiles are unanimous in rejecting General Sani Abacha's promise of a three-year transition to democracy, saying the dictator is not to be trusted.

Mutombo argues for sanctions against Zaire, particularly the freezing of diamond imports which earn the country $30-million each month. Another concern of activists from both countries is the choice of South Africa as a safe haven by their rulers. Zairean president Mobutu Sese-Seko and members of his family own property in some of South Africa's most expensive locations. Members of the Nigerian junta, regarded as *personae non grata* by European countries, are said to be salting away embezzled money in South Africa. The exiles agree that South Africa should order banks to freeze the accounts of such people, and think twice before granting them rights of residence.

In a country where, until recently, Nigerians were stereotyped as drug dealers and crooks, Nwiido is encouraged by the growing public awareness of Nigeria's plight. Yet he is disappointed that the Southern African Development Community decided against imposing immediate sanctions on Nigeria, and remains worried that the recent attempts by Abacha to curry favour with Mandela will not be backed by real change unless international pressure is maintained.

"In January, another 19 activists are facing the same tribunal that condemned Ken Saro-Wiwa. We fear they are going to go the same way that Saro-Wiwa and the others went."



Homesick: Somali refugees occupying a derelict hostel near Boksburg would go home if the situation in their country improved PHOTOGRAPH RUTH MOTAU

Sorry Somalis want to go home

Rowan Callaghan

TWO-YEAR-OLD Fartoun plays innocently in the doorway of the cavernous room at Angelo hostel just outside Boksburg, indifferent to the omnipresent stench which fouls the air. Her family fled civil war in Somalia, but they feel abandoned in South Africa.

The little girl's mother has left home for the day to see if she can earn enough money to help feed the 26 Somalis (families only) sharing the old hostel room. Even the lights which glow in the high ceiling can't penetrate the shadows in which she plays.

A woman parts the blanket partitions which separate the families and says something in Arabic as she points at the meagre supplies laid out on the table against the wall. She is angry, just like most of the other Somalis sharing the old mine hostel.

Saïd Awil shares room 115 with over twenty single Somali males. It is larger, but just as gloomy. "We're just going to save ourselves; there's no one helping us here," he says despondently. Both groups survive on what they can bring home from day to day.

Hassan Abdi, also a resident of room 115, excitedly displays the five rand he collected during his day in town. Though he got it by begging, it will help to feed a hungry stomach.

Saïd says most of the refugees prefer to work, but they are exploited by local employers who know the precariousness of their situation. He laments their plight after the hardship of getting to South Africa. "Some of them came by car; some came by ship. They came through Kenya, Malawi, Tanzania. We are running away for our lives," he said, pointing to his fellow countrymen. And the border crossing? That was the easy part.

"If the situation is right (in Somalia), we will go back. We don't enjoy being in South Africa. They say 'new South africa', but what is the new South Africa?" Saïd asks.

Much of the blame for Saïd and his fellow refugees' plight is directed at the South African Red Cross who, he claims, told them to come to the hostel, but then abandoned them. "The Red Cross said to me, 'You come by ship, you go by ship' ... We get nothing from the Red Cross." He claims the only people that do offer help are the Actonville Young Muslims Association.

The Red Cross denies it abandoned the refugees, saying it looked after them at Angelo until it was closed down, upon which it found them accommodation at another shelter in Grasmere, where the refugees were again supplied with food and other necessities.

But the refugees were unhappy with the location of the new shelter and left, never to be heard from again. Red Cross officials believe it is the same refugees who have re-emerged at Angelo.

Further complicating matters is that if the group should turn out to be made up of "illegals", no help may be given, as the United Nations High Commissioner for Refugees, which sponsors the programme, does not allow funds to be spent on illegal immigrants.

Does South Africa have a duty to help out?

Gaye Davis

SOUTH AFRICA has not yet begun to wrestle with the question of whether the country should become a safe haven for, and even help, exiled movements fighting for democracy in their home countries — but the issue is at least on the agenda.

Members of the Nigerian grouping Democratic Alternative met members of Parliament's Portfolio Committee on Foreign Affairs in Cape Town recently and, in a separate meeting, senior officials from the Department of Foreign Affairs.

While discussions with Foreign Affairs officials focused on shedding light on the complex political situation in Nigeria, members of the group raised specific requests for assistance. They made it clear they did not want to be treated as refugees seeking political asylum, which can involve burdensome bureaucratic procedures and other limitations. Instead, they wanted concrete help, such as in securing offices, being granted multiple-entry visas to ease travel, and being allowed to exchange views with government officials and parliamentarians.

African National Congress MP Raymond Suttner, who chairs the foreign affairs committee, said the Nigerians' situation bore similarities to that of the ANC in exile, but that a difference lay in the character of their struggle. They were not insurrectionists but were pursuing a campaign for civil liberties they were prevented from promoting within their own country. "Do we have a duty to offer to assist? It seems to me we do," he said.

But how — and where — does one draw the line? Any number of African countries' domestic situations could prompt movements in exile to seek help in South Africa. In one sense, this is a compliment to our new democracy and the government's stated commitment to promoting human rights. But what criteria should be applied before assistance is granted? And, more importantly, what impact will this aid have on our relations with our neighbours and countries elsewhere on the continent?

Rob Davies: 'This could be a bit of a challenge'

"This could be a bit of a challenge if people start wanting to open offices," said ANC MP Rob Davies. "It could lead to a series of complaints from the countries concerned. We haven't confronted this in any major way yet and will have to.

"We're beginning to see it happen, so we could begin to develop general principles that would guide this. We have a general commitment to democracy and human rights in our foreign policy, but we have not yet in a systematic way begun to address the principles underlying it."

Other departments, such as Home Affairs, would also be affected, so there would be a need for a co-ordinated approach, Davies said. "It's mostly a foreign affairs issue, but if the phenomenon becomes more significant, then other departments will have an interest."

1 23/12/95

Human rights in

MXOLISI MGXASHE
Staff Reporter

■ The question of how to deal with Nigeria is linked with other issue, says Kwesi Prah, professor of sociology at UWC. Not all his colleagues agree.

SOUTH Africa must not just champion democracy and human rights in Nigeria — we should act on all African dictators.

This is the view of Kwesi Prah, Ghanaian professor of sociology at the University of the Western Cape. He is now permanently resident in South Africa.

He was commenting on the unsuccessful call for a two-day boycott of Shell, spearheaded by the African National Congress and the South Africa-Nigerian Democracy Support Group which is a coalition of various human rights, labour and church organisations.

Professor Prah, who has worked in many African countries including Kenya and Sudan, said there was a danger the ongoing local campaign against Sani Abacha's Nigerian regime would not restore democracy in Nigeria because it ignored other African dictators.

He said he was not surprised that there was a lukewarm response from some African governments on whether Nigeria should be isolated or not.

Recently, President Nelson Mandela was rebuffed on the Nigerian political crisis by the Organisation of African Unity (OAU) secretary-general, Salim Ahmed Salim.

After holding talks with the Nigerian dictator, General Abachi, Mr Salim cautioned countries against rushing into punitive measures against the Abacha regime as this was likely to result in divisions among African countries.

One of Professor Prah's main concerns is the fact that the Commonwealth's monitoring group on Nigeria includes personages like Kenya's president Daniel Arap Moi who is one of the most notorious African violaters of human rights.

"Arap Moi, a goatherd until the age of 12, who is shepherding the Kenyan people today, was implicated in the murder of his own minister Awuko in the late 1980s.

"So it's important that we direct proportional and appropriate attention to a whole range of human rights abuses in other African countries, otherwise we'll lose focus and the object of our intentions may be aborted and misplaced," Professor Prah noted.

He also cited the public execution of former head of state in Liberia, William Tolbert, and some of his ministers at the beach by the eccentric Samuel Doe. Doe was also incidentally consumed by the same sword he had wielded.

And in Ghana there was a Doe-style execution of three former heads of state and some ministers were also shot with thousands of people watching.

Professor Prah added nothing was being said about the forced Arabisation of the indigenous people of southern Sudan and "slavery" in countries such as Mauritania.

Professor Prah said if South Africa, which had just emerged from the "dark ages of apartheid," hoped to take full advantage of the high moral ground epitomised by President Mandela, it was obligatory not to appear to be vindictive against Abacha because Nigeria has had quite a long history of "corrupt dictatorships," including Abacha's predecessor General Babangida.

In his view, any step which did not take this continental approach in dealing with violation of human rights in Africa, stood to benefit many "cockroaches and tin-pot dictators" who were oppressing their own people and abusing their basic human and democratic rights.

In the late 1980s Professor Prah was among African social scientists and lawyers who founded the African Association for Human and Peoples Rights and was its secretary-general.

The aims of the association were to monitor abuses of human rights, publicise them and agitate for concrete steps against the abusers.

His view that singling out Nigeria from the rest of the governments abusing human rights was unproductive has, however, been challenged by Nigerian writer and English professor at UWC, Bankole Omotso from Nigeria, who was an intimate friend of the executed Ogoni writer Ken Saro-Wiwa.

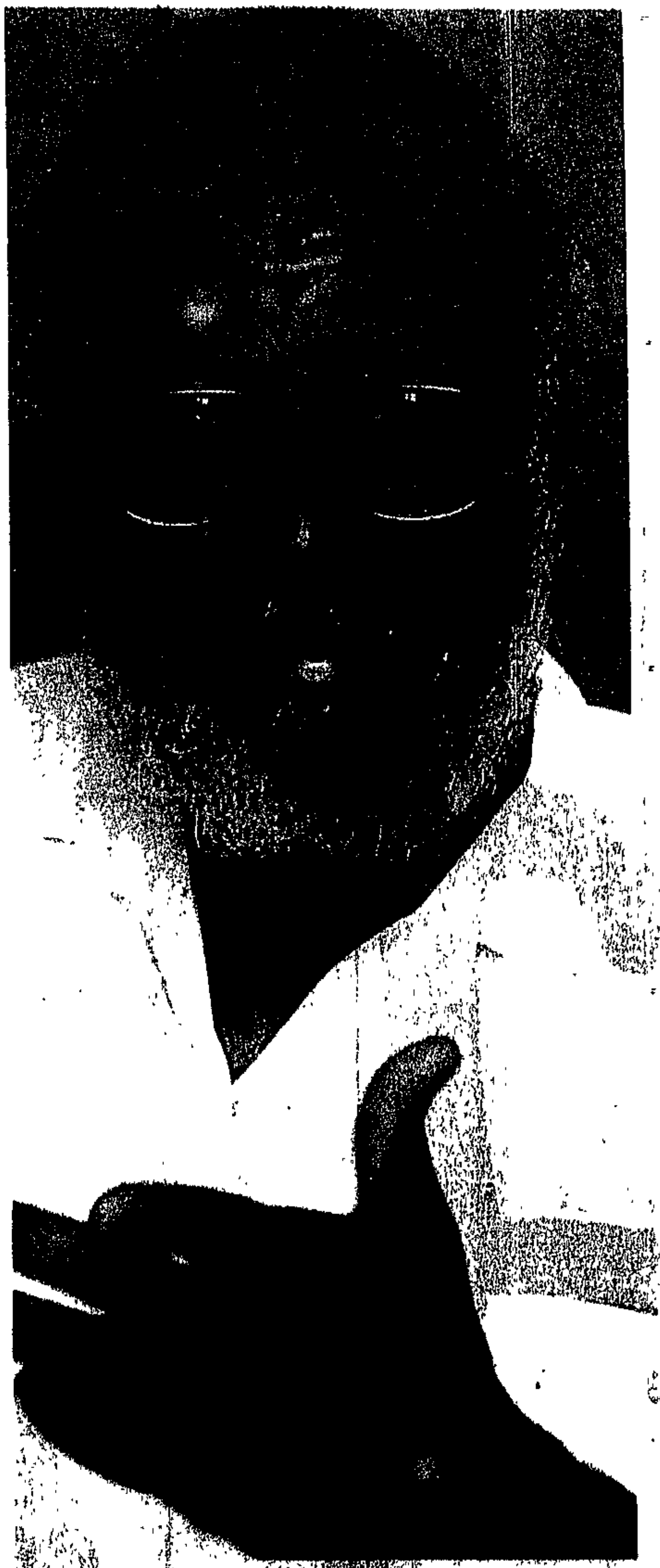
Dr Omotso is popularly known as "Yebo-gogo" as he appears in the popular cellphone ad.

"Professor Prah may be correct about the need to monitor general abuse of human rights in Africa. But our concern right now is Nigeria. Arap Moi may not have instituted kangaroo courts in Kenya and he may not have executed so many opponents, especially in the manner in which the Nigerian military government has done," he said.

□ FACE THE MUSIC: University of the Western Cape s professor Kwesi Prah says the campaign against the military junta must become part of an overall drive agai tion of human rights in Africa. Picture: LEON MÜLLER, Staff P

hts in Africa?

(1) ARG 23/12/95



E THE MUSIC: University of the Western Cape sociology sor Kwesi Prah says the campaign against the Nigerian / junta must become part of an overall drive against viola- human rights in Africa. Picture: LEON MÜLLER, Staff Photographer.

☐ YEBO-GOGO: Bankole Omotso, the original "Yebo Gogo!". He says Nigeria is the real issue.

ɔs

Farmers in Africa need more than aid for lasting prosperity

(1) Star 27/12/95

The green revolution transformed Asian farming in the 1970s, making India, Pakistan and Bangladesh self-sufficient in food. Can it do the same in Africa?

VIJAY GOVENDER

Can speedboat racing in Japan help Africa's poor farmers? Ask Tekele Fandu, a 42-year-old farmer in central Ethiopia.

A couple of years ago, Tekele was like most other Ethiopian farmers. He used the same seeds, ploughs and farming methods as his forefathers had for centuries. He was poor. His plot of land, in a low-lying humid valley, used to yield about a ton of maize per hectare, barely enough to support the 12 people in his household. Now he gets more than four tons per hectare and his annual income is 10 times what it was.

He stands next to maize plants three metres tall, with cobs as thick as his forearm, and explains how his life has been transformed. The ingredients of change seem simple: new hybrid seeds, fertiliser and a free market for his produce. But it took speedboat racing in Japan to bring it to him.

Change of mentality is urgently needed

Ryoichi Sasakawa was a Japanese member of parliament in the 1930s, an advocate of war. In 1945 he found himself in prison charged with war crimes. There he dreamt up the idea of organising betting on motorboat racing. After his release he did it. Betting of this sort now brings in about $18 billion a year, of which 3,3% goes into the Sasakawa Foundation – that's $7-million (R25,6-million) to agricultural projects in seven African countries.

That is not much to change a continent. But Sasakawa persuaded ex-President Jimmy Carter and Norman Borlaug, the father of the green revolution in Asia, to head his agricultural project, which he called Global 2000. Using their weight to win over governments, Global 2000 set up schemes to demonstrate to small farmers what could be done.

In Becho, farmers outside the scheme have copied the methods of neighbours in it, and have seen their harvests multiply. The message has spread. This is how the green revolution transformed Asian farming in the 1970s, making India, Pakistan and Bangladesh self-sufficient in food.

Why has the revolution not happened in Africa, which desperately needs it? In Ethiopia about 50 million people live as Tekele used to. Last year, the country imported 750 000 tons of food, mostly to be distributed in areas where crops had failed. This year good rains in most areas mean a good harvest. But next year? If its farmers do not rapidly do better, Ethiopia will need to import 2,5 million tons a year, says the FAO.

It is no exception. In most African countries with populations still rising on average at 3% a year and outstripping local harvests, by 2000, on present trends, Africa will be growing less than threequarters of its needs. Meanwhile, world food stocks are the lowest for 20 years, making food aid less available and more expensive.

Borlaug (81) says three things are needed to get a green revolution going: new seeds and techniques; government backing; and real benefits to the farmers. One or all of these factors have mostly been lacking in African countries.

Ethiopia now has a government that has put agriculture at the heart of its policies. It lets farmers grow what they want and sell to anyone at whatever price they can get. It wants to bring new technology. But can it change their mentality?

The Ethiopian farmer lives on such a narrow margin that he cannot afford to take risks. Rain is unpredictable: some years it does not come at all, in others it comes with such force that it takes half the topsoil with it. Pests abound.

So to stay alive it is best to stick to the ways that worked in the past, and pray. Outsiders with new ideas are mistrusted, especially ones with soft hands that have never wielded a hoe.

Nor do the farmers like officials. In the times of the emperors they had to pay heavy taxes to an absentee landowner, sometimes to work his land for nothing.

The 1974 left-wing revolution removed the landlords, but installed a new folly. Farmers were forced to amalgamate their lands and live in communal villages. They were told what to grow and had to sell it to the government at a fixed price. Agricultural extension workers assessed them for taxes and helped to press-gang their children into the army. Harvests remained low.

Now the farmers have land and farming freedom. But do they trust outsiders, with their new ideas, enough to risk all? Maybe, while things like the Global 2000 project, now three years old in Ethiopia, are there to back them. But later? Who knows?

Land, says Tekele, is still a big issue. Even now, farmers are not allowed to buy and sell it. It is all ultimately owned by the state.

The government fears that in a bad year small farmers will sell up and drift to towns where there is no work. A successful man cannot buy to expand his farm or raise loans on it.

Will the improved seed and the fertiliser always be available at the right time? There are problems he cannot solve alone: storage, transport and marketing. The government is trying to organise credit schemes for groups of farmers. Who will provide the capital?

In sum, will the revolution last?

Borlaug believes that once farmers have experienced the wealth the new techniques bring they will fight to keep them. That has happened in Asia. Will it in Africa?

Africa is a graveyard of schemes that worked while they had money and expertise from outside, and collapsed when it stopped. – The Economist.

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Farmers in Africa need more than aid for lasting prosperity

(1) Star 27/12/95

The green revolution transformed Asian farming in the 1970s, making India, Pakistan and Bangladesh self-sufficient in food. Can it do the same in Africa?

VIJAY GOVENDER

Can speedboat racing in Japan help Africa's poor farmers? Ask Tekele Fandu, a 42-year-old farmer in central Ethiopia.

A couple of years ago, Tekele was like most other Ethiopian farmers. He used the same seeds, ploughs and farming methods as his forefathers had for centuries. He was poor. His plot of land, in a low-lying humid valley, used to yield about a ton of maize per hectare, barely enough to support the 12 people in his household. Now he gets more than four tons per hectare and his annual income is 10 times what it was.

He stands next to maize plants three metres tall, with cobs as thick as his forearm, and explains how his life has been transformed. The ingredients of change seem simple: new hybrid seeds, fertiliser and a free market for his produce. But it took speedboat racing in Japan to bring it to him.

Change of mentality is urgently needed

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