A Consideration of Directions

for U.S. AID

To the West African Region

by

Martin M. Tank
500-23rd Street, N.W.
Washington, D.C. 20037
Ph: 202-293-7759

Prepared for:

AFR/SFWA
U.S. Agency for International Development
Washington, D.C. 20523
Contract: AFR-147-57

July 20, 1978

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SUMMARY AND CONCLUSIONS

U.S. Policy Objective

1. Our objective is to serve U.S. interests in West Africa, an area of both economic and political longer range concern, through development of friendly and influential relationships with governments in this region. This objective may best be served by our support for a priority African objective of rapid economic development both bilaterally and in conjunction with other donors.

U.S. Strategy and Programs

2. Our general strategy, as yet neither codified nor articulated, appears to be to supplement strictly bilateral programs with a series of multi-donor programs and projects for regional application. Organizations used are bilateral missions, regional organizations combining donors, recipient governments, and U.N. regional and global organizations. These include Club du Sahel/CILSS, River Basin Commissions, Economic Commission for Africa, African Development Bank and Fund, UNDP, FAO, WHO, ECOWAS Fund, Entente Fund, West African Bank and others. The Africans have created and supported regional institutions as a major means to articulate their goals and objectives, to serve their national and regional economies, and to pressure Western aid. Direct support to improve them, organizationally and professionally, is extended through funding of appropriate Western experts and financing their study, planning and data collection activities.

3. The program area universally adopted by all donors as number one priority is agricultural development aimed at food self sufficiency and export of surpluses (cocoa, coffee, peanuts, cotton, etc.) A second program priority closely related to the first, is the development of the transport sector and other key economic infrastructure. AID participates significantly in provision of assistance in these areas in conjunction with such institutions as the Club du Sahel and the Entente Fund and through the general U.S. contributions to relevant and active U.N. agencies.

4. A further program priority, rated highly in African aspirations is an evolving industrialization of their countries. The overall target adopted by developing African countries is that they as a group should manufacture 2% of the world's manufactured output by the year 2000. This is not an area in which AID, or other bilateral donors, have directly participated financially in a substantial way but might consider in conjunction with assistance to the agricultural sector. The World Bank, however, provides, and plans to increase, loans in this development area for such projects as ore mining, cement making, hydro power generation.

Further the developing countries themselves have borrowed extensively to construct sugar refineries, oil refineries, steel plants, hotel building, airport extension, road building, etc.

5. An important program priority is the creation of development institutions. Overall and general institutions--those of a regional African character including international commissions, various U.N. sub-bodies, and development banks--have been created and enjoyed growing Western support. AID has provided technical support and significant financing for the Entente Fund and through it to support of local development banks. The record is less clear with respect to local institution building such as rural banks, marketing cooperatives, distribution systems for farm crops, equipment, supplies. Appropriate efforts in this area may well be considered in conjunction with rural development projects.

6. Another priority, seen as important in some leading African countries, is development of a cohesive, cooperating economic region. West Africans aim to expand trade with each other in this scenario to become economically more powerful and thus to increase influence abroad as a group. This may well be a dream but recent expansion of regional economic institutions indicate that it is there. The regional institutions are supported technically in this area by U.N. regional and global organizations--ECA, UNDP, ECOSOC, UNCTAD. It is an area for appropriate U.S. monitoring and developments of regional cooperation or dispute should be followed continuously by the AID Regional Office.

7. U.S. AID programs appear to serve well the major priorities within the limits of a minor aid donor. U.S. assistance is less than 10% of the total. While U.S. aid will very likely increase with growing recognition of U.S. concerns and interests, so too will aid from others, particularly from the World Bank. It may well be that our technical expertise or "software" aid is relatively much more important than that of other countries. Consequently U.S. influence on development decisions may be much greater than our share of financing would suggest.

8. While there is no comprehensive African regional strategy for this area (indeed the U.S. "region" has no counterpart African region but is an administratively convenient composite of several "African regions"), at least four of the above priority concerns would undoubtedly be included if one were to be drafted. The omission would likely be the provision for development of local institutions--which Africans might assume would come about as a matter of course, or in some countries at least, in the form of para-statal organizations. Such a general outline for an African development assistance strategy and program areas

fits equally well for larger or smaller regions. In the event that large scale aid included construction projects costing hundreds of millions of dollars, detailed monetary and financial planning would also be required not only for the recurrent cost issue but also for inflationary impacts.

DEMOGRAPHY - ECONOMIC OVERVIEW - KEY SECTORS

Demography

9. Western Africa is a predominantly rural area with about 80% of its population engaged in agriculture. Literacy rates by country are less than 20% in all but four cases. For the most part the area is arid and inhospitable to agriculture although high cost development of extensive river basin areas could materially improve a huge area for new settlement. Urbanization is growing rapidly at rates approaching 8-9% a year (Ivory Coast, Guinea). Medical facilities are meager. GNP per capita was less than $200 per year in 1970 for 15 of these 22 countries and for 9 of these in 1976. The latter figure does not allow for inflation which suggests very little improvement. Over 40% of the population is under age 15. Life expectancy at birth varied around 40 years in the early 70's, approximately 4 years longer than it was in 1960. This is about four years less than for developing countries in Asia and eight years less than for developing countries in Latin America.

10. Population growth rates are high (over 2%) and in 7 countries exceed the 2.5% target stated when the U.N. adopted the International Development Strategy for the Decade of the 70's. With adjustment for this factor and the rate of inflation, nine of these countries had negative growth rates of per capita GNP in real terms for the period 1970-75.

Economic Overview

11. For 1976/77, economic conditions were relatively favorable. Crop output was higher and prices for major exports such as cocoa, coffee, and minerals were higher. Terms of trade improved and foreign exchange earnings were significantly higher.

12. For 1977 the events were less propitious despite favorable export earnings from higher export prices. For Africa as a whole the 4.1% increase in agricultural production in 1976 was followed in 1977 by no increase. Food production which in 1976 increased by 4.9% over the preceding year, experienced a .8% decrease in '77. The general outlook[1/] for developing countries in 1978 is uncertain. Little increase in export

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1/ UN ECOSOC - World Economic Survey, 1977 - E/1978/70, May 26, 78

earnings is anticipated. Payments for debt service are expected to rise. Inflation rates in a number of West African countries continue in double digits.[2]

13. The above anticipation is a reflection of the economic outlook for major developed countries for 1978 which is one of slower growth bordering on recession. With increasing economic interdependence, there is an implication that this situation will be reflected in decreasing exports and slower growth rates in developing countries also.

Key Development Sectors

14. Key development sectors for these countries are essentially those that are common to most developing countries. They are agriculture, transportation, training and education, development of local institutions, exploitation of natural resources and growing industrialization.

15. This list is a mix of African and donor sets of "keys". Africans may place lower priority, or even not include in any list, the development of local institutions. This is much more a Western concept. While resource exploitation is a key, it is one Africans resist listing internationally since such exploitation by available Western capital and technology is frequently done, they fear, on terms distinctly unfavorable for the Africans. For evidence one need only review the history of the handling of international resolutions in U.N. committees dealing with the natural resource issue and the current lack of success in the international negotiations on a Law of the Sea. Industrialization is a key more strongly supported in African than Western eyes. The Africans see this as essential to their economic future and to their economic and political independence.

16. There are also close interrelationships in these sectors. Agriculture development will require improved transportation--both main and feeder roads for example. Local institutions include those such as buying and selling cooperatives or similar bodies; development banks on a small scale; training, maintenance, and repair facilities; centers for food drying or elementary food processing. Industrialization or manufacturing or processing may be based initially on agricultural supplies. The key sector concept perhaps should be described as "rural development" - a small but varied complex of agricultural, industrial, and institutional development concurrently in a limited area.

West African Regional Institutions

17. West African leadership is pressing its aim for rapid development--

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2/ See Table 15 Annex

economically, socially and politically--with an awareness that the area as a whole lags well behind the rest of the world. The Africans seem to feel that their demands for external aid and for a concessionary foreign economic policy (discrimination in their favor) will meet a positive response only if their requests are put forward jointly on a region-wide basis as well as part of developing country organizations on a world-wide basis. They appear to feel that they must concert their common efforts through regional institutions to strengthen themselves internally and to give them greater influence with the developed countries.

18. The evidence lies with the prolific economic-institution building since 1959. Such ambitious goals as market integration and various more limited objectives have not yet succeeded. The time, of course, has been short. Other reasons include lack of trained talent internally, lack of capital for development, lack of economic structure for production, trade and manufacture. There is also limited international experience in policy making and negotiation. Rivalries and war between neighboring countries and the possible introduction of great power rivalries in countries with key resources and key locations may also act to defer development in east, central and south Africa.

19. Many regional institutions aimed at market integration have been formed in Africa since 1959. Some are inoperative and their effectiveness has been pre-empted by conditions of war making economic cooperation impossible. In West Africa the absence of war at present does provide an important opportunity for development with regional economic cooperation. Such institutional development is supported by the resources made available through five regional Banks and Funds (the Entente Fund, the West African Development Bank, the African Development Bank and Fund, and the World Bank through its Regional Office). The recently established Economic Community of West African States provides a basis for sixteen West African countries to take measures of economic cooperation toward realization of their development plans.

West African Regional Programs

20. Transportation is a key development sector both recognized by donors and highly desired by Africans. African governments, working through the Economic Commission for Africa (ECA), have developed a strategy for the transport and communications decade in Africa - 1978-1988. Specific objectives have been set for each mode of transport such as an asphalt highway link to all African capitals and a regrouping of small and inefficient national airlines to provide more international flights. First priority in this field may well be the

preparation of reasonably detailed plans on regional and sub-regional bases as may be internationally agreed.

21. The application of remote sensing technology to collection of data for developmental purposes, including monitoring of environmental changes, is in initial phases but proceeding well.

22. About one-half of the energy consumed in the region originates from hydro-electric sources. Oil supplies are adequate for exports in three countries currently and possibly for several more in the foreseeable future. Vehicular demand for fuel is limited. Particular demand for household fuel in urban areas has resulted in extensive depletion of forest resources in a number of cases, particularly the Sahel. AID has undertaken eleven projects to demonstrate practical use of energy from renewable sources, particularly wood conversion possibilities and use of forest wastes and logging sawdust. The latter is particularly promising in Ghana. Interest of countries in pursuing such energy possibilities may depend on future availability of conventional fuels (there are oil prospects in four countries in this region in addition to the three currently producing) or rapid wealth and foreign exchange earnings from exploitation of mineral resource discoveries.

23. Food supply is the single most important issue faced by people of West Africa. 80% of the labor force is employed in this area. Natural conditions for expanding growth are poor in large arid areas and costs for compensating for limited rainfall through irrigation schemes of river resources appear high. Semi-arid food grain research is under way. Additional research should be considered for protein and oil-rich beans and peanuts that do well in hot, arid climates. U.S. PL 480 programs can both supplement current food supplies and through use of Title III local currency generated by its sale, assist in the construction of storage facilities and possibly other contributions to establishment of a food grain reserve system. Such local currency could also be used for feeder road construction and other projects related to agricultural development.

24. An extensive international effort is underway to study all possibilities and costs in employing the potential resources of five major river and lake basins of West Africa. U.N. agencies and donor countries are undertaking intensive studies of alternative strategies to develop the area served by the Niger, Gambia, Volta, Senegal rivers and Lake Chad. Agreement has been reached on the first priority: to develop regionally oriented, bankable, short-term projects. It appears the potential is great but cost for the irrigation alternative for development is relatively high, particularly in poverty areas where ability to meet recurrent costs may continue to be quite low.

Regional Development and the Regional Office

25. The West Africans have seemingly chosen the path of regionalism in seeking their future economic development. They have established seven regional institutions aimed at market integration since 1959. There are two regional banks and three regional Funds currently active plus the Club/CILSS and the World Bank through its regional office at Abidjan. They engage in extensive regional development planning through U.N. organizations. Ten of these countries have their own national development plans. The Club/CILSS has its own regional strategy for the Sahel. Still attainment of specific agreements is prospective and the devotion to integration as a concept is yet to be seen in practice. Nevertheless the current outlook is favorable for cooperative development activities on a broader basis with a joining of countries with anglophone and francophone histories in a sixteen member Economic Community of West African States.

26. AID is assisting these regional institutions and cooperating in development projects through bilateral missions and the regional office. Regional coherence in the Sahel is provided through bilateral donor agreement in the Club/CILSS context. The AID regional office supports the bilateral missions and offices through specialized personnel and service functions and aims to disseminate such development information on plans and projects financing region-wide from all donors as may be of interest to each AID mission and office.

27. The outlook is one of: growing western involvement in this West African region; of increasing aid programs of all donors, particularly the World Bank; of no financially prominent single donor but sizeable shares from many; of donors operating with regional prospectives in allocation of their resources; and of increasing African interest in more concrete economic measures taken regionally to promote their development more rapidly and to pressure Western assistance in the process.

I. U.S. POLICY AND OBJECTIVES

1. It is appropriate to address the policy question in this brief commentary on possible program thrusts of current and prospective AID activities in the West Africa region. Certainly the substance of foreign policy at this time in this part of the world is the economic future of these rather forward looking States, their keenness to assure their growth and development, and the path of local regional cooperation they are taking to achieve it via external aid and trade relationships. Rapid economic growth and development is, their representatives say internationally, the key to their independence and attainment of national aspirations. It is the prime objective of their foreign policies which they seek to promote through every means available to them and to do it in some as yet unclear "African way"--a local model neither francophone nor anglophone, nor Portugese, Belgian, Dutch, nor for that matter American either.

2. On the occasion of the first official visit of an American President to West Africa (Nigeria and Liberia March 31-April 3, 1978), the Head of State of Nigeria stressed his interest in a new international world economic order and welcomed U.S. support for the African Development Fund and further bilateral economic relations. In his response, President Carter cited U.S. interest in a new era of additional consultation, mutual trade, mutual learning about each other, mutual benefit in the field of agriculture as well as the economic benefit that will accrue with the investment of U.S. technology in growing nations like Nigeria.

3. Our regional objective would seem to be to serve U.S. policy interests in West Africa through development of friendly and cooperative relationships with governments in this region--important to us economically and politically as moderate countries in turbulent Africa--and to do so in the area of paramount importance to these new governments.

4. Our general strategy in the formulation of economic programs for West Africa should be to influence in significant ways the central-planning, economic policy and decision making officials in West African Governments-as well as the political chieftains of that continental region as they emerge in regional leadership roles-toward conscious economic development goals with such stability as is possible. Success in these economic areas may also provide a favorable climate in which to deal with other issues of our interest. It follows that we should associate with other influential and international organizations with common objectives such as IBRD, U.N. organizations and new West African regional groups. To this end, we should seek through our joint contributions to make an influential western-oriented donor community a matter of especial importance in the light of our growing overall policy interests in Africa as a whole.

5. It further follows that the prime value of successful negotiation of relatively small AID programs, is not the difficult-to-measure economic impact of the money as spent, but the degree of influence on national and regional economic policies and its contributions to a sound economic development pattern. The process of negotiation of the individual projects themselves may lead to an influence well beyond the result of the project itself.

6. We should be prepared to assist in long-range planning "focused on the issues for the 80's but articulated with longer run objectives such as those for the year 2000."[1/] Planning on the longer run basis makes more possible the construction of a model in which it is reasonable to assume attainment of growth objectives and see the increasing domestic role of the developing country as its dependence on external concessional aid diminishes, as its population becomes increasingly skilled through training and education, and as its trade and other economic relationships with neighboring states and others evolve. Such plans, when reviewed regionally, will reveal the degree of mutual consistency in their economic assumptions and the need for new international policy agreements.

7. For many West African countries, particularly in the Sahel, there are relief and emergency needs as a result of drought, starvation, and poor health. It is clearly a continuing objective to overcome these ill effects that negate development prospects and to participate in international multi-donor undertakings for this purpose. Such emergency needs recur with such frequency in these areas as to be virtually "normal" for planning purposes. Financing for relief and emergency needs is now shared with Western European donors in the main but may increasingly be sought from other donors such as oil-rich Arab and African countries with U.S. cooperation in providing food, medicines and transportation on a commercial basis to the extent these may be acceptable to them. Hopefully progress along these lines might permit allocation of more continuous and larger support in development aid areas.

II. U.S. REGIONAL STRATEGY AND PROGRAMS

8. In the formulation of U.S. strategy for the development of the West African regions, our objective should openly recognize and support the attainment of regional needs as Africans see them and give satisfaction to African regional aspirations. A review of available analyses by international institutions and financial donors, e.g., U.N. bodies such as the Economic and Social Council (ECOSOC), Economic Commission for Africa (ECA), the World Bank (IBRD), and others, as well as listening to expressions of national aspirations at U.N. General Assemblies--and numerous other meetings under U.N. auspices at both

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1/ Committee on Development Planning--Economic and Social Council E/1978/46--Page 9.

global and regional levels--indicates that first priority should be accorded to food production. Closely related is the development of a transportation system, including a road network connecting farm to market, capital to capital, and inland to coast, plus an improved communications system. Progress in these areas is essential to attainment of rapid growth rates and subsequent achievement of longer range socio-economic benefits as increased literacy and life expectancy.

9. A further priority, slower to develop but a key element in African aspirations to better serve their people and pride, is an evolving industrialization of their countries. Progress in this area is associated with such concepts as their independence, international influence and enhanced role in international economic decision making. Industrial development as associated with import substitution in the first instance and exports in the second, serves to increase foreign exchange availabilities and employment for a population which is gradually moving to urban centers with increasing speed.

10. Action to attain these priorities should continue to include and enlarge attention to local institutions building such as cooperatives, rural banks, and distribution systems to fund and move fertilizer, farm equipment, and crops from the farmer to the market. The development of technical skills to operate and maintain machinery and irrigation systems, etc., should be further stressed.

11. There is indeed a long way to go. It is interesting to note that the U.N. definition of a nation's poverty level, and state of being "least developed", is based on the following factors:

a) average annual per capita gross domestic product of $125 or less (1970-72);

b) an average share of manufacturing in gross domestic product of 10% or less (1970-71);

c) a literacy ratio of 20% or less (1970 or closest).

Many of these West African countries fall within this scope and few exceed all three targets.

12. In pursuit of the priority objectives, the full use of research tools should be made. These include specific research in specialized areas such as new energy sources, new types of seeds for agriculture that produce well in arid lands and possible new plants for human and animal feed. Research using economic models to project growing needs

for food, transportation, requirements as a result of growing urbanization, and the setting of appropriate objectives and targets for the region and individual countries should also be undertaken, preferably in a multilateral context.

13. Many planning and research studies are in fact underway by various U.N. organizations as the ECOSOC, Committee for Development Planning (CDP), Economic Commission for Africa (ECA), regional bodies, the IBRD, and individual donor agencies. The bibliography attached indicates some of these. REDSO should consider, as a regional responsibility, the analysis of such reports as they become available to outline a regional research program supplementary to current efforts in such African regional bodies as the Economic Community of West African States (ECOWAS) and the African Development Bank and Fund. Such analyses could lead to assistance to the ECOWAS and AFDB to improve programs leading to greater regional development and trade. Research programs to develop new agriculture crop possibilities and energy possibilities, as well as employment of the remote sensing technique for future development of transportation and irrigation networks, soils analysis and discovery of mineral deposits may also be helpful.

14. The development of Western Africa is clearly long-term. The area is heavily dependent on foreign aid at this time, and will require substantial sums of money. Amounts will no doubt be in some billions of dollars for infrastructure investment plus sizeable sums for human resource development. Such an amount is exclusive of possible programs for maintaining or re-creating financial stability, for example as the present consideration of a $1 billion program for the economic stabilization of Zaire. Should we assume a continuation of the constraints on U.S. ability to provide development aid (and similar constraints in the cases of the Federal Republic of Germany and Japan), the major needs for these countries (Nigeria, Ivory Coast, Gabon excluded) can likely be met only by efforts of scale on a regional basis combining efforts of Western donors, international Banks and Funds, plus sizeable amounts from Arab countries. While OECD country concessional aid is about .3% of GNP, OPEC aid exceeds 2% of their GNP in concessional aid and with commercial flows included is now running at 3%-4% a year. Perhaps more OPEC concessional aid could be directed to this area.

15. It well behooves donors for reasons of aid economy to combine efforts and concentrate on the regional development route in such areas as regional institutions for training, regional river development and regional transportation designed for broadest service to an appropriate area irrespective of national boundaries. The same course of action may be urged for general political reasons. It is suggested

that regional development may promote stability in this area through stress on common interests leading to common institutions.

16. The regional route for development through judicious leadership in regional organizations, both United Nations and "local", may also be the best way to promote the early market availability of Africa's rich supply of natural resources. The Africans, dubious of their technical and financial capacities, appear to fear that the developed countries will do most of the exploitation at African expense and Western profit. Unless there can be institutions that will safeguard a large share of the product for Africans, seemingly they would prefer to leave them buried. Projects under the aegis of regional institutions and other organizations in which they share control, such as the IBRD which also has ability to assemble and organize exploitations of economic scale, may provide enough confidence to all concerned to allow organized development by foreign companies employing current technologies and financial backing.

17. The wealth that would flow to Africa as a result of such actions indicated above could provide rapid growth in African markets for Western technology, machinery, specialized services, consumer goods (vehicles, appliances, electronics) as well as immediate benefits to Africa.

18. Finally in following this regional approach vis a vis international organizations and foreign donors, it is important that organizationally within AID there should be a well staffed unit that customarily views the major development issues and the harmonization of related national policies in a regional context; that sorts out those aspects of projects and economic policies requiring a regional coordination. Of course, most projects are basically national in conception of need, construction, and continuing use and support. For the most part that is also true of regional projects--but there is a planning aspect, a timing aspect, a matter of economic scale, an international coordination aspect, and a policy aspect which may mean "go" or "no-go" on an activity. Such activities as river development, road network, international electric grid, cement plant of economic size, port construction, and insect borne disease control, can be used for illustration. In sum: all projects and plans are national but some are also regional. The latter will fail if not well planned at the beginning. They may not exist if international agreement and funding are not agreed at the beginning. They may not be conceived if a regional thinking, planning and analyzing, and coordinating organization does not promote them.

19. To the extent that relative influence is a reflection of the degree of financial contribution, we would do well to note that our voice in multilateral organizations may carry more weight than it

does in a number of African bilateral activities. Generally the U.S. contributions to U.N. agencies is in the range of 20%-25% of the total funds available. With reason, we have a right to think that we have a similar share in the funding of those activities they support. In project areas where we have clearly a minority role in funding but do provide technical expertise as a "software" contribution, our share in influencing the result may be major.

III. DEMOGRAPHY, ECONOMIC OVERVIEW, KEY DEVELOPMENT SECTORS

Demography

20. The populations of these West African countries historically are heavily rural, predominantly engaged in agriculture, have high population growth rates, and low literacy rates. Nevertheless, there are marked changes observed over the past 15 year period. The percentages of populations living in urban areas have increased by 50% to 100% in this generation. While still low, the ratio of students to total youth in the 5-19 year age group has for the most part doubled. While literacy rates have improved, they are still less than 20% in all but a few cases.

21. In most countries in this region over 40% of the population is under the age of 15 years and that portion of the population has shown a slight increase of about 1% point in each country since 1960. The "over age 65" share of the population has been fairly steady at 2%-3% points but in the Chad, Congo, Gabon, and Togo, it has exceeded 4%. Life expectancy at birth now ranges between 38 and 43 years. This is a significant improvement over the 33-37 range prevailing in 1960, with the single exception of Zaire which was 39 years in 1960.

22. More educational opportunities at the secondary school level have been made available. There have been significant increases since 1960, but enrollment is still low. The share of those in the secondary school age group actually enrolled ranged from 7% to 16% in twelve of these West African countries and from 2% - 5% in six others. In two exceptional cases, Congo and Gabon, 46% and 40% respectively were recorded. It is little wonder then that the literacy rates, country by country, ranged between 10% - 20% with noteworthy exceptions of Ghana (25%) and Congo (50%).

23. Health facilities have been improving significantly in each country in each health care category but are still low by any standard. With few exceptions there is: one hospital bed for 700-2700 people in West African countries; one nursing person for 1000-5000 people (in Zaire the ratio is 1:11,680); and one physician for 12,000-45,000 people (Niger and Upper Volta 1:75,000).

24. While the above figures represent distinct advances in the social sector since 1960, the growth rate of roughly 5-10% per year in urban population in each country will place increasing demands on governments for social services, roads, housing and other infrastructure. Latest data available indicates urban populations of 9.4% (Niger) to 38% (Congo) of total populations in these West African countries.

Economic Overview

25. Many countries in this group (22) are among the least developed countries in the world. Per capita GNP in 1976 was $200 or less for ten of them and between $200 and $610 for eleven others. The industrialization ratio is also exceedingly low. Agricultural production is uncertain from year to year. While there is growing output in absolute terms, on a per capita basis it is declining in many cases. Trade volumes are relatively small. Significant shares of government budgets are diverted to defense spending. Similar shares are used to meet service payments on foreign debt and this amount is increasing. (See Statistical Annex.)

26. Nevertheless, the period 1976-77 was a relatively good one for this Western region of twenty two countries. This area as classified by AID includes West and Central Africa to some extent. IBRD classifies Zaire with Eastern Africa but otherwise IBRD and AID West Africa are the same.

This group has a population of about 175 million with a per capita GNP of $321. The francophone inland tier of countries of the Sahara region, known as the Sahel, is a poverty area with limited agriculture resources and currently limited capacities in other social and economic areas--material and human. Gabon and Congo currently are limited oil exporters, and Nigeria has substantial oil exports. There is oil potential in other countries of the region. Other countries have been adversely affected by quadrupling of oil prices since 1973-74. However, perhaps 50% of energy consumption is from hydro-electric sources. Perhaps 6% of imports are of oil.

27. The economic pattern of the area reflects both its evident resources and past policies to exploit them in a basic but limited manner. The area is essentially a producer and exporter of commodities: cocoa, coffee, and peanuts in the food area, and other renewable crops as cotton and timber. Other exports in the main, are bauxite, iron ore, phosphate rock, and petroleum. The crops were good in the 1976/77 year, prices were higher for most exports, and foreign exchange earnings increased. Since import price increases were moderate, countries in this region enjoyed some improvement in their terms of trade. Borrowings continued significantly however as governments sought to continue growth in line with new priorities and objectives

WEST AFRICAN REGION - 1976 1/

	POPULATION (000)	GNP AT MARKET PRICES $U.S. Millions	Per Capita ($U.S.)
Benin	3,200	430	130
Cameroon	7,606	2,240	290
Cape Verde Islands 2/	290	80	260
Central African Empire	1,827	420	230
Chad	4,120	510	120
Congo	1,360	700	520
Gabon	544	1,410	2,590
Gambia	540	100	180
Ghana	10,136	5,920	580
Guinea	5,695	880	150
Guinea-Bissau	530	70	140
Ivory Coast	7,028	4,280	610
Liberia	1,600	720	450
Mali	5,840	590	100
Mauretania	1,355	460	340
Niger	4,730	740	160
Nigeria	77,056	29,320	380
Senegal	5,135	1,980	390
Sierra Leone	5,053	610	200
Togo	2,280	600	260
Upper Volta	6,170	710	110
Zaire	25,389	3,510	140
TOTAL	175,484	56,280	321

1/ SOURCE: World Bank Atlas - 1977 p. 27

2/ Data for 1975

set forth in revised national development plans.[1] It is significant that ten of the governments in this region[2] have recently prepared or revised medium term plans providing explicit targets for growth and employment, allocation of projected foreign investment by sector and project, and certain regional development considerations. The World Bank is providing technical assistance to enlarge project preparation capacity for three of these countries.

Key Development Sectors

28. Key sectors which are common to the development of the area as a whole are those that are common to virtually any developing country at the poverty end of the scale. Essentially they are the feeding of the local populations and the improvement of human capacities to do this job better. Food production therefore and skills training/education, are the primary areas common to all such countries. To allow for diversity in consumption some crops in excess of local needs must be produced for exchange. Possibilities for trade must be improved through establishment of a better transport network, both feeder and main roads. Improved transport capacities are also essential for survival in emergencies as the recent experience with drought in the Sahel has dramatically demonstrated.

29. Another sector common to developing nations is the need to improve if not create local and specialized institutions, i.e., a series of private and government institutions that collectively provide marketing, funding, technical advice, training, economic direction, health, and management of the community at large. As these relatively basic economies expand, such institutions will need to be supplemented by inter-area or regional institutions--particularly in trade, transportation, and health areas--to facilitate movements between e.g., the arid, desert, landlocked Sahel and the tier of coastal states with their more varied resources and trading possibilities from availability of sea borne transport.

30. Another key development sector varying by country, includes the discovery and exploitation of basic resources that naturally exist. These include climate, river basins, forests, and such non-renewables available in quantity as oil, iron ore, manganese, chromium, bauxite, uranium.

31. Another key sector, is processing of locally available resources (animal, vegetable, and mineral) and gradual industrialization. The importance to Africans, psychologically and practically, of development in this area is inadequately appreciated in Western eyes. It is a strongly cherished ambition and aspiration for all developing countries. An international group of economists has recently noted that:

1/ See also World Bank Annual Report 1977 - Western Africa

2/ Cameroon, Central African Empire, Ghana, Ivory Coast Liberia, Mauretania, Nigeria, Senegal, Togo, and Upper Volta.

"Industrialization, especially the creation of a thriving manufacturing sector, has long been regarded as the quintessence of development and modernization. While agriculture has currently reclaimed a greater share of attention, the appeal and importance of industrialization appear greater than ever for developing countries."1/

IV. WEST AFRICA REGIONAL INSTITUTIONS

32. West African leadership is pursuing the economic development objective with an awareness that the continent as a whole lags well behind the rest of the world. The Africans seem to feel that their demands for external aid and for a concessionary foreign economic policy (discrimination in their favor) will meet a more positive response if their requests are put forward jointly on a regional basis. They appear to feel that they must concert their common efforts through regional institutions to strengthen their internal markets and to have greater impact for their demands on the developed countries. The thrust of regional integration in West Africa is clearly there and is supported by the U.S. in general trade policy and through AID assistance to the institutions themselves.

33. The evidence lies with the prolific regional economic institution building in the past generation. Such ambitious goals as market integration and various more limited objectives have not yet succeeded. The time, of course, has been short for such an effort. Other reasons include shortages in adequate numbers of trained talent internally, lack of sufficient capital for development, lack of an adequate economic structure for production, trade and manufacture. There is also limited international experience in policy making and negotiation. African political differences have also acted to defer realization of economic cooperation. The use of U.N. institutions (ECOSOC, ECA, UNDP, World Bank, etc.) has assisted materially through trained personnel, studies, and organizations for international negotiations responsive and sympathetic to African aims and aspirations.

34. There have been seven regional institutions formed in Western Africa since 1959, which aim at market integration and market sharing. They have been and are being supported by four West African country development banks and funds plus the World Bank and the African Development Bank and Fund for the region as a whole. Not all regional institutions are currently operative. Their memberships overlap as do their functions and aims. Reorganization would seem to be inevitable and some will likely atrophy. The sixteen-member Economic Community of West African States (ECOWAS) embracing francophone, anglophone and former Portuguese territories appears to have good long-run prospects as an integrating force. Brief descriptions of the current status of this organization and four financial institutions follow.

1/ UNECOSOC - Committee for Development Planning
E/AC.54/L98 Feb. 13, 1978

35. African governments, in the formulation of their national policies for growth and development, have concluded that group cooperation, expressed as "integration", is an essential economic policy for them and basic to their strategy to attain material objectives. A demonstrated unity in negotiations with Western and other powers for concessional aid, preferential trade relationships, transfers of technology and other key needs is also a political requirement to strengthen their position and make their demands more forcefully. The strategy of African regionalism has been adopted and is being pursued. While there is apparently a strong interest in African unity movements, there are also divisive forces native to the continent (e.g., anglophone and francophone influences) that may lead to rivalry between the organizations. Further there is the apparent introduction of great power rivalries exercised directly through arms sales and evidently through proxy powers as Cuba and East Germany. As reported in the Washington Post recently, the current area of East German interest is indicated on the map following.

36. The political dimension is well beyond the summary scope of this paper--but it will need to be reflected in assessments on the future scope of success in regional development and the time frame for major achievements. Up to this point, the West African region has been relatively free from these pressures--and therefore freer to pursue cooperative intraregional economic relationships.

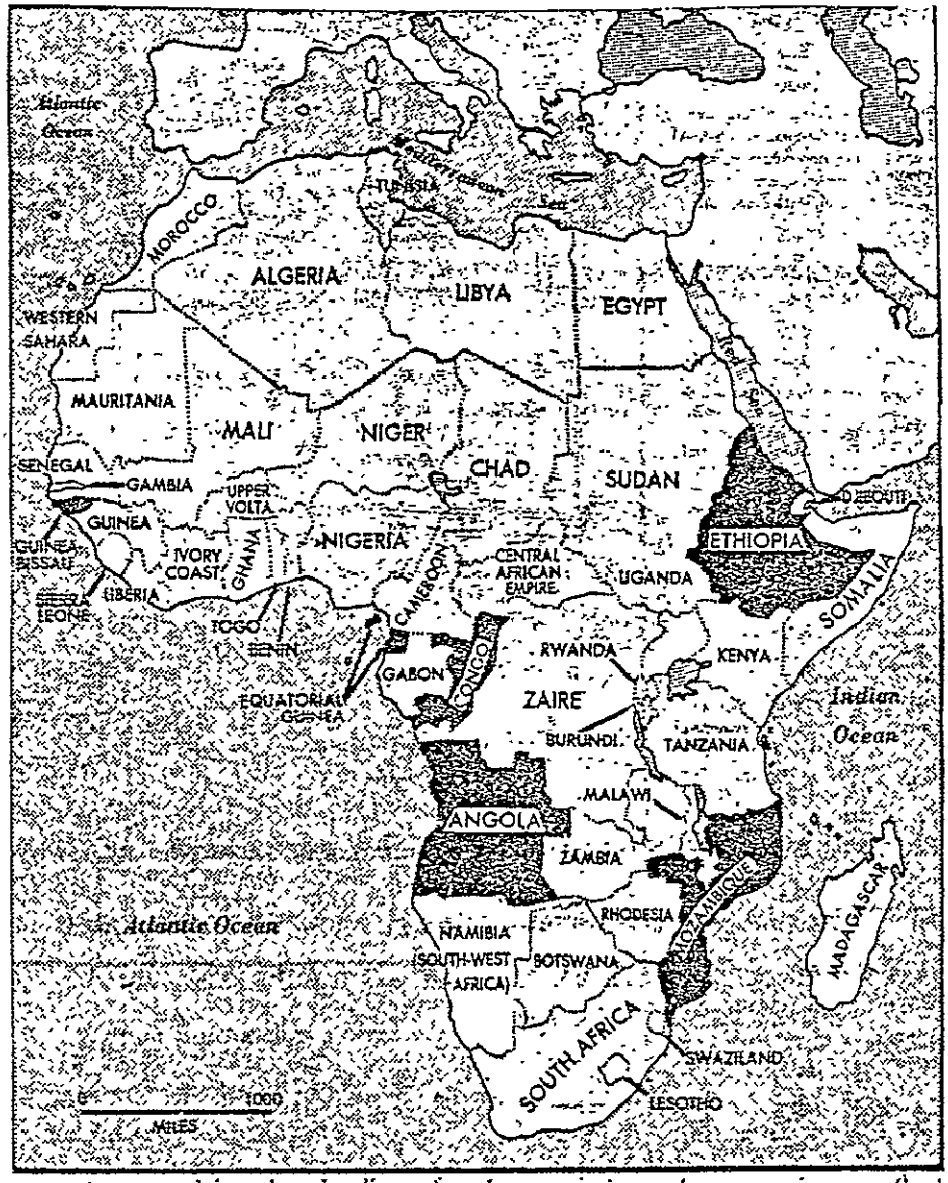
A. Entente Fund

37. The Council of the Entente was established by four governments in 1959 to harmonize policies of its members. With the addition of Togo in 1966 its membership consists of five francophone countries: Benin, Ivory Coast, Niger, Togo, Upper Volta. The general purpose of the Entente is to harmonize policies. An agreement to promote agricultural trade and industrial cooperation has not been achieved. The Council launched a Regional Industrialization Committee and an agricultural staples stabilization and marketing plan, but this Committee with the plan has been largely inactive. Projects in livestock, transport and communication, and training programs have also been initiated.1/

38. A Solidarity Fund of the Council was also set up in 1959 and succeeded by another Fund in 1966. In 1973, the Council of the Entente States established the Mutual Aid and Loan Guaranty Fund of the Council of the Entente States as its successor-now known as the Entente Fund.1/ The aims of this fund are:

a) to guarantee economic development loans of member states in public, semi-public, and certain private sectors;

1/ See "Salient Features of Economic Cooperation among Developing Countries": U.N. Econ. and Social Council E/AC, 54/L 94



By Dave Cook—The Washington Post

Darkened areas indicate where East Germans have been most active.

b) to finance viable projects in agriculture, commerce and industry and infrastructure;

c) to promote development by other means including coordination of efforts to deal with problems where common action is required by countries in the area.

39. The Fund is supported by annual member contributions, from grants by other donors, from fees for its services, and interest it earns on reloaning of funds it borrows.

40. The United States has provided over 80% of the financial resources of the Entente Fund via a series of highly concessional loans and grants. The loans in the main are targeted on the key area of agriculture (food production, livestock and grain stabilization) and directed also to support the small farmer and small entrepreneur. These are clearly priority concerns in the limited economies of most of the Entente States. The high concessionality feature of the U.S. loans--(40 years with 10 year grace; with interest at 2% in the grace period and 3% during the 30 year repayment of principal)--allow interest earning for the Fund and for the development banks handling sub-loans. This income can cover certain administrative and advisory costs incurred in handling small loan operations.

41. Program justification identifies these loans with support for regionalism. This idea was certainly a central objective of the founders of the Entente who aimed at market integration and market sharing. Regionalism of course has a variety of meanings. In an economic context it implies at least a certain optimal location of factors of production, manufacture by units of economic scale, and trade with efficiency and lower costs derived from transportation economies. In this sense, the Entente region is somewhat artificial. Geographically it would seem to divert development of Niger from a Nigerian relationship to a geographically more distant Ivory Coast. This arrangement clearly can trace its origins to nineteenth century political settlements buttressed by many economic and political arrangements since. Some adjustments to accommodate the modern development of independent neighboring nations would seem to be in order if the goal is the most economic development of production and trade.

42. There appears to be a rather pervasive feeling that project formulation for use of Entente Funds has been rather slow and that administration has not been particularly effective over the history of U.S. support for the Entente. Fortunately, that judgment has changed significantly in the recent past. It continues to be much more foreign than an African institution, however.

ENTENTE FUND

CONTRIBUTIONS: 1971-1978
(Including Predecessor Organizations)

I. U.S. CONTRIBUTIONS: PURPOSE AND TYPE ($Millions)

DATE	PURPOSE	CAPITAL LOAN	CAPITAL GRANT	TECH ASSIST.	TOTAL
1971	Grain Stabilization	-	-	1.681	1.681
1971	Livestock I	6,000	-	-	6,000
1973	African Enterprises Enterprises I	7,500	-	1,680	9,180
1975	African Enterprises II	10,000	-	740	10,740
1976	Livestock II	4,500	3,000	764	8,264
1976	Food Production	10,000	5,000	1,680	16,684
	TOTAL	38,000	8,000	6,545	52,549[a/]

a/ $6.4 million for training of rural road construction personnel was started in 1964 and not included above.

II. TOTAL CONTRIBUTIONS

A. MEMBER GOVERNMENTS $2.6 M.

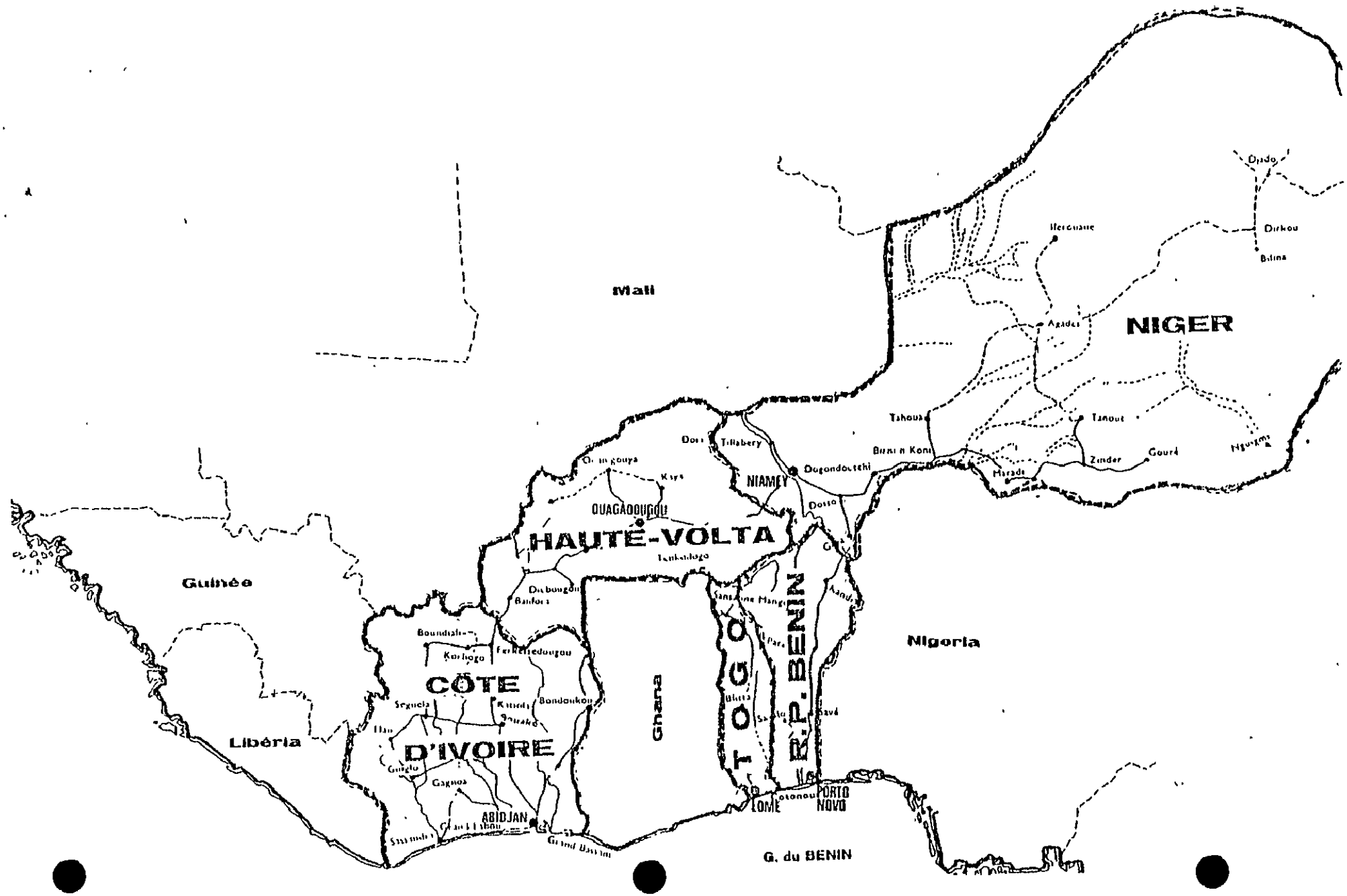
Of Which:

Ivory Coast	(2.2)	- 85%
Other	(.4)	- 15%

B. OTHER

U.S.	$53 M	- 81%
France	7	- 12%
Other[b/]	5	- 7%
	$65	100%

b/ Canada, U.N., Netherlands, Other


Mali
NIGER
Niamey
Agadez
Tahoua
Tanout
Zinder
Gouré
Maradi
Dosso
Tillabery
Dogondoutchi
Birni n Koni
Dirkou
Djado
Bilma
Ouagadougou
HAUTE-VOLTA
Kaya
Tenkodogo
Dédougou
Banfora
Bobo-Dioulasso
Korhogo
Ferkessédougou
Bondoukou
Kouadio
Seguela
Man
Guiglo
Gagnoa
CÔTE
D'IVOIRE
ABIDJAN
Grand Lahou
Grand Bassam
Ghana
TOGO
Lomé
Atakpamé
Sokodé
Kara
Savé
Parakou
Kandi
R.P. BENIN
PORTO NOVO
Nigeria
Guinée
Libéria
G. du BENIN

43. While the Fund's resources are mainly from the U.S., and the Senior Advisor to the African Executive Secretariat is a U.S. citizen, the staff is largely expatriate (French and American). The language, commercial practice, patterns of thought in approach to problem solving would appear to be more representative of a past period than an outward and forward looking Africa, seeking a more real independence and African prestige, is likely to accept. In 1959 and 1966, this beginning of economic union seemed progress. The establishment of the Central African Customs and Economic Union of 1966 (now including the Central African Empire, Congo, Gabon, and Cameroon) and the Union of Central African States of 1968 (now Chad and Zaire) as a customs union with a common external tariff could be considered more of the same. In 1973 the establishment of the West African Economic Community--a customs and economic union--including Ivory Coast, Mali, Mauritania, Niger, Senegal, Upper Volta, signaled that these previous developments were unsatisfactory and inadequate. In 1975, a more promising alternative was provided--The Economic Community of West African States (See paras 64-83).

44. Efforts are underway to "Africanize" the Entente Secretariat by adding 12 Africans to the staff. The geographic area may be inadequate for its objectives of market integration--over-ambitious as they may be. As a political vehicle for approval of essentially U.S. proposed projects the Entente Fund serves a limited purpose which could be served as well under some other sponsoring institution. It would seem timely to consider alternatives.

45. A glance at the map suggests that Ghana is a physical obstacle to the economic transport of goods between northern Togo, Benin and Ivory Coast. A more convenient market might be Ghana itself. Embracing Ghana and other countries adjoining in an expanded Entente group might seem desirable but undoubtedly politically difficult. Perhaps folding the Entente Council into the ECOWAS, could be accommodated since Government memberships overlap. In this case the Entente Fund could continue as a Bank for the smaller number of states, or perhaps have some organizational link to the ECOWAS Fund. This would imply a coalescing of the Council with the ECOWAS itself. It might also imply no new U.S. loans to the Fund under the current council arrangement. Any additional U.S. loans to this area could be made to a Fund directly under ECOWAS jurisdiction where it would be subject to a broader thrust of African policies while itself contributing to the success of that organization. It is noted that the Entente fails to meet one of the five guiding principles of ECOWAS, namely an economic community that cuts across linguistic and cultural barriers.

B. World Bank - West Africa Regional Mission

46. The World Bank and its IDA affiliate have substantially expanded their aid to this region in the past three years - 1974-77. It is more than double the annual average of 1969-73 and about seven times the annual average of 1964-68. The priorities are agriculture and transportation and have been so since 1974. In 1977 loans exceeded $400 million including about 40% extended by IDA to low income countries (See Attached table).

47. The World Bank regional office at Abidjan is currently staffed by about 20 professionals and has responsibility for IBRD activity in West African countries (including Central African countries as does AID but excluding Zaire). The activities the Bank has undertaken are essentially project identification, supervision, and provision of loans. Main project areas are currently agriculture and rural development, highway and rural feeder road construction, and education. The Bank also provides technical support for project development and planners for the U.N. Economic Commission for Africa, the West African Development Bank (BOAD) and the Economic Community of West African States.

48. In agriculture, emphasis has been placed on development of export crops such as coffee, cocoa, cotton, oil palm products and loans for rubber development.

49. There have been loans for construction of principal and secondary roads, mainly running north-south, and for feeder roads in Benin, Togo, Cape Verde, and Guineau-Bissau. There has been extensive development of the port of Cotonau. More roads, agriculture, and development bank financing are in prospect for these countries.

50. Loans have been made for water, sewage, and transport projects in Abidjan, Ivory Coast and for the Abidjan-Ouagadougou railroad. IBRD also is examining rural development loan possibilities and is in the process of preparing a rural development project in northern Ivory Coast which may have the possibility of becoming a model for future projects in other West African countries. This model could possibly be a fore runner for development of country sub-regions.

51. The Bank has a large interest, it appears, in the development of the Cameroon. There are projects, actual or in process of development, for the Port, Douala-Yaounde road, education, coconut and rubber plantations, development of small-scale enterprise in Western highlands, perhaps a move toward the industrial sector and possible telecommunications and energy activities. Under contemplation are perhaps 5-8 projects per year costing $60-100 million a year.

IBRD/IDA LOANS APPROVED FY 1977 (6-30-77)

(IN MILLIONS OF $)

WESTERN AFRICA 1/

COUNTRY	SOURCE			PURPOSE			
	IBRD	IDA	TOTAL	Agriculture	Transport	Electric Power	OTHER
Benin	-	7.2	7.2		5.5		1.7
Cameroon	40.0	23.5	63.5	34.0	25.0		4.5
Chad	-	20.0	20.0	20.0			
Congo	8.0	.5	8.5				8.5
Ghana	48.0	9.0	57.0			57.0	
Ivory Coast	64.0	-	64.0	20.0	44.0		
Liberia	13.3	7.0	20.3	7.0			13.3
Mali	-	26.0	26.0	15.5	10.5		
Mauretania		6.2	6.2				6.2
Nigeria	62.0	-	62.0	62.0			
Senegal	23.8	-	23.8		6.0		17.8
Togo		10.0	10.0		10.0		
Upper Volta		23.6	23.6	3.6	20.0		
Zaire		26.0	26.0	16.0			10.0
TOTAL	259.1	159.0	418.1	178.1	121.0	57.0	62.0

1/ SOURCE: World Bank Annual Report - 1977

52. With anticipated success from the approximately $100 million invested in oil prospecting in Chad, refinery plans are being considered, and a $3-4 billion pipe line to the coast through Cameroon is contemplated. A smaller oil well north of N'Djamena is to be turned over to the Government by oil companies and the World Bank may finance the related pipeline. Chad Basin polders and road projects are also contemplated for funding at a future date as are livestock, rice, and rural development.

53. For the Central African Empire a $20 million road to Cameroon and a livestock project are contemplated. Apparently these are objected to by the U.S. because of alleged human rights violations. There are mineral development prospects as indicated by satellite reactions in its flights over the Central African Empire - perhaps aluminum and/or uranium could be discovered in this area.

54. Other projects in this region include possible extensive exploitation of high grade forest resources in Cameroon and Congo. It is understood foreign investors are interested in commercial development but there is local hesitancy in agreeing to foreign exploitation - particularly on part of Congo's Marxist government. In 1976 IBRD completed a fairly detailed West Africa Forestry Sector Study[1] which included eight major timber producing countries in West Africa[2] with forests covering about 75 million ha. The annual timber removal rate is projected to increase by one-third by 1985. The potential is double the current annual removal rate but "will be constrained to much lower levels by the lack and cost of extraction routes and by the growing desire of West African nations to bring the industry under their own control."[1]

55. The Bank has also extended its support to regional institutions, regional projects, and assists in longer range planning. The Bank is conducting a series of studies on regional programs for ECOWAS and a survey on regional institutions for BOAD. It has organized and contributed to the funding consortium for the Togo Cement plant in 1976 which has a capacity well in excess of Togolese requirements. Agreements have been made for export of the excess to Ghana and Benin. The Bank has undertaken to study the linkage of Nigeria to the hydro electric power complex of Ghana-Benin-Togo. Technical support to the Club des Anis du Sahel is further supplied. Finally IBRD staff is preparing a series of planning studies by country, focused on the year 2000, in conjunction with U.N. studies and the next round of debates to establish a new International Development Strategy for the third Development Decade, possibly with general guidelines including long-range targets for the fourth Development Decade.

56. For the immediate future the World Bank is planning further increase in loan levels to West Africa. For the next year (1978) loans may include about $100 million for the Cameroon (five agriculture projects and one other); about $200 million for Nigeria (rising to an

1/ See IBRD West Africa Forestry Sector Study - Oct. 20, 1976-(Summary)
2/ Cameroon, Central African Empire, Congo, Gabon, Ghana, Ivory Coast, Liberia, and Nigeria.

annual level of $600-700 million by 1983); perhaps $50 million for an iron ore project in Mauritania. These alone approach the 1977 lending level for the region as a whole. The Bank is planning a large build up in its agricultural projects staff for planned operations in that sector and will take an integrated rural development approach rather than state planning. Also through application of a technique of "social pricing" the Bank favors poverty relief oriented activities.

C. African Development Bank and Fund

57. The African Development Bank was established in 1964. Its membership has been limited to the 48 African States which have now joined. Its aim is to promote development and integration of African countries, mainly by financing projects of common interest including multi-national projects and those with complementarity in different countries. The Bank promotes foreign investment in the region, helps to mobilize resources, and aids in preparation and execution of projects. It set up an International Financial Corporation for investment and development in Africa (based in Geneva) which has attracted more than $12 million in private investment in Africa. It provides technical assistance for study, preparation and execution of projects.1/

58. The Bank has also established an African Development Fund as its soft loan window. Membership in this institution is open to non-Africans from whom financial resources are being sought. Such members now include eleven countries from Western Europe plus Yugoslavia, Canada, Argentina, Brazil, Saudi Arabia, and the U.S. which joined in November 1976. The U.S. has contributed $15 million to this Fund in FY 77 and $10 million in FY 78. A further contribution of $25 million is in the appropriation process for FY 1979. A replenishment contribution of $125 million over a three year period is under consideration with the first of three equal payments ($42 million) planned for FY 1980 (calendar year 1979).

59. The African Bank has been exclusively regional but the Board of Governors at a Libreville, Gabon meeting May 1978 adopted a resolution for non-regional membership subject to nine principles that would ensure continuation of the African character of the Bank. The application of these principles will assure: that the African presidency will continue with majority support of the regional members; that operations and headquarters will continue to be confined to to Africa; and that regional members are assured of two-thirds of the votes. Also the Board of Directors was defined to consist of nine regional and three non-regional members. It was also specified that loan policies would employ only economic criteria.

1/ "Salient Features of Economic Cooperation Among Developing Countries" U.N. ECOSOC Committee for Development Planning

60. The African Bank is planning for an authorized capital stock of $7.2 billion by 1986 of which two thirds would be provided by regional and one-third by non-regional members. One quarter of the total would be paid in and three quarters would be callable. Essentially the regional callable capital would be provided in local currency and the non-regional capital in convertible currency. The question of non-regional staff for the Bank has not been addressed. While these and other issues will continue to be discussed in the coming months it seems clear that non-regional members will join the African Bank as they have other regional banks. The present African President of the Bank (Dr. Kwame D. Fordwor) hopes to resolve all issues and reach a publicized conclusion at the annual World Bank/ IMF meeting in Washington this October.

61. The aim of the Bank is to promote development and integration of its member African countries as a whole. It would not appear that this aim has much prospect of early realization. It is clear, however, that recent African history has shown extensive interest in various country sub-groups such as West, East, and Central African organizations for marketing schemes with associated banks to finance related development. This would seem to be the development route for Africa as preferred by Africans for this decade at least. However, the political situations of local enmities including open hostilities in many areas of Africa-with the exception of the West Africa-(such countries as Angola, South Africa, Rhodesia, Uganda, Ethiopia, Somalia and Libya vis a vis their neighbors) make the integration topic in these areas non-interesting even for academic pursuit at this time.

62. It would appear from some sources that neither Bank nor Fund have become involved in national development planning, regional cooperation or sectoral problems. It does, however, have $336 million in paid-in capital in convertible currencies and some foreign management assistance. AID has been extending assistance to the African Bank from FY 68 to finance pre-investment/feasibility studies. Other countries and five U.N. agencies have similarly provided such assistance. AID plans a 5 year project to extend further technical assistance starting this year. AID is now recruiting three U.S. experts to provide advisory services to the projects department and one health economist. With large increases in the paid-in-capital subscriptions in convertible currencies, the question may well arise as to the best way to finance the technical assistance and management needs of the Bank and Fund, e.g., through continuing bilateral and U.N. technicians or from Bank and Fund staff, including non-regional nationals, financed by the Bank itself.

D. West Africa Development Bank (Banque Ouest Africaine de Developpement-BOAD)

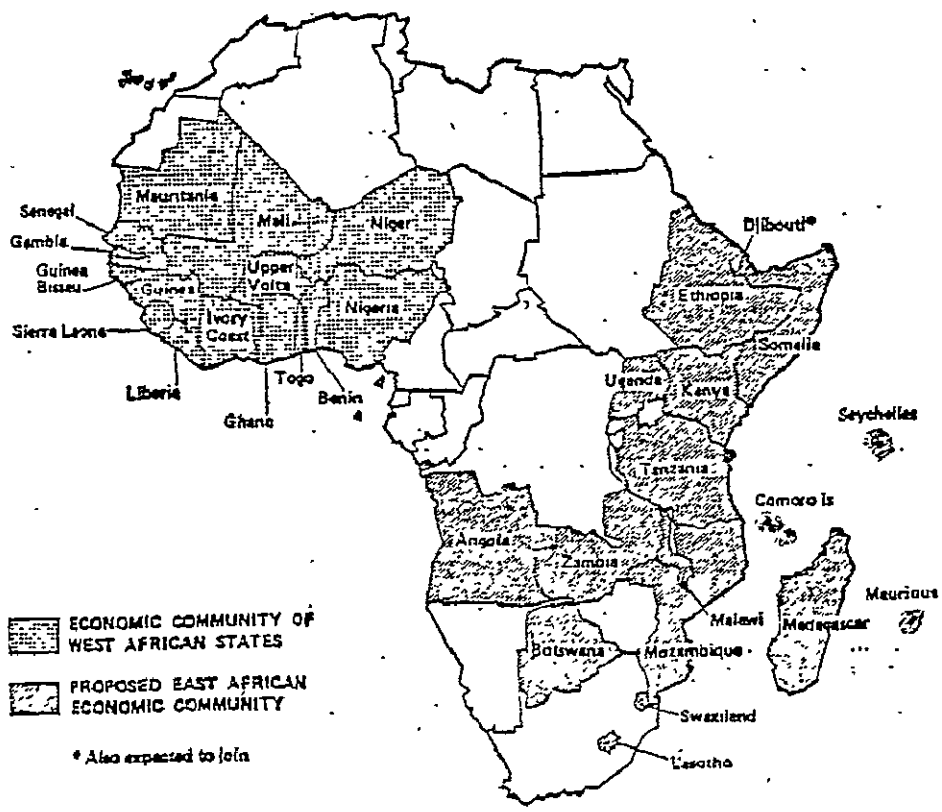
63. The West African Development Bank was established in 1974 with headquarters at Lome, Togo. Its members are six francophone West African States (Benin, Ivory Coast, Niger, Senegal, Togo and Upper Volta) but membership is open to other West African States. It is set up within the six member Union Monetaire de L'Afrique du Ouest (UMOA). With the exception of Senegal, its membership is the same as the Entente Fund. The basic objective is balanced development and integration of West Africa. Development projects qualifying for financial support include those promoting development and local ownership of enterprises. Initial capital of 214 billion CFA francs (about $1 billion) is to be subscribed by member governments (one-half) and the Central Bank of West African states (one-half). AID funds the services of an economic advisor as technical support to the Bank. Germany, France and the IBRD also provide support.

E. Economic Community of West African States (ECOWAS)

64. In 1973 a West African Economic Community (CEAO) was established as a successor to a West African Customs and Economic Union. It was located in Ouagadougou, Upper Volta. Its aims were to promote industrialization; improve infrastructure related to trade, transport and communications; and promote trade within the area. Membership included six francophone states: Ivory Coast, Mali, Mauretania, Niger, Senegal, and Upper Volta.

65. In 1973, the Mano River Union was established to expand mutual trade and promote the development of its two members, Liberia and Sierre Leone, through trade liberalization, a Customs Union, and increased production in agriculture and industry.

66. In 1975, the Economic Community of 15 West African States (ECOWAS) was established with its headquarters at Lagos, Nigeria. Its secretary is Nigerian and the Executive Secretary is from the Ivory Coast. The community is planned to be a preferential trade area with a clearing and payments system for its members--now 16 states. It aims at tariff reductions after a two year period of standstill and full customs union status at the end of 15 years. Current inter-community trade is about 4% of the total external trade of its members. It also aims at free movement of labor and capital and the setting up of joint enterprises. The targets are 1986 for a free trade area and 1991 for the establishment of a common external tariff for third countries.



The boundaries shown on this map do not imply official endorsement or acceptance by the UN.

67. The ECOWAS aims to harmonize agricultural, institutional, monetary and fiscal policies and to establish a common commercial policy. Cooperative development of transport, communication and energy facilities is sought. There is also a major interest in transport and telecommunications development, and the establishment of effective economic relations between Sahelian and coastal states.

68. Membership includes those from former French, British, and Portuguese dependencies which are also members of the West African Economic Community and Mano River Union--both of which presumably will be subsumed in some way at a later date. The members of the organization for relief and development of the Sahelian States are also members of the ECOWAS but this group (CILSS) could coexist without conflict with ECOWAS since it is primarily an aid-receiving and development organization without market integration or economic union objectives.

69. The Nigerian Institute of Social and Economic Research and the Ivory Coast Center of Economic and Social Research are assuming major responsibility for ECOWAS social and economic studies. They have also undertaken to prepare an overall synthesis of trade and development plans leading to attainment of the ECOWAS customs union objective and the harmonization of member country industrial and agricultural policies. The ECOWAS is also seeking external aid in the completion of sector studies and preparation of development plans.

70. Current specific areas of interest for which external funding are being sought, include:

a) an agricultural survey for crops, livestock, fisheries, and forestry--to be done under auspices of ECA/FAO;

b) a review of lake and river basin existing studies and development of additional materials;

c) a fisheries survey (fresh, brackish, coastal, deep sea waters);

d) an alternative agricultural crop survey;

e) an energy seminar, including solar energy, conversion of waste matter to charcoal and gas, ocean thermal conversion, windmills and new developments in hydro-generating techniques;

f) use of satellite imagery for surveys of mineral possibilities, land and water resources, transportation, and agriculture development.

72. The advisability of providing continued U.S. support for ECOWAS may be considered on the basis of its prospects in achieving its stated trade and payments purposes. We might also consider the attainment of a significant level of regional economic cooperation would be adequate to merit our support. Assessment of the value to the U.S. may also be considered in terms of certain collateral benefits not quantifiable--such as the strengthening of the influence accruing to a group of politically moderate countries. Finally, the formation of economic enterprises in a few important countries with production/marketing agreements, which may make a significant contribution to the economic development of the region, may also be adequate to justify current assistance.

73. The record shows that over the past decade regional organizations in other areas may have stimulated increased trade among developing countries but not necessarily in that region. In assessing prospects for success as a customs union with a common external tariff, the recent experience of six other schemes of the 60's and 70's suggest that relatively little was gained, e.g., trade expansion vis a vis each other differed little with the percent of expansion in trade with developed market economies. The experience was basically Latin American:

Latin American Free Trade Association (10 countries)

Central American Common Market (5 countries)

Andean Group (3 countries)

Carribean Community (5 countries plus East Carribean Common Market)

West African Economic Community '73 (6 countries) (Successor to West African Customs and Economic Union)

East African Community '67 (3 countries) (Successor to the Common Market and Common Service Organization)

In the period 69/70-74/75, the mutual trade of developing countries expanded at an annual rate of 35.5% with each other as opposed to 32.7% with developed-market-economies for exports and 26.1% for imports.[1]

74. Political constraints to the eventual full success of ECOWAS have been well stated in a paper prepared in 1977 for the African Bureau, Department of State.[2] An extensive show of political will

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1/ Salient Features of Economic Cooperation Among Developing Countries -- 5/12/77; E/AC 54/L 94

2/ The Economic Community of West African States: Prospects and U.S. Policy Implications - Devon B. Smith

at the founding of ECOWAS by its membership was indicated at that time but there apparently was some hesitation and inclination to favor the French speaking West African Economic Community felt by Senegal and certain Sahelian countries. The major powers in the area and their coastal neighbors (Nigeria, Ivory Coast, Benin, Togo, Ghana, Liberia) were strongly supportive of ECOWAS and its aims. These countries are the core group essential to ultimate success of ECOWAS. Perhaps they could muster further support from the Gambia, Niger and Guinea-Bissau.

75. There are also economic constraints posing problems for the community--weak transportation and telecommunication links, lack of an efficient clearing system and common currency, a question of the complementary vs. competitive character of member country trade structures, and whether community policy toward industrial development and compensation awards will assure an acceptable distribution of the benefits of integration. The conclusion is that: "the prospects for overcoming these obstacles appear to be good although the timetable of reaching a free trade area by 1986 and customs union by 1991 is far too ambitious."1/

76. Since that time a West African clearing house to facilitate payments among West African States has been launched with headquarters at Freetown, Sierre Leone. By promoting use of local currency in intra-regional trading, intra West African trade may well be promoted. Its members are the Central Banks of the Union Monetaire Ouest Africaine: the Gambia, Ghana, Liberia, Mali, Nigeria, Sierre Leone.2/

77. The ECOWAS has also established a Fund to promote development and financial compensation in line with its basic objective. The Fund for Cooperation, Compensation and Development will function pursuant to a recently adopted protocol to the basic treaty. The Fund's offices are in Lome, Togo. Its Chief Officer is Romeo Horton from Liberia who is receiving technical assistance from the IBRD in setting up the organization and its operating procedures.

78. The Fund aims to finance community projects and to compensate members for loss of intra-ECOWAS trade as a result of trade liberalizations or location of community enterprises. The Fund is to be supported by contributors from member states, donors outside the community, and by income from Community Enterprises. It aims to encourage agricultural and industrial development through import substitution and agro-industry exports. Research will be stressed. Infrastructure development will enjoy high priority.

1/ The Economic Community of West African States: Prospects and U.S. Policy Implications. Devon B. Smith

2/ World Bank Annual Report 1977

79. One might well have reservations on the prospect of full attainment of far reaching market integration schemes which envisage free movement of persons, services and capital; harmonization of agricultural, industrial, monetary, and fiscal policies; and a common customs tariff and commercial policy. Basic to such accomplishment is substantial surrender of national economic policy making on the part of political leaders. These would be the same leaders who would be responsible to their peoples, with newly limited authority, to take corrective action if projected benefits fall short in materializing-or even if local interest in a significant economic sector--say farmers, textile workers, shipping interests--are very adversely affected. The European Economic Community has had a long experience in trying to work these out.

80. The track record of such integration movements is not good. Of nine such efforts between 1960 and 1975 in Latin America, Carribean, Africa and Arabia "only two can be considered fully operational and politically alive; these are the Andean Group (a sub-group within the Latin American Free Trade Association) and the Economic Community of West African States (ECOWAS)."1/ Certainly ECOWAS is only in its first stages and is yet to take first steps in establishing its track record.

81. Causes of conflicts within integration movements may derive from:2/

a) political systems incompatible with integration;

b) political relations between States which are tense and hostile;

c) differences in degree of development already achieved in each country and potential for development;

d) dominant economic weight of a few countries in the group;

e) lack of attraction for integration in case where agriculture has reached a degree of development unless a significant industrial development is possible.

f) If there is ready availability of capital (e.g., oil producer) why finance an integration grouping?

82. Achievement of economic integration may be pursued through trade liberalization or a project approach. An objective of trade liberalization is to provide for import substitution by allowing plants to

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1/ "Viable integration and the Economic Cooperation Problems of the Developing World." A paper prepared by Germenico Salgado Penaherrera for ECOSOC--Committee for Development Planning E/AC 54L 96

2/ IBID

expand sufficiently to be efficient and low cost. They may seek a market for large output in the country as a whole, in other countries of the region or conceivably through successful negotiations with developing countries as a whole. Trade negotiations are highly difficult requiring assessments of market size, comparable data on international prices, precise knowledge on the nature of subsidies employed and their effect on sales to allow valid predictions of results from the negotiations. A project approach involving agreement on distribution of output of a new investment may be easier to arrange and the results more certain.1/

83. Nevertheless, ECOWAS as a new organization with current "political will" behind it, has attractive prospects and possibilities for making significant contributions to African development and potential political stability in certain areas--whether or not full integration is achieved in this century--or indeed ever. Such advantages may be:

a) a realignment of social patterns, attitudes, and economic organization on a more African basis, e.g., a break away from the French, British, Portuguese trade and cultural inheritances;

b) new African political alignments and development of economic relationships with Western world;

c) development of comprehensive internal transportation and telecommunications systems among neighboring states.

1/ See Economic Integration Among Developing Countries--IBRD Working Paper #86 Bela Belassa - Sept. 1974.

WEST AFRICAN REGIONAL ORGANIZATIONS

	MEMBERSHIP					
	1959	1966	1973	1974	1975	1976
	ENTENTE Entente	Central Afr. Customs Union	W. Afr. Econ. Comm.	BOAD	ECOWAS	Club du Sahel/ CILSS
Benin	X			X	X	
Cameroon		X				
Cape Verde Is.					X	X
Central Afr. Empire		X				
Chad						X
Congo		X				
Gabon		X				
Gambia					X	X
Ghana					X	
Guinea					X	
Guinea-Bissau					X	
Ivory Coast	X		X	X	X	
Liberia					X	
Mali			X		X	X
Mauritania			X		X	X
Niger	X		X	X	X	X
Nigeria					X	
Senegal			X	X	X	X
Sierre Leone					X	
Togo	X			X	X	
Upper Volta	X		X	X	X	X
Zaire						

V. WEST AFRICAN REGIONAL PROGRAMS

A. Transport and Communications

84. If West Africa is to be developed to approach its economic potential in areas beyond the favorably-located portion of its coastal states, it will have to see to the development of an adequate transport and communications system. Such a development is a sine-qua-non for growth of its land-locked countries and inland areas of its coastal states.

85. The basic need of a transport system is increasingly well recognized in Africa. Using the U.N. Economic Commission for Africa as an organizing tool to express this need, African governments have agreed to a Global Strategy for the Transport and Communications Decade in Africa (1978-1988).1/

The strategy recognizes the value of joint development projects at the sub-regional and regional levels; that "...material, technical, administrative, and financial resources... should be pooled to develop an international transport and communications network while managing their own transport services at the national level". Furthermore, these objectives should be reflected in each mode of transport and communications.

86. Specific objectives for the decade include the following:

Roads:

a) asphalt highway linking all African capitals plus feeder roads--

b) training of design engineers and road technicians--to be done in multi-national establishments with joint financing by countries concerned and open to students from all such countries--

c) rural roads for areas of high agricultural productivity--

d) standard highway code--signs, loadweights, border crossing formalities.

Maritime:

a) port improvements;

b) container transport;

1/ Global Strategy for the Transport and Communications Decade in Africa (1978-1988) UN/ECOSOC/ECA:E/CN/14/Trans 137, 9 Mar '78

c) sub-regional, regional training centers, engineers, administrators, etc.;

d) regional and subregional shipping companies;

e) harmonization of administrative and customs formalities.

Air Transport:

a) regroup small and inefficient African national airlines to provide more international flights;

b) insure that all African countries are linked to large African airports by regular flights;

c) set up sub-regional training facilities, engineers, pilots, mechanics, aircraft controllers.

Rail Transport:

a) standardize gauge, rolling stock, etc., international traffic standard for national railways.

River and Lake Transport:

Plan for manageability of major international rivers for transport and to serve land-locked countries. In West Africa focus on Senegal, Niger, Volta, Gambia, and Mano Rivers and Lake Chad.

Communications:

Complete implementation of Panaftel network.

87. It is to be noted that African governments have recognized both the importance of this area for economic development and the economics of accomplishing such projects on a regional basis. A priority common to all modes of transport is the need for technical training for road construction, repair, and maintenance. An early priority should be to establish such institutions on a regional basis which should precede by several years the allocation of the substantial funds required for construction.

88. The achievement of the goals of the Strategy for the Transportation Decade will require major efforts in planning, organization, construction and funding. Certainly no single national donor would wish to undertake this responsibility--including the extensive international negotiations

with aided countries - or any major part of it. Perhaps the preparation of an overall detailed plan could be undertaken by the World Bank in conjunction with the Economic Commission of Africa through some special body created for this purpose. Given the general political situation in Africa at this point it would seem most productive to direct initial efforts for plan development to the West African sub-region where regional interests are high and general political stability is a more reasonable assumption into the near future. In this area, planning on a region wide basis could lead to more fruitful economic results supplemented by the existing Sahelian based and sub-regional plans.

89. Individual donors may be persuaded to fund activities closely related to the master plan. In the case of the U.S. this could conceivably be in the form of further expansion of feeder road complexes tied to the agricultural development of a particular area with favorable market prospects. Local funds required could be derived from proceeds of a series of PL 480 Title III programs.

90. It is noted that in expenditure terms the World Bank appears to accord transportation as the No. 2 priority in this region--second only to agriculture. It can also be argued that the very existence of plans for a major transportation network with some time phasing, could act as an inducement to speed development in that potential investors in agriculture production, looking for access to market on roads to ports, may be encouraged to make investment plans now. Such action tends at least to shorten the period between planning and investment.

B. Regional Remote Sensing Technology

91. The use of regional remote sensing for development purposes in Africa has been under study since the inception of this regional project in 1975. The scientific community has long recognized the potential utility of the highly sophisticated techniques of this space age technology in measuring those changing environmental factors that markedly affect development prospects. Those concerned with economic development in Africa have also recognized the potential in this area. Now such issues as location and funding construction of the facilities, training of personnel, the creation of international organizations, including a Council, to control use and to distribute the analytical results to members, have been generally resolved.

92. For the West African region these decisions mean satellite service to a receiving station, a processing center, storage dissemination--and analysis facilities at Ouagadougou, Upper Volta. International agreement covering operation and access to satellite use and sharing information on the results was reached under the aegis of the U.N.

Regional Commission for Africa in 1977. The governments of France, Canada and the U.S. have agreed to meet most installation, training and operating costs for the first five years. Recurrent operating costs after that time are to be met by beneficiary African nations that have joined the African Remote Sensing Council.

93. As a result of user training programs and availability of these facilities, African planners and technicians in this area will be able to monitor environmental changes in such areas as surface water, range land use for grazing, rate of forest depletion, degree of desertification, crop developments, insect breeding habitats and degree of infestation.

94. Technical commissions of African and donor nations have agreed on the feasibility and desirability of this project and a five year period of financial support. Intergovernmental organizations can join the established Governing Body as associate members. Data collection and analyses from continuing projects ultimately will serve the needs of some 30 countries. Project benefits therefore go well beyond the area of the Sahel. Services of the Center at Ouagadougou will be provided in both English and French through a bilingual staff. With a UN/ECA sponsorship, we can envisage the spread of discovered information to the African region as a whole.

95. Development and use of remote sensing may also serve as an integrating force in the region and well may encourage formation of cooperative relationships among neighboring countries in many economic sectors. The spread of general knowledge and accumulation of specific information on environmental areas that comprise several countries could conceivably lead to new organizations and new cooperative developments not yet foreseen.

96. The sensing program is still in its initial phase and no material product is yet available. International commitments as indicated have been made to support and continue this project for five years and they should of course be carried out. The goals and prospects for this project have been given firm endorsement by donors and beneficiaries alike. The application of the new scientific technique appears to be of increasing value and to give promise of establishing sound bases for future planning through monitoring environmental change. At the same time caution should be exercised to restrain expectation to current realities which appear to be that adequately detailed and precise data needed for planning, crop predictions, and investment decisions are not yet available or likely to be for some time to come.

97. It would appear that the lead time in developing an extensive data base adequate for rapid determination of environmental changes in Western Africa and some surrounding countries may be about five

years. At that time the system now being installed would enable digital readings of soil and drought conditions, forest depletions and other developments to be available in a few weeks. Such information would be adequate for planning purposes and some program judgments. It is also possible that the development of technology in this period would be so rapid that the present equipment would be obsolete. This of course would lead to requests to replace it--probably with substantially more costly equipment. A judgment at that time could take account of African capacities to affect purchase from their own resources, Western interests in provision of advanced equipment on concessional terms and the possibility of adequate, substitute equipment from other sources on the terms on which it would be available. That future decision will be largely affected by the development of our African relationships in the meantime.

C. Energy

98. The purpose for development of energy capacities in West Africa is to provide a further means for increasing general production and some improvement in the quality of life--both urban and rural while avoiding foreign exchange costs and high prices for imported oil. Given the predominantly rural, agricultural, and poverty stricken nature of these societies, the provision of energy resources to such areas is preferably small scale, while making use of locally available materials, for economy in avoiding need for costly long transmission lines. Conversion of imported fuels, notably oil, to electric power and erection of transmission facilities to processing plant or household would appear to be economically feasible for larger scale use in a concentrated market as the major cities in these countries.

99. It is understood that approximately half of the energy consumed in West Africa originates from regional hydro-electric power sources. Cost of oil imports in West Africa amount to about 6% of total import bill - a reflection of the limited number of gasoline and diesel oil burning vehicles in the various countries.

100. AID has given extensive attention to derivation of energy from renewable sources through funding studies, particularly those stressing the role and possibilities for use of alternate sources of energy in various situations. Two of these research papers[1/] include extensive bibliographies which are indicative of the widespread interest and study of this issue. AID also has eleven projects underway in twelve African countries to demonstrate practical use and new methods for using renewable energy--e.g., solar, wind, water, and wood conversion possibilities.

1/ Energy for the Villages of Africa--The Overseas Development Council--Feb. 1977; Firewood in Africa--David French - June 1978

101. Some areas of this region are blessed with abundant sources of conventional energy. They are few in number but relatively rich in several fuels. Nigeria, Gabon (two million tons yearly), and the Congo (10 million tons yearly) are producers of oil and of natural gas. While Gabon and the Congo are experiencing difficulty in retrieving oil supplies from offshore sources, their supplies appear adequate to meet domestic needs plus some exports into the 1980's. Nigeria and Zaire also have significant coal production and substantial hydro power. For sub-Saharan Africa about two-thirds of the electric power consumed is hydro-electric. The Ivory Coast, Ghana, and Cameroon as well as Nigeria and Zaire are rich in this energy source. There appears to be some prospect for geothermal energy in the Cameroon and studies in this field have been undertaken in Chad, Senegal, and Mali.1/

102. These and other areas not so blessed, have been consuming their firewood resources, their traditional fuel, at a high rate. The remaining woodlands in the Sahel (Senegal, Upper Volta) are suffering from a rapid rate of deforestation. Even in Nigeria, firewood accounts for over 90% of its energy consumption.2/ Conservation could be effected through such means as new design of wood stoves to make productive use of 40-50% of the energy actually available in lieu of 6-10% realized from open fires. Improved kilns for charcoal making could also double current efficiency.2/ There are also potential energy sources through conversion of agricultural wastes in several countries. Ghana for example, has substantial forest wastes, plus coconut, rice straw, logging sawdust and oil palm wastes which if converted through a pyrolitic process would provide in excess of 400,000 metric tons of coal equivalent.3/ In terms of 1973 energy consumption this is equivalent to one-third of the total used in Ghana and more than equal energy domestically produced in that year.

103. There are, however, other considerations. Energy consumption in Western Africa is thought to be 50% commercial for transport and industrial use (e.g., heating) and roughly 50% for non-commercial use, e.g., cooking, farm use, etc. It is in the latter sector that there are more prospects for non-fossil fuel use in the form of consumption of agricultural wastes, "bio-mass" such as trees converted to firewood and charcoal, solar radiation and wind power. These sources supply heat, powering of irrigation systems, and convenient electricity through battery storage or directly.

104. Development of non-fossilfuel energy sources through various types of equipment is under intensive study and many promising methods have been identified, with research on their uses intensified. It appears that these techniques, fully explored and developed, will require a series of institutions to demonstrate to the user, mainly

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1/ Energy for the Villages in Africa--Overseas Development Council-Appendix IV

2/ Firewood in Africa--David French--June 78 Apr.10-12

3/ Pyrolytic conversion of Agriculture and Forestry Wastes in Ghana--Georgia Institute of Technology 1976.

the small user, the application of these devices to local energy problems. Explanation must be provided about capacities and limitations of these devices, their maintenance and repair. Facilities for distribution and financing of the equipment must also be provided. Institution building is a slow process at any time and slower yet when innovation and a population of limited literacy are involved. One might hazard a guess that we are five years away from a successful series of pilot projects and five to ten years in establishing successful alternatives to energy supply that provided a significant percentage of total consumption.

105. The willingness of governments to undertake pilot projects, and of their people to adapt to them, is dependent, to a degree at least, on the non-availability of conventional techniques and energy sources. This means both lack of material supply and of foreign exchange to procure abroad. There are areas where alternate combustible supplies are available in economic quantities to warrant their use even with available or affordable supply of oil. This, however, is true for only three of the 22 countries in West Africa at this time (Cameroon, Ghana, Nigeria). It does appear possible however within the 5-10 year time frame required to establish alternative sources generally, that either more oil will be discovered or other sudden wealth such as minerals will be discovered and exploited. Possibilities include Cameroon, Chad, Central African Empire and Ghana for oil; bauxite, uranium, iron ore for Gabon, Cameroon, Central African Empire. In such cases the development of the institutional framework for innovative use of alternative energy sources may well lag and may come to nought. Energy planning therefore should keep potential conventional development in mind and measure accordingly the pace of commitment to innovation.

106. Development of local energy sources that are renewable is of course a national concern for many countries. In such a new field there is a <u>regional role</u> in conduct of research for development of systems suitable throughout a broad area. Research on equipment required to produce and bring such energy to the user is also required initially. It may be assumed that once such a development is started, and the existence of a market demonstrated, equipment manufacturers would conduct their own research and develop improved devices. There is also a regional role for establishment of an international training institute for local research and for training of technicians for use and repair of such equipment should some be complex. There is also utility in regional coordination of various national and international research efforts through such organizations as UNEP and UNIDO. This could be done by the ECA and an energy advisor provided by the U.S. could be given this task. Alternately an energy advisor on AID mission staffing could fill this role through region wide consultations.

D. Food Supply

107. The supply of food to this Region is undoubtedly the single most important issue faced by the peoples of West Africa. The fundamental importance of agriculture is underscored by the fact that 80% of the labor force is employed in this area. The environment is mainly hostile to most forms of agriculture in many of these countries and frequently this may mean the difference between fair to poor crops and disaster. For developing countries as a whole agricultural production has failed drastically to meet the 4% growth targets throughout this Decade and the African record is particularly poor. The recent drought in the Sahel has served to highlight the adverse consequences of food-failure.1/

108. Donors, concerting their efforts to affect relief, have also combined to take measures which eventually would change basic agricultural conditions. Plans for study and projects for investigation are underway for the development of Lake Chad and four major river basin systems in the arid sub-region of the Sahel. Irrigation systems are possible but initial investment costs are very high, e.g., preliminary estimate of $6,000 - $17,000 hectare. Recurrent costs for their maintenance may strain the capacity of local farmers to pay. Other extensive infrastructure, both large and small, will be required, e.g., feeder roads, storage depots. Attention to the agricultural area is high in the annual billion dollar foreign donor program2/ and in the strategy devised by the Club du Sahel for those areas most affected by the previous drought.

109. The record would suggest in the past decade that low income countries also are slow to develop their agricultural capacities. The table below might suggest that poorer agricultural lands, and farmers with limited financial capacity to compensate for what nature does not provide, means continued low output. For others with either more favorable conditions or more financial capacity, increased output seems, on the average, to be predictable.

Countries with per capita gross domestic product in 1970 of:	Average annual rate of increase at constant market prices for agricultural production3/	
	1966-1970	1971-1975
less than $200	2.4	1.4
$200 - $400	2.8	3.4
of $400 or more	2.9	4.9
Total	2.6	2.6

1/ For detailed treatment of problems of the Sahel and programs underway to deal with them, see: Sahel Development Program: Annual Report to the Congress - AID, Feb. 78.

2/ IBID

3/ Development trends since 1960 and the Implications for a New International Development Strategy - Committee for Development Planning E/AC 54/L 98, 13 Feb 1978

110. The low income group contains 7 Asian and 20 African countries of which 12 are in West Africa[1]. For West Africa low agricultural output means low overall economic growth, limited investment and foreign exchange resources. It also suggests that West Africa will not do well in achieving aspirations for industrialization. Africa aims to produce 2% of the world's industrial output by the year 2000. It hopes to do so by giving priority to five basic industrial sectors of which the first is food and agro-industries. African Ministers of Industry "...accepted as public policy objectives the attainment of complete self-sufficiency in the output of the food and agro industries and the building materials and construction industries..."[2].

111. AID is supporting a semi-arid food grain research project under the Organization for African Unity with 18 African countries participating. There may be additional possibilities in development of protein and oil rich beans and peanuts not native to Western Africa.[3] Examples include the winged bean which is identical to the soybean and it also grows a tuberous potato-like root. It is well known in Asia and grows in the humid tropics. Another is the marama bean, high in protein and oil, which also has a potato like tuberous root. It grows in arid and semi-arid regions. A further possibility is the bambara ground nut which grows in hot, dry regions. It is an important protein source and a nutritionally complete food. These and other crops need research and development to eliminate some undesirable features and to adapt them to local conditions but they seem to offer possibilities for significant increase in food supply for the poor.

112. Until such time as an international food reserve of adequate scope has been established, continued reliance in times of drought and widespread starvation must needs be placed on Western food supplies as the major food surplus producing area in the world. The use of PL 480 food supplies as aid to developing countries, has sometimes, in non emergency periods, been cited as an-enemy of-agriculture program - because the availability of relatively low cost U.S. supplies may undersell local, higher-cost crops and thus discourage their production. It is noted, however, that while internal prices frequently fluctuate during the year (low cost just after harvest and high just before), appropriate timing of distribution of U.S. supplies may avoid this adverse affect. Also in some cases it appears to be government policy to keep local food prices low to the farmer and thus avoid unrest in urban centers arising from high food prices. Difficulties may arise if food deliveries fail to arrive on such a schedule.

1/ Cape Verde, Central African Empire, Chad, Gambia, Guinea, Guinea-Bissau, Mauritania, Niger, Nigeria, Togo, Upper Volta, United Republic of Cameroon.

2/ Fourth Conference of African Ministers of Industry - UN/ECOSOC/Econ Commission for Africa - E/CN 14 689 Dec 1977.

3/ Development Forum - April 78--an article by Noel D. Vietmeyer of the U.S. National Academy of Sciences.

113. It should also be possible to make further use of PL 480 Title III local currency resources to further assure food supply in Western Africa. To avoid mass starvation from failures in food supply, and discourage wide price variations throughout the year, a food grain reserve policy may be developed and supported initially by establishing a food grain reserve system. Storage facilities should be developed at locations appropriate to climate and road conditions for emergency shipments. Infrastructure including storage facilities and management costs may be candidates for finance through PL 480 derived local currency under Title III.

114. Further development of feeder road systems to facilitate food shipments to markets would also encourage local agriculture endeavors and make possible the urban marketing of perishable vegetables to augment food supplies and improve nutrition. PL 480 local currency could materially assist. Similarly, costs to organize availability of food drying and handling equipment and to manage a food grain reserve system may be viewed as a proper use of PL 480 Title III Local Currency. A recent study has indicated that an in-country reserve of 4% of food requirements may materially narrow the range between rising and falling in-country prices.1/

115. It would be appropriate for REDSO to examine such possibilities in conjunction with U.S. AID missions in several West African countries. This could be done in conjunction with an examination of the agriculture sector of certain West African medium term economic development plans. In 1977, ten of these were revised or newly completed.2/ It would be further useful for REDSO economic analysts to examine the plans for certain Sahelian and Coastal countries, as the Club du Sahel has recognized in its strategy for this sub-regional area, and determine the extent of dependence on coastal country markets for Sahelian area exports as well as coastal country plans to import from inland African countries.

E. Five River Basins

116. As a major response to a long-term solution to the desperate economic problems of the food-short, poverty stricken and arid Sahel, a major long-term multi-donor program is being developed. It is based on the major known resource of this region: The basins of four rivers and a large lake: the Niger, The Gambia, the Senegal, the Volta and Lake Chad. Some projects in these areas have been developed and implementation is underway, e.g., to gain control over river blindness. For the most part, however, these major and ambitious undertakings are in the early phases of planning, assessment and project development.

1/ Food Grain Reserves in Developing Countries--Food and Feed Grain Institute, Kansas State University 1978

2/ Cameroon, CAE, Ghana, Ivory Coast, Liberia, Mauritania, Nigeria, Senegal, Togo, and Upper Volta.

Lake Chad Basin

117. The international commission to promote the development of the Lake Chad Basin, is composed of members from the states of Niger, Nigeria, Cameroon and Chad. The Commission requested the United Nations Development Program officials to organize an international effort to prepare a development program. A year ago (July 1977) the UNDP met with ECA (U.N. Economic Commission for Africa) FAO (U.N. Food and Agriculture Organization), AID, and CIDA (Canadian Aid Organization) to discuss possible support for Basin Commission projects as reviewed by the ECA. Agreement was reached on the principle of priority development of regionally oriented, bankable, short-term projects. The U.S. emphasized priority for those in agriculture, livestock, fisheries, and transportation. It was also agreed to develop alternative planning scenarios for medium and long term development of the Basin.

118. As of March 1978, a multi-donor mission has identified eight projects for development and the UNDP convened an ad hoc consultative committee to consider further action. This group agreed on further development of four regional projects: range improvement; pilot project for permanent pasture surveillance; agricultural training center at Ngala; Chari Delta project. The U.S., France and Netherlands agreed to fund technical assistance to design smaller scale, integrated, rural development projects for two areas as alternatives to certain capital-intensive, irrigated agriculture schemes. The objectives are development costs lower than current estimates ranging from $6,000 - $17,000 per hectare, farmer control, and increased income, health and environmental safeguards.

119. U.S., Netherlands, Italy and UNDP have also agreed to fund study of various alternative development strategies for the Basin --essentially agricultural development relying on river fed supply, rain water fed supply, or livestock. It would appear that development of alternatives, planned investment, and construction to start would require a five year period or more. Accomplishment of the projects themselves would require an additional ten years or more.

Niger River Basin

120. The drainage basin of the Niger River and its major tributaries is shared by nine countries: Guinea, Mali, Upper Volta, Ivory Coast, Niger, Chad, Cameroon, Benin, and Nigeria. They include land locked, arid, desert countries. The prospects for development lie in the field of agriculture--for local consumption and for export, for processing and for subsequent manufacturing. Further such development appears urgently necessary to accommodate a growing population at better than present poverty levels and to provide an alternative for present inland country migration to coastal areas, seasonally or longer.

121. To exploit possibilities and determine a coordinated plan for development of what appears to be the major resource for some of these countries, the Niger River Commission (NRC) requested international funding for development of an Indicative Plan. The U.N., U.S., Canada, and France indicated interest in participating in the preparation of a comprehensive plan and in an investment program over a five year period. Since data available is inadequate even for an estimate of costs of study and planning over the 5 year period, a "start up" program is being undertaken to establish the analytical base, and strengthen the NRC capacity for planning. The AID contribution of $1.35 million for this phase represents about 27% of total costs.

Gambia River Basin

122. The UNDP has undertaken to lead a Mission for the development of the Gambia River Basin (GRB) consistent with the needs of the population of that area, the plans of the Governments of Gambia and Senegal, and the views of the coordinating Committee for the Development of the GRB. The objective is to develop land, human, and water resources of the Basin in order to increase per capita income and employment, provide more equitable distribution of wealth, and promote agro-industrial and industrial development. A study is to be undertaken outlining alternative strategies and costs in use of irrigated and rainfed agriculture, livestock, forestry, fisheries, and infrastructure (roads and water resources) to achieve these goals and targets. A contractor has now been selected to utilize existing data, to prepare a "conceptual framework and quantitative analysis of alternative development strategies for medium and long term development of the Gambia River Basin."

Volta River and Senegal/Gambia River Basins

123. Realization of the resource potential of these river basins is dependent on gaining an effective control of onchocerciasis (river blindness) that pervades these areas. Aid participation in a multi-donor program includes funding for the first stage vector control program, the second stage LANDSAT study (remote sensing) to assist in development of a comprehensive data bank, and further problem-related studies in Upper Volta and Togo. The Vector Control Program is to cover a 700,000 sq. Km. area of Volta river tributaries in Benin, Ghana, Ivory Coast, Mali, Niger, Togo and Upper Volta in a six year phase ending in 1979. This is expected to be followed by a second six year phase as originally planned in the 18-20 year control programs. Successful control over this area, at a cost of possibly $120 million, could be followed by resettlement in the area of 600,000 - 1,000,000 people. An international study under WHO is planned for FY 1980 to collect data, determine possibilities and costs for a similar control program in the Senegal and Gambia river basins.

VI. REGIONAL DEVELOPMENT AND THE REGIONAL OFFICE (REDSO/W)

Regional Development

124. The extent to which Africa will really support regional economic development institutions is yet to be seen. We have witnessed an organizational period establishing institutions. The crunch will come when key economic decisions are to be made and some elements of national economic control must be surrendered to international agreements. Current institutions in the African region have served to express long-range economic integration objectives, to bring some neighboring (and mainly French speaking) countries together to explore common interests, to engage in planning with foreign assistance, and to establish funds and Banks that attract foreign capital and support. Longer range development aspirations including certain goals and targets, have been recorded in broader organizations such as the Economic Commission for Africa, Economic and Social Council of the U.N. and various world-wide developing country conferences dealing with trade, industrial growth, aid, and debt problems.

125. Market integration is a declared objective but little progress has been made. Even in West Africa where poverty is general it is not universal. There are great economic differences in the economic situations of Nigeria and Ivory Coast vis a vis their neighbors. They are such that at this time they would benefit disproportionately from full integration unless they could be induced to make wide ranging concessions to their less fortunate neighbors in trade areas and cost sharing of multi-country projects. Short of market integration however, there is extensive opportunity for cooperative development of regional infrastructure (roads, ports, electric power grids, river development, etc.) to benefit of all. There would be utility in collective reviews of national economic plans to become aware of the economic impact of their respective programs and policies on each other, and development of ideas of mutual-concessions packages for future bargaining.

126. The Club du Sahel has underscored the importance of broader planning for Sahelian states:

> "In order to increase Sahelian capability for conceptualization, design, and implementation of projects, the Club stressed the need for greater support to African national and regional institutions. Emphasis was also placed upon the importance of achieving coherence between the overall strategy, CILSS/Club programming and the national planning processes of Sahelian states."1/

1/ Sahel Development Program - Annual Report to the Congress AID/ Washington Feb. 1978, page 54.

Regional coherence in development plans, in the construction of a rational and economic basic infrastructure and in other sectors as well, appears to be well assured by Club/CILSS. Such coherence is shown in integrated sector strategies, plans, programs and projects.[1] It is particularly important for the Sahel because of its major problems and current pledges of donors for a billion dollar annual aid program to help solve them. The regional plan is also a key assist of course in U.S. aid programming to make the most effective use of U.S. contributions now projected as 6% of the total for 1978 and 8% for 1979. Similar coordinating machinery and integrated strategies however do not appear available for other West African states or groups of states nor for their relationships to the Sahel. The ultimate viability for the Sahel may well depend on the establishment of cooperative economic relationships between a number of these states to handle such problems as trade, migration, and others. For these reasons attention should be given to the economic development of the region as a whole and for varying sub-regions. For the immediate future at least, REDSO's attention to the longer range planning of African regional institutions, organizations, Funds, multi-donor groups and commissions could provide a useful strategic background in formulating U.S. priorities and national programs.

Regional Office

127. As the West African region develops, and as that development increasingly takes place in a regional context, the organization and functions of the AID regional office should also evolve. Current stress has been and continues to be on the service role of the regional office vis a vis AID missions and offices for which it is not economic to provide a wide range of professional staff on a full time basis. Levels of aid seem to be on the increase for bilateral and regional programs as well as for multi-donor activities in the region, and for a growing volume of funds to be available from regional banks and international funding institutions. There seems to be increasing emphasis on regional planning and longer range perspectives to the year 2000. With time there should and inevitably will be changes in U.S. organizations in Africa. It has been noted that the Club du Sahel/CILSS programs are increased to a billion dollars annually of which the U.S. contribution is rising to a projected 8% in 1979. For the 22 country West African region, U.S. contributions in 1976 were about $200 million, slightly less than 8% of total external assistance which included contributions from international agencies and other donors of over $2400 million.[2] Since the current and prospective future of most U.S. contributions to this area are primarily in the field of expertise and advanced technology, it is as important for us to be aware and to participate in developing the programs for which the big money will be spent in the region as a whole, as it is for the Sahelian sub-region.

1/ Sahel Development Program - Annual Report to the Congress AID/Washington Feb. 1978, page 7.

2/ See Statistical Appendix, Table 16.

Regional Planning

128. U.S. aid style differs materially from that of other donors. We feature the operating mission for the most part with an administrative capacity backing up planning, programming and few-to -many professional and technical personnel in advisory capacities. We deal through the bureaucratic range of Government from Cabinet level to local officials in rural areas. Aid actions involve many people and relatively small sums of money. We can and do get local problems considered at high government level - which frequently local officials cannot do. Other donors are able to provide funds more than technical experts in the field for a variety of reasons peculiar to their history, domestic situation and attitudes to foreign aid. Australia, Sweden, Norway, Netherlands, Japan are mainly fund contributors. The same is especially true for Germany and Japan although under the special conditions of Vietnam both of them plus Canada, Australia and New Zealand provided substantial aid in the health field in the form of medical teams plus hospital construction.

129. These countries, plus France and the EEC separately, are significant donors to West Africa. They and others are open to persuasion to participate in funding of large projects under appropriate auspices, such as the World Bank, UNDP, Economic Commission for Africa or other African or U.N. organizations. There is scope therefore in regional development planning for comprehensive programming including large money projects (as roads, ports, irrigation works, power plants; major industries as cement plants, sugar mills, refineries, etc.) to be funded by others collectively while U.S. aid projects are more oriented to people, local institutions, and rural areas that will be highly affected over time by the large financial scale activities.

130. The preparation of national and regional plans for development by appropriate ministeries and international organizations does not of course mean that they will be carried out or that internal policies necessary to their achievement will be followed. The very existence of such plans, with a certain degree of governmental blessing, can prove to be an effective step toward their realization in a period when donors, seeking to help, are casting about for appropriate activities. We are in such a period in West Africa. The World Bank has doubled its aid to this region in the past 3 years compared to a preceding 3 year period. In 1978, it will increase again substantially. Estimates are $100 million for Cameroon and $200 million for Nigeria. Some estimates indicate the Bank total for Nigeria alone may rise to over $700 million a year by 1983. Even such amounts fail to indicate significance of the World Bank role in organizing funding consortia - for example, the $50 million projected bank loan to Mauritania for an iron-ore mining project which in total may well involve an investment of some $500 million.

Some REDSO Particulars

131. In drawing up its own work plans for the coming period, REDSO management may wish to consider some of the following areas of activity for support - continued, expanded, or new.

132. It seems clear that the top priority in economic development lies in improvement of the agriculture sector with its preponderance of low-income farmers. Emphasis on special attention to this issue in AID guidelines for preparation of River Basin development strategies is well placed, particularly for an alternative strategy that is economically supportable over the long run from domestic resources.

133. Further research for adaptation of new crops to particular African areas may also be advisable. These could be crops that do particularly well in the uncertain rainfall arid areas in much of West Africa. They would be new crops as opposed to improvement of present crops.

134. Perhaps programs for improvement of farmer living standards through diversification of his production for family consumption could be developed through extension agent services to some degree if such does not now exist. Examples would be promotion of growth of vegetables, chickens, and perhaps pig raising.

135. These activities plus use of new seed varieties, fertilizer, other agriculture technology would likely require other small institutions for local aid as an agricultural development Bank to advance funds as crop loans, to buy these farm inputs and some form of collective buying supplies and selling products in a farm community.

136. It is of interest that the World Bank also rates this sector as a top priority and is in the process of a large buildup in its agriculture project staff. The Bank is apparently taking the integrated rural development approach that is favored by the U.S. In determining priority in selection of projects the Bank consciously accords a preferential weighting to those which are poverty and relief oriented. Application of a social pricing technique favors projects with the greatest effect on the lowest income group. Such an analytical tool could also be considered by AID.

137. An area of possible AID development may be activities leading to some industrial development but starting with processing of agricultural commodities.

138. All projects that aim at improving and increasing food supply should be carefully considered. Planned use of remote sensing satellite survey for determination of drought and flood prospects, forestry

consumption, and insect infestation can assist. Development of fisheries possibilities including some processing to allow shipment of fish to inland areas, and development of food storage capabilities through drying or other preservation process are other methods to increase food supply. Provision of grain storage facilities as part of a grain stabilization program could help to provide a hedge against poor crops and a means to limit price fluctuations.

139. A further area of priority attention is alternate forms of energy where hydro power is not available, electricity generated from oil is too expensive, and local fuels such as "bio-mass" are available.

140. Since approximately half of the population is under age 15, it might be useful to bring the next generation into productive use earlier if the 10-15 year age group received education focused on technical training. If possible it would be helpful if the instruction materials for this age group could be developed to spread a knowledge of agriculture production processes and be vocationally focused. Some effort along these lines should be considered in various missions where they may be possible.

141. In its relations with African regional institutions, including the various Bank Funds and U.N. agencies, REDSO/WA should be particularly alert to their needs for key technical assistance to improve the operations of these institutions and their technical capacity to complete required studies. Money for contractual services to accomplish the research and prepare the studies themselves could be considered as well with close involvement of Africans in the process as an auxillary training device.

142. The bulk of the REDSO work, of course, will be determined by requests of the USAID Missions and offices for professional and technical services. Every effort should be made to accommodate such requests since they reflect the possibility of the most immediate and effective action that can be taken to meet the development needs of these countries. Should Missions increase their staff capabilities, particularly in specialized areas, it may be possible in particular situations to do some temporary borrowing of staff from neighboring missions to the extent that REDSO manpower is fully engaged. A further consideration to provide assistance to Missions may be the convening periodically of ad hoc meetings of experts in the same professional field to discuss their similar projects.

143. Other comment on REDSO roles are reflected throughout this paper.

VII. STATISTICAL ANNEX

1. Population and GNP: 1975 and % growth 1970-1975
2. Life Expectancy at Birth: 1960, 1970, Latest
3. % Population under 15 years of Age: 1970, Latest
4. % Population: Age 15 through 64: 1960, 1970, Latest
5. % Population over 65 years of Age: 1960, 1970, Latest
6. % Secondary school enrollment: 1960, 1970, Latest
7. % Adult Literacy Rate: 1960, 1970, Latest
8. Urban population: as % of Total: 1960, 1970, Latest
9. Urban population: % Growth Rate: 1960, 1970, Latest
10. Population per Hospital Bed: 1960, 1970, Latest
11. Population: Per Nursing Person: 1960, 1970, Latest
12. Population Per Physician: 1960, 1970, Latest
13. Agriculture: % Population in Agriculture 1976; Annual Growth Rate in Agriculture 1971-1976
14. Central Government Expenditures, % Defense, % Service Payments on Debt
15. Rates of Inflation: 1975-1977
16. External assistance: 1976 - U.S. and other Donors

Table 1

WEST AFRICAN REGION

POPULATION AND GNP[1/]

	MID-75 000's	% Growth 1970-75	Per Capita 1975	% Growth 1970-75 (Real)
Benin	3,110	2.7	130	-1.1
Cameroon	7,435	1.9	280	.5
Cape Verde Is.	290	1.7	260	-4.0
Central African Empire	1,787	2.2	220	-0.7
Chad	4,035	2.1	120	-2.0
Congo	1,329	2.2	510	4.3
Gabon	536	1.7	2,540	7.8
Gambia	519	2.4	180	7.3
Ghana	9,870	2.7	590	-0.3
Guinea	5,540	2.8	130	1.3
Guinea-Bissau	530	2.1	120	7.1
Ivory Coast	6,700	4.2	540	1.9
Liberia	1,549	3.3	410	0.9
Mali	5,697	2.5	90	-0.1
Mauritania	1,322	2.7	320	2.6
Niger	4,592	2.7	130	2.8
Nigeria	75,023	2.5	340	5.3
Senegal	5,000	2.7	360	-1.1
Sierra Leone	2,982	2.5	200	-0.5
Togo	2,220	2.6	250	2.0
Upper Volta	6,032	2.3	110	1.1
Zaire	24,721	2.7	140	1.5
TOTAL	170,809		296	

1/ Source: World Bank Atlas 1977

TABLE 2

WEST AFRICAN REGION

LIFE EXPECTANCY AT BIRTH 1/

	1960	1970	LATEST
Benin	37.0	39.0	41.0 (75)
Cameroon	35.9	41.0	41.0 (73)
Cape Verde Is.			
Central Afr. Empire	35.0	39.0	41.0 (75)
Chad	33.5	38.0	38.5 (73)
Congo	35.9	41.0	43.5 (75)
Gabon	33.5	38.5	41.0 (75)
Gambia	36.0	41.0	40.0 (73)
Ghana	36.5	41.5	43.5 (75)
Guinea	33.5	38.5	41.0 (75)
Guinea-Bissau	-	-	-
Ivory Coast	35.9	41.0	43.5 (73)
Liberia	36.5	41.0	43.5 (73)
Mali	34.7	37.2	38.1 (75)
Mauritania	35.9	41.0	38.5 (75)
Niger	35.9	38.5	38.5 (75)
Nigeria	33.5	38.5	41.0 (73)
Senegal	35.9	40.0	40.0 (73)
Sierre Leone	36.0	41.0	43.5 (75)
Togo	33.5	38.5	41.0 (73)
Upper Volta	32.2	35.5	38.0 (75)
Zaire	39.5	42.0	43.5 (75)

1/ Source: AID-PPC/PIAS/ESDB

TABLE 3

WEST AFRICAN REGION

% POPULATION UNDER 15 YEARS OF AGE[1/]

	1960	1970	LATEST
Benin	43.1	43.0	43.6 (75)
Cameroon	40.0	43.0	-
Cape Verde Is.	-	-	-
Central African Empire	41.6	42.1	42.0 (75)
Chad	44.0	41.4	41.0 (73)
Congo	42.0	42.0	42.0 (73)
Gabon	33.6	28.9	31.7 (75)
Gambia	39.9	40.1	41.3 (73)
Ghana	44.5	46.9	-
Guinea	42.1	42.5	43.1 (75)
Guinea-Bissau	-	-	-
Ivory Coast	42.7	42.5	43.1 (73)
Liberia	37.2	40.7	41.6 (73)
Mali	42.2	49.1	-
Mauritania	41.6	41.8	41.9 (75)
Niger	43.8	44.5	-
Nigeria	43.0	44.8	45.1 (73)
Senegal	42.6	41.2	-
Sierre Leone	36.7	42.0	43.0 (73)
Togo	47.9	49.8	50.7 (75)
Upper Volta	42.0	43.0	43.0 (75)
Zaire	43.7	44.4	44.2 (75)

1/ Source: AID-PPC/PIAS/ESDB

TABLE 4

WEST AFRICAN REGION

% TOTAL POPULATION AGE 15 THROUGH 64 1/

	1960	1970	LATEST
Benin	54.3	54.3	53.7 (75)
Cameroon	56.0	54.0	-
Cape Verde Is.	-	-	-
Central African Empire	55.1	54.8	54.9 (75)
Chad	52.0	56.0	55.0 (73)
Congo	54.0	53.0	53.0 (73)
Gabon	60.9	66.8	63.8 (75)
Gambia	56.8	56.1	54.9 (73)
Ghana	52.3	49.5	-
Guinea	55.1	54.7	54.0 (75)
Guinea-Bissau	-	-	-
Ivory Coast	53.7	54.8	54.0 (73)
Liberia	58.8	56.0	55.0 (73)
Mali	54.5	49.3	-
Mauritania	55.2	55.1	55.0 (75)
Niger	53.0	52.6	-
Nigeria	54.9	53.0	52.6 (73)
Senegal	53.6	54.9	-
Sierra Leone	58.2	55.0	54.0 (73)
Togo	48.3	46.0	45.0 (75)
Upper Volta	55.0	54.0	54.0 (75)
Zaire	52.5	52.8	53.0 (75)

1/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 5

WEST AFRICAN REGION

% TOTAL POPULATION OVER 65 YEARS OF AGE 1/

AS OF JULY 1

	1960	1970	LATEST
Benin	2.6	2.7	2.7 (75)
Cameroon	4.0	3.0	-
Cape Verde Is.	-	-	-
Central African Empire	4.3	3.1	3.1 (75)
Chad	4.0	2.6	4.0 (73)
Congo	4.0	5.0	5.0 (73)
Gabon	5.5	4.3	4.5 (75)
Gambia	3.3	3.8	3.8 (73)
Ghana	3.2	3.6	-
Guinea	2.8	2.8	2.9 (75)
Guinea-Bissau	-	-	-
Ivory Coast	3.6	2.7	2.9 (73)
Liberia	4.0	3.3	3.4 (73)
Mali	3.3	1.6	-
Mauritania	3.2	3.1	3.1 (75)
Niger	3.2	2.9	-
Nigeria	2.1	2.2	2.3 (73)
Senegal	3.8	3.9	-
Sierre Leone	5.1	3.0	3.0 (73)
Togo	3.8	4.2	4.3 (75)
Upper Volta	3.0	3.0	3.0 (75)
Zaire	3.8	2.8	2.8 (75)

1/ Source: AID - PPC/PIAS/ESDB

TABLE 6

WEST AFRICAN REGION

% SECONDARY SCHOOL ENROLLMENT 1/ 2/

	1960	1970	LATEST
Benin	2.0	5.0	11.7 (73)
Cameroon	3.0	5.0	11.0 (73)
Cape Verde Is.	-	-	-
Central African Empire	1.0	5.0	7.0 (73)
Chad	.4	2.0	2.0 (71)
Congo	4.0	19.0	46.0 (74)
Gabon	5.0	23.0	40.0 (74)
Gambia	3.0	8.0	9.0 (73)
Ghana	3.0	11.0	10.0 (73)
Guinea	2.0	13.0	-
Guinea-Bissau	-	-	-
Ivory Coast	2.0	11.0	16.0 (73)
Liberia	2.0	9.0	5.0 (72)
Mali	2.0	3.0	3.0 (74)
Mauritania	.4	2.0	3.0 (71)
Niger	.3	1.0	2.0 (74)
Nigeria	3.0	4.0	9.0 (73)
Senegal	-	10.0	-
Sierre Leone	3.0	9.0	9.0 (71)
Togo	2.0	7.0	15.0 (74)
Upper Volta	.5	1.0	2.0 (74)
Zaire	3.0	9.0	11.7 (72)

1/ Secondary School Enrollment as % Adjusted Secondary School Age Population.

2/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 7

WEST AFRICAN REGION

% ADULT LITERACY RATE 1/ 2/

	1960	1970	LATEST
Benin	20.0	-	-
Cameroon	-	12.0	-
Cape Verde Is.	-	-	-
Central African Empire	15.0	-	-
Chad	-	-	-
Congo	-	50.0	-
Gabon	-	12.0	-
Gambia	-	-	10.0 (73)
Ghana	-	25.0	-
Guinea	7.0	—	-
Guinea Bissau	-	-	-
Ivory Coast	9.0	20.0	-
Liberia	9.0	15.0	-
Mali	5.0	-	10.0 (74)
Mauritania	5.0	10.0	-
Niger	5.0	-	-
Nigeria	25.0	-	-
Senegal	-	10.0	10.0 (73)
Sierre Leone	-	15.0	-
Togo	10.0	12.0	-
Upper Volta	7.0	-	-
Zaire	-	13.0	15.0 (73)

1/ Those over age 15 able to read and write as % that age group

2/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 8

WEST AFRICAN REGION

URBAN POPULATION AS % OF TOTAL[1/]

	1960	1970	LATEST
Benin	9.3	-	13.1 (73)
Cameroon	14.9	20.3	26.3 (75)
Cape Verde Is.	-	-	- (75)
Central African Empire	18.6	30.1	35.9 (75)
Chad	6.7	11.3	13.9 (73)
Congo	27.0	36.0	38.0 (74)
Gabon	17.8	32.0	-
Gambia	9.0	11.5	14.0 (73)
Ghana	23.1	28.4	31.4 (75)
Guinea	9.6	15.9	19.5 (75)
Guinea-Bissau	-	-	-
Ivory Coast	21.8	28.0	34.3 (73)
Liberia	-	26.2	27.1 (71)
Mali	9.9	12.1	13.5 (75)
Mauritania	8.0	45.3	21.7 (74)
Niger	4.8	8.2	9.4 (75)
Nigeria	18.0	23.0	26.0 (73)
Senegal	22.7	29.0	-
Sierre Leone	11.7	13.7	15.0 (75)
Togo	10.0	13.0	15.0 (73)
Upper Volta	5.0	11.0	-
Zaire	19.7	21.6	76.4 (74)

1/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 9

WEST AFRICAN REGION

URBAN POPULATION: % GROWTH RATE 1/

	1960	1970	LATEST
Benin	-	6.0	5.9 (73)
Cameroon	-	6.1	7.5 (75)
Cape Verde Is.	-	-	-
Central African Empire	7.9	7.2	5.9 (75)
Chad	6.9	7.1	6.4 (73)
Congo	3.8	5.6	3.4
Gabon	-	7.2	-
Gambia	3.7	3.7	4.2 (73)
Ghana	8.2	4.5	5.7 (73)
Guinea	9.0	8.1	7.1 (75)
Guinea-Bissau	-	-	-
Ivory Coast	10.6	8.7	9.9 (73)
Liberia	-	-	8.6 (71)
Mali	2.8	4.3	4.5 (75)
Mauritania	-	5.1	2.5 (75)
Niger	4.5	6.3	5.5 (75)
Nigeria	5.0	5.0	5.0 (73)
Senegal	3.5	6.0	-
Sierre Leone	3.9	3.9	5.4 (75)
Togo	7.9	5.4	6.7 (75)
Upper Volta	-	4.0	-
Zaire	-	3.7	8.0 (74)

1/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 10

WEST AFRICAN REGION

POPULATION PER HOSPITAL BED 1/

	1960	1970	LATEST
Benin	-	870	880 (73)
Cameroon	560	550	-
Cape Verde Is.	-	-	-
Central African Empire	670	460	-
Chad	820	760	-
Congo	220	220	230 (72)
Gabon	160	100	-
Gambia	650	870	-
Ghana	1,050	760	780 (73)
Guinea	3,270	980	740 (72)
Guinea-Bissau	-	-	-
Ivory Coast	660	1,150	1,240 (75)
Liberia	730	530	-
Mali	1,490	1,390	1,380 (71)
Mauritania	5,330	2,760	2,700 (71)
Niger	1,880	2,230	1,790 (73)
Nigeria	2,770	2,220	1,900 (73)
Senegal	830	810	750 (73)
Sierre Leone	1,300	1,080	970 (72)
Togo	-	860	710 (73)
Upper Volta	1,810	1,670	1,170 (73)
Zaire	-	320	-

1/ SOURCE: AID - PPC/PIAS/ESDB

TABLE 11

WEST AFRICAN REGION

POPULATION PER NURSING PERSON 1/

	1960	1970	LATEST
Benin	2,440	-	2,360 (71)
Cameroon	6,240	2,700	2,640 (72)
Cape Verde Is.	-	-	-
Central African Empire	2,680	1,280	-
Chad	5,700	-	5,570 (74)
Congo	1,460	850	980 (72)
Gabon	830	570	540 (71)
Gambia	-	2,450	-
Ghana	2,740	1,070	1,050 (73)
Guinea	3,620	-	3,340 (72)
Guinea-Bissau	-	-	-
Ivory Coast	2,210	2,830	1,970 (75)
Liberia	5,710	4,140	-
Mali	4,650	3,860	2,800 (72)
Mauritania	7,130	4,280	4,390 (71)
Niger	7,500	7,040	5,530 (73)
Nigeria	7,640	5,070	-
Senegal	-	2,680	2,030 (73)
Sierre Leone	4,500	3,610	-
Togo	5,340	4,170	2,700 (73)
Upper Volta	4,260	4,230	3,890 (73)
Zaire	-	13,230	11,680 (72)

1/ SOURCE: AID - PPC/PIAS/ESDB

TABLE 12

WEST AFRICAN REGION

POPULATION PER PHYSICIAN 1/ 2/

	1960	1970	LATEST
Benin	-	29,260	30,050 (71)
Cameroon	42,760	29,330	30,520 (72)
Cape Verde Is.	-	-	-
Central African Empire	-	38,120	28,980 (73)
Chad	-	61,690	44,400 (74)
Congo	15,750	9,160	8,070 (72)
Gabon	6,120	5,050	5,220 (71)
Gambia	-	23,820	-
Ghana	-	12,950	12,390 (73)
Guinea	-	-	35,920 (72)
Guinea-Bissau	-	-	-
Ivory Coast	25,480	15,320	12,310 (73)
Liberia	12,000	10,450	-
Mali	39,000	41,490	37,570 (72)
Mauritania	38,120	17,060	17,490 (71)
Niger	71,000	58,260	59,800 (73)
Nigeria	56,900	24,660	-
Senegal	22,100	16,640	14,520 (73)
Sierre Leone	19,700	17,740	-
Togo	49,650	27,940	22,310 (73)
Upper Volta	-	97,760	75,220 (73)
Zaire	-	30,140	27,900 (72)

1/ Practicing Physician Qualified from a Medical School at University level.

2/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 13

AGRICULTURE

	POPULATION 1/ % In AGRICULTURE 1976	AGRICULTURAL PRODUCTION 1971-76: 2/ ANNUAL GROWTH RATE TOTAL	PER CAPITA
Benin	52	1.7	-1.1
Cameroon	82	-	-
Cape Verde Is.	80	-	-
Central African Empire	-	-	-
Chad	91	-2.3	-4.3
Congo	-	-	-
Gabon	-	-	-
Gambia	84	2.6	0.8
Ghana	55	-	-
Guinea	84	1.3	-1.0
Guinea-Bissau	-	-	-
Ivory Coast	39	4.4	.9
Liberia	36	-	-
Mali	80	1.2	-0.9
Mauritania	85	.8	.9
Niger	91	-2.4	-5.2
Nigeria	-	-	-
Senegal	76	4.6	1.7
Sierre Leone	75	-	-
Togo	75	1.1	-1.4
Upper Volta	89	1.8	-0.3
Zaire	78	-	-

1/ AID Congressional Presentation FY 1979 Annex A

2/ World Bank Atlas - 1977

TABLE 14

WEST AFRICA REGION

CENTRAL GOVERNMENT FINANCE[1/]

	EXPENDITURES $ M 75	% DEFENSE	% SERVICE PAYMENTS ON DEBT
Benin	77	9	7.0
Cameroon	-	-	-
Cape Verde Is.	-	-	-
Central African Emp.	-	-	-
Chad	80	35	2.1
Congo	-	-	-
Gabon	-	-	-
Gambia	-	-	0.8
Ghana	-	-	-
Guinea	198	28	N/A
Guinea Bissau	-	-	-
Ivory Coast	921	6	8.0
Liberia	-	-	-
Mali	N/A	N/A	1.6
Mauritania	162	5.8	4.0
Niger	70	6	3.8
Nigeria	-	-	-
Senegal	319	10	6.3
Sierre Leone	-	-	-
Togo	128	6	4.5
Upper Volta	106	14	5.6
Zaire	-	-	-

1/ SOURCE: AID-PPC/PIAS/ESDB

TABLE 15

WEST AFRICAN COUNTRIES

RATE OF INFLATION - 1975-1977 1/

COUNTRY	1975	1976	1977
Cameroon	13.5	9.9	14.0
Cape Verde	27.8	1.2	3.1
Central African Empire	16.1	10.5	5.9
Chad	15.6	3.4	9.2
Congo	17.2	7.2	8.0
Gambia	26.0	17.0	12.4
Ghana	41.2	52.5	80.0
Ivory Coast	11.4	12.0	27.4
Liberia	13.6	5.6	6.7
Mauritania	11.9	14.4	12.1
Niger	9.1	23.6	14.0
Nigeria	31.7	21.8	28.6
Senegal	30.3	2.7	28.8
Sierre Leone	19.9	17.1	6.4
Togo	18.3	11.6	24.4

1/ SOURCE: UNECOSOC: World Economic Survey E/1978/70 May 26, 78 Table I-6 Developing Countries: Changes in Consumer Prices 1975-1977 -- percentage change from preceding year.

Table 16

External Assistance to West African Countries

1976 - (Millions of Dollars)

	Total External AID	U.S. Assistance AID 1/	U.S. Assistance Other U.S. 2/	U.S. Assistance Total U.S.	Other Donor Assistance Int'l Agencies 3/	Other Donor Assistance Other Ofc. Ass't 4/	Other Donor Assistance Total Other
Benin	49.7		.9	.9	20.8	28.0	48.8
Cameroon	122.9	3.1	1.4	4.5	48.6	69.8	118.4
Cape Verde Islands	8.6	2.3	3.2	5.5	.9	2.2	3.1
Chad	55.8	6.6	5.9	12.5	18.7	24.6	43.3
Gambia	11.7	.1	1.0	1.1	6.6	4.0	10.6
Ghana	208.0	5.1	17.9	23.0	79.9	105.1	185.0
Guinea	44.2	.8	7.9	8.7	29.1	6.4	35.5
Guinea-Bissau	22.1	1.5	1.0	2.5	8.3	11.3	19.6
Liberia	69.8	11.8	8.6	20.4	45.3	4.1	49.4
Mali	79.0	10.0	.5	10.5	21.5	47.0	68.5
Mauritania	52.6	1.7	1.8	3.5	11.0	38.1	49.1
Niger	122.2	6.7	1.2	2.9	31.5	87.8	119.3
Senegal	137.9	8.7	4.1	12.8	41.8	83.3	125.1
Sierre Leone	30.1	.6	3.3	3.9	18.3	7.9	26.2
Togo	45.0	.5	3.3	3.8	15.2	26.0	41.2
Upper Volta	90.8	3.4	8.8	12.2	28.6	50.0	78.6
Zaire	257.0	20.0	28.5	48.5	57.8	150.7	208.5
Sub total	1412.4	82.9	99.3	182.2	483.9	746.3	1230.2
Source:	U.S. AID CONGRESSIONAL PRESENTATION - FY 1979						
Index:	100.0	5.9	7.0	12.9	34.3	52.8	87.1
Central African Empire	33.8	1.4	—	1.4	4.3	28.1	32.4
Congo	201.6	.7	—	.7	41.9	159.0	200.9
Gabon	240.6	.4	.1	.5	2.1	238.0	240.1
Ivory Coast	443.0	1.3	6.7	8.0	70.0	365.0	435.0
Nigeria	318.8	.4	9.8	10.2	43.2	265.4	308.6
Sub total	1237.8	4.2	16.5	20.8	161.5	1055.5	1217.0
Source:	OECD - 1976 COMMITMENTS OF RESOURCE FLOWS TO DEVELOPING COUNTRIES DD-593 - June 23, 1978						
GRAND TOTAL	2650.2	87.1	115.9	203.0	645.4	1801.8	2447.2
Index:	100.0	3.3	4.4	7.7	24.3	68.0	92.3

1/ Obligations: AID Loans and Grants
2/ Obligations: Other U.S. assistance mainly PL 480 plus some Peace Corps
3/ Commitments - UN agencies mainly IBRD
4/ Disbursements - OECD Countries plus OPEC Loans and Grants

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