

DEPARTMENT OF FOREIGN AFFAIRS

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FAX : 323 2573

FROM : MS B SMITH
DIRECTORATE: OAU

DATE : 980116

SUBJECT : CURRENT POLICY ON PEACE MISSIONS,
CAPACITY BUILDING, CONFLICT MANAGEMENT

1. We have received a request from Mr Andre Jaquet, Chief Director of the American desk, to forward to you the Department's current thinking on the above topics.
2. It is trusted you will find the documentation useful. It includes the following:
 - 2.1 Position on P3 initiative for peacekeeping capacity building in Africa (Annexure A)
 - 2.2 Thinking on preventive diplomacy (Annexure B)
 - 2.3 An office translation of a recent article in "Le Monde Diplomatique" about "virtual development" in Africa. (Annexure C)

ANNEXURE A

LATEST DEVELOPMENTS - P3 INITIATIVE
FOR AFRICAN CAPACITY BUILDING FOR PEACEKEEPING

1. The Deputy-Minister's telephonic request for information and suggestions, dated 980107, has reference. Please note that these views represent all relevant sectors in the Department.
2. SUMMARY

The submission provides a brief chronological overview of the developments surrounding international proposals to build peacekeeping capacity in Africa. South Africa's contribution to the debate is set out and recommendations are made on how South Africa could

facilitate and speed up OAU decision-making on the issue in order to arrive at a formal OAU position during the next Council of Ministers meeting from 26 to 27 February 1998

3. BACKGROUND

- 3.1 Various countries have over the last few years made proposals on how to assist Africa in building its capacity to participate in peacekeeping operations.
- 3.2 The proposal to receive the most attention and publicity, but worst reception, was the United States' so-called "**African Crisis Response Force**", mooted in September 1996, which was later modified into a training initiative, the "**African Crisis Response Initiative**".
- 3.3 In May 1997, France, Britain and the US formally agreed to coordinate their respective training initiatives according to four principles, i.e. transparency, openness, legitimacy and long term capacity enhancement. The OAU was informed of this agreement just prior to the June OAU Summit in the hope of the latter taking a position on it. This initiative came to be called the **P3 Initiative** because it was proposed by three UN Security Council members. The 1997 Summit did not pronounce itself on the initiative.
- 3.4 Belgium, the Nordic Countries and Switzerland sent official delegations to South Africa to offer their assistance, while Russia has put the matter on the agenda for President Mandela's official coming visit to Russia. They have also made specific proposals to formalise South African/Russian collaboration on capacity building about which we are less enthusiastic than they are.
- 3.5. On 5 December 1997, the UN Department of Peacekeeping Operations (DPKO) convened an informal meeting in New York to discuss the enhancement of peacekeeping capacity and international cooperation and coordination in Africa. The meeting was convened under much pressure from the P3 and Nordic countries. Various countries, including Canada, Norway and the P3 proponents, elaborated on their respective proposals and views. Nothing concrete resulted from the meeting and developments remain largely open-ended. The OAU Directorate's interlocutors with the P3 countries are all disappointed with the outcome of the meeting, which left the way forward without much direction.
- 3.6 A formal response on all the proposals, including the P3, is yet to emanate from SADC and the OAU.

South Africa could identify without compromising our stance until now, namely that we are still awaiting OAU and SADC approval.

4.1.5 The role of the OAU Secretary-General and the OAU Secretariat to energise OAU decision making on the issue has been less than encouraging during 1997. The OAU Directorate attended three conferences where the P3 and other capacity building proposals were discussed. The Secretary-General was invited to all three, the last of which was in Helsinki and which was arranged at his suggestion and according to the dates he provided. In all three instances replacements were sent in the persons of more junior officials, all at very short notice. The officials stayed for a few hours only to read statements and did not participate in any discussions. The representative who attended the conference in Dakar appeared to be singularly uninformed.

4.1.6 All eyes are on South Africa to take the lead in bringing the OAU to take a position on capacity building for peacekeeping. South African views are in constant demand, whether at conferences to which officials are invited, or during OAU meetings where South African researchers serve as resource persons. The OAU Chiefs of Staff meeting and subsequent report was in great measure informed by South African expertise. It bears testimony to the imperative that without our leadership within the ambit of the OAU and SADC, capacity building in Africa is bound to remain fragmented, unfocused and little more than token training to soothe the consciences of the donor community.

4.1.7 Recent meetings of the OAU Central Organ has exposed a dire need for the OAU Secretariat, and perhaps South Africa, to fulfil an almost "educational" task amongst the ambassadors attending the meetings where peacekeeping capacity building is discussed because the reports reveal a discouraging lack of understanding for and knowledge of the subject, together with a lack of communication between missions and their head offices. South Africa's current role within the Central Organ is limited because we are not a member of the Central Organ.

NOTE: THERE IS A CENTRAL ORGAN SUMMIT IN HARARE ON 11 AND 12 FEBRUARY 1998

5. SOUTH AFRICAN CONTRIBUTION TO THE DEBATE

- 5.1 Over the last two years, South Africa has been able to influence international policy positions on capacity building in a very real way. A few examples should suffice:
- 5.1.1 We have convinced the United States to de-link capacity building for peacekeeping from the establishment of an African peacekeeping force and from deployment of such a force.
- 5.1.2 Our insistence that capacity building should include capacity building for civilian and humanitarian aspects of peacekeeping is bearing fruit. Reports are trickling in that other African countries are beginning to see the good sense of this view because such capacity training is useful in times of peace as well. Ghana is a good example: they agreed to ACRI training, but on their own terms. They will be receiving training from the Americans shortly under ACRI auspices, but it will be in humanitarian aspects of peace missions and not the combat training done in Senegal and Uganda.
- 5.1.3 Interactions during conferences with counterparts from Nigeria, Ghana, Senegal, Ethiopia, Kenya, Zimbabwe, Botswana, Namibia and Egypt indicate that South Africa is well placed to forge a unified African approach. Instead of being controversial and running the risk of being accused of cow-towing to the dictates of the West, we should be able to encourage Africa to retain ownership of capacity building initiatives to Africa. If handled with a systematic approach of building strategic alliances for our views with like-minded African countries, our contribution can be as successful as our efforts with the landmine issue.
- 5.1.4 South Africa's integrated approach to capacity building, i.e. that such actions should never be isolated from human, economic and infrastructure development is steadily being incorporated in the agendas of international conferences, the latest of which was the Conference on Building Peace in Africa in Helsinki, Finland, from 1 to 3 December 1997. It was the first conference this Directorate attended which had a developmental approach to capacity building and we were invited with the specific aim of sharing our views.
- 5.1.5 South Africa is also having a positive effect on providing a systematic approach to the definitions of peacekeeping terminology. By using the terminology consistently wherever the issue is discussed, South Africa is influencing other countries to use the same

definitions. This is crucial to ensure a common international understanding of the terminology and of the implications of our decisions.

- 5.1.6 An interdepartmental committee comprising Foreign Affairs, Intelligence and Defence (shortly to be enhanced by other departments) is working on a roster of South Africa's current capacity for peace missions. It will comprise our capacity in all aspects of peace missions, from the most humble pin to the most sophisticated technical requirements. All government departments will be involved in compiling this Checklist, from where it will be possible to determine our needs for capacity building.

6. RECOMMENDATIONS

- 6.1 A meeting between the relevant desks, the relevant top management members, the Minister and the Deputy-Minister should be held **before** the OAU Council of Ministers meeting at the end of February. The purpose would be to thrash out South Africa's strategy to capacity building for peacekeeping as a member of the OAU. Other departments could also be drawn in, if so desired.
- 6.2 It is not advisable for South Africa to follow the route of other countries who have accepted ACRI training without OAU sanctioning, unless such training only includes humanitarian and civilian aspects. Given the many sensitivities surrounding our relations with the US, military training for peacekeeping under ACRI auspices should be avoided. Uganda will get away with it, but probably not South Africa.
- 6.3 South Africa should submit a draft resolution on the matter to the OAU Council of Ministers. It should follow the example of the P3 proposal, which is limited to a few principles. It should
- **Express** appreciation for the international commitment to enhance capacity
 - **Decide** not to consider individual proposals but only setting general principles for participating
 - **Encourage** member states to build capacity, and
 - **Urge** members to follow an integrated approach to balance capacity building between military, humanitarian and civilian police training

- 3.7 The OAU Council of Ministers and Summit also still have to adopt a formal position on all the initiatives and approve the report by the OAU Chiefs of Staff about their meeting in October 1997.

4. COMMENT

- 4.1 Recent developments indicate that the international community (especially the P3 countries), are bent on building African capacity, with or without formal sanctioning from the regional or sub-regional organisations. It is also clear that some African countries are less reluctant than South Africa to wait for the OAU's formal view on the matter before receiving training for peacekeeping. The impression is based on the following:

- 4.1.1 The US, France and Britain are continuing to train African military forces individually, albeit with slightly more involvement from each other (viz US in Uganda, Senegal, and Ghana; the UK in Zimbabwe and Ghana; France in Senegal; Denmark in Zimbabwe; Norway in South Africa - with Operation Morning Star);
- 4.1.2 Despite the refusal of the OAU Central Organ at Ambassadorial level to allow the Secretary-General to co-host the 5 December meeting in New York, it went ahead with participation from African and non-African UN members. This was a particularly shortsighted decision by the Central Organ as it exposed a measure of double standards within the OAU: on the one hand, the Central Organ deemed itself to have enough authority to authorise a military observer mission in the Comoros, only to plead too little authority to authorise the Secretary General to co-host a mere meeting.
- 4.1.3 The OAU Directorate has had frequent indications from the US embassy in Pretoria that Ambassador Marshal McCallie, the US special ambassador for the ACRI, intends to visit South Africa for the third time as soon as possible, preferably within the next few weeks.
- 4.1.4 It appears that at least one country has been proactive in its agreement to receive American training within the near future under the ACRI auspices only on its own terms. A recent report from Mission in Ghana indicated that they will receive ACRI training, but only in the humanitarian aspects of peacekeeping operations. This is in consort with South Africa's own perspective that the humanitarian and civilian policing sides of peace missions need more emphasis than pure military training, which is what the US did in Uganda and Senegal. It is a healthy development with which

- **Call on** the international community to assist the promotion and strengthening of the non-military industries necessary for the sustainment of peacekeepers (uniforms, non-combat equipment, transport, infrastructure, communications, etc.)
- 6.4 The building of alliances with African countries to support the South African approach should commence at all levels up to the President.
- 6.5 The non-military emphasis of our approach should enable South Africa to urge the Secretary-General and the OAU Secretariat to be more visible in their participation in the debate.
- 6.6 The Draft Policy Paper on Peace Missions should be finalised and put through the parliamentary processes as a matter of priority. The inputs received from civil society, which were accepted by the last workshop in November, will make this a very progressive document which is bound to set the trend for the rest of Africa and the donor community in how they approach peacekeeping.
- 6.7 The Survey of Existing South African Capacity for Peace Missions should commence as soon as possible in order to establish our specific needs in terms of capacity building, be it training or equipment. This is task being jointly coordinated by the Department of Foreign Affairs and Department of Defence.

7. CONCLUSION

It is this Desk's view that successful implementation of the above recommendations has the best potential for resolving the impasse within the OAU and leading the organisation to a formal position by the end of February 1998. It would obviate the need to devise a strategy to accept ACRI, French or other peacekeeping training without an OAU mandate.

ANNEXURE B

PROPOSALS FOR PEACEKEEPING CAPACITY BUILDING BY DONOR COMMUNITY

1. BACKGROUND

- 1.1 South Africa is at present being inundated with offers to be assisted in capacity building for conflict prevention and peacekeeping. Except for Russia, all the offers come from the so-called donor community: the Nordic countries, Switzerland, the USA, the UK, France, Finland, Belgium, etcetera. More offers are expected because this has suddenly become a topical issue.
- 1.2 In order for your desk to ascertain Russia's own capacity to build capacity in Africa, herewith the current thinking from the OAU desk's perspective on the issue:
 - 1.2.1 South Africa views preventive diplomacy, conflict prevention, management and resolution and peacekeeping within the broader framework of development, both human and socio-economic. That is why South Africa, within the NAM negotiations, prefer defining preventive diplomacy in its broadest sense.
 - 1.2.2 Following from the above, South Africa further supports all measures to have Africa's foreign debt burden to be written off. There can be no real development if situations like the following abound:
 - From 1990 and 1995, Zambia spent 23 million USD on primary education. In the same period, it had to repay 22 Billion USD (!) in foreign debt.
 - In some African countries, the World Bank reports a fall in infant mortality rates. What the report neglects to report, is that their calculation is based on statistics provided by hospitals. However, more women now have to endure their confinement at home because they cannot afford hospital care, which is not always free of charge. Thus, the infant mortalities outside hospitals never come into the equation. Both these figures represent "virtual development" and not real development, which is a sure recipe for future conflict.
 - While Mozambique enjoys relative stability after the 20 years civil war, future conflict is a real possibility if the landmines are not lifted. The country's development and successful reintegration as a democracy depends on assistance with lifting the mines. Meanwhile, it still has a foreign debt burden which is disproportionate to its immense developmental needs and responsibilities.
 - 1.2.3. South Africa was heartened to see that the recently published DAG Guidelines (Development

Assistance Guidelines), prepared by a number of OECD countries, and the World Bank Report on Post Conflict Assistance recommend closer coordination amongst the donor community. However, until donor countries do not coordinate their assistance, Africa will remain the recipient of ad hoc programmes that are mostly overlapping and ineffective. This also is not real development, with potential for conflict.

1.2.4 The OAU desk is currently working on a proposal to top management to draw up a list of practical project proposals with anticipated budgets. These projects will all be related to capacity building for preventive diplomacy, conflict prevention and management and peacekeeping. It will take into account the stated priorities of donor countries and then "marry" proposals to countries who might be interested. Being "donor priority friendly", it will shortcut crisis consideration of projects to pacify donors who have limited time to keep funds available.

1.2.5 South Africa views the P3 concept within the whole context of capacity building for peacekeeping. We have never considered it in isolation of existing programmes by other countries or removed it from capacity building to serve the broader developmental needs within Africa. South Africa's analyses of all the proposals for capacity building was underscored by the recent OAU Chiefs of Staff meeting in Harare.

1.2.6 South Africa agrees with the recommendations by the OAU Chiefs of Staff who recently met in Harare. We played a major role in the formulation of the report. The recommendations will be made to the OAU Council of Ministers, who will meet in Addis Ababa in February 1998:

- to undertake preliminary **preventive action** in an emergency situation and then approach the UN to deploy a peace operation. The focus therefore is to react in limited time to a crisis situation;
- only peace operations should be undertaken, **excluding peace enforcement**, unless with a clear mandate from the UN Security Council;
- initially one brigade per sub-region could be earmarked as a contribution to a **standby arrangement** from each of the five sub-regions;
- all **training** should be conducted according to UN doctrine and standards but also complimented by African needs;

- joint peace support **exercises** should be organised under the auspices of the OAU at sub-regional level;
- strengthening of the Conflict Management centre in the OAU Secretariat itself and its **early-warning** capacity;
- adoption of a structure to regulate **command, control and communications** as well as effective **logistics** within the context of a peace support operation; **ANNEXURE C**

ARTICLE IN "LE MONDE DIPLOMATIQUE": AFRICA'S DEBT SITUATION VERSEND AAN

"Le Monde Diplomatique, October 1997, p.16
(Article by Christian Brie)

The art of making statistics work

Africa playing fiddle to virtual development

For a few months now, international financial institutions are trying to sell the idea that the black continent is on its way to prosperity. A number of reports having appeared in the last few weeks, are based on doubtful statistics in support of this assumption. Confusing the level of growth and development, underestimating the weight of debt, this manipulation hides the fact that the African population are symbolic victims of fundamental inequalities.

"Africa is on its way". "International growth inspiring a real exuberance", "for the first time in one generation encouraging signs of progress are to be seen", "Hope and real success are beginning to transform the continent (...)" The changes which we are witnessing, the laying of the foundations of prosperity and well-being, are giving new meaning to hope and the future".

Would this be the long awaited good news, or one of those moments of melancholy at the end of a banquet? Goldplated speech by the Director for Africa and the International Monetary Fund (IMF) Mr Michel Camdessus and by Evangelos A. Calamitsis, as well as by two Vice-Presidents of the World Bank, Callisto Madavo and Jean-Louis Sarbib. Confirmed by recent reports compiled by reputed experts of the most important international organisations. Whilst the report of the IMF confirms, backed by the necessary proof, that "the results of Africa for 1996 are particularly encouraging", the 1997 World Bank report proposes to "work together, beyond the borders, for the common good" so that "almost half of the developing population of the world (and in particular that of Sub-Saharan Africa), which has not benefitted from globalisation, could benefit from this

increase - which it badly requires - in international trade and capital movement" and that the region for its part will know the "economic miracle" of Asia. In the meantime, and if the necessary means are available, as proposed by the 1997 world report on human development, "to eradicate extreme poverty from the surface of the earth by the beginning of the next century (...), and to relegate it to the memory of history". We have heard nothing like this since the time of "future awaits us".

Nobody believed that sub-Saharan Africa, ravaged by a succession of endless civil wars in Ethiopia, Somalia, Mozambique, Angola, Liberia, Uganda, Rwanda, Burundi and Zaire, with its hundreds and thousands of victims; its processions of refugees parked in camps; devastated villages; whole zones abandoned to control of warlords; affected by desertification and malnutrition which goes hand in hand with these conflicts; deforestation and accelerated pollution; destabilised by the rural exodus; insecurity and unhealthy urban conditions; squashed by the weight of debt; impoverishment of populations and states; being increasingly unable to assure the regular functioning of public services; to finance infrastructures and to guarantee to everybody access to education and decent sanitary conditions. An Africa which is tirelessly moving away from the model of development manufactured after the Second World War and decolonisation.

Economists, staticians and experts of about 24 international organisations, are doing everything in their power to prove the contrary. At the World Bank only, which spends about 100 million dollars in research, there are 500 professionals and as many external consultants, who are responsible for collecting correct information and spreading the good news. One only needs to go and see for yourself.

As far as Sub-Saharan Africa is concerned, the visit is interesting and may even hold a few surprises. In the luxury volume of statistics on development published by the World Bank, the hundreds of tables of measures, drawn from the best sources, have all a very intellectual appearance. But taking a closer look, one notices that, as far as a number of items are concerned, information are incomplete or inexistant. And when it does exist, it should very often be used with caution. And even when the information is more reliable, it has the tendency to say the contrary to what one wants it to say.

To start with, none of the 48 countries of the zone dispose of complete and viable basic statistics. Amongst the most important, relative for example, to industrial activity, some statistics are frequently at fault (for countries like) (Angola, Chad, Erythrae, Guinea, Mozambique, Namibia, Zaire, Zambia, Zimbabwe...) or dates for 10 years or more (Nigeria,

Rwanda, Gabon...). The same goes for agricultural surveys or water supply. Others are so incomplete that it prohibit the measuring of variations across a certain time span, be it the access of the population to medical treatment, to drinking water or to sanitation.

Next, the information given, eventually by other international organisations, are often without any significance or not credible at all. Thus, for example, while it figures among the statistics for 1997, "the average age of the last information, on international level, available for three key indicators : the mortality rate of infants younger than five years, the net rate of children literacy (percentage of children younger than five years with an insufficient weight", varies from one year for Senegal and five years for Nigeria, ten years for Gabon, fifteen years for Angola (the information varies from one to three years for 32 countries). "A small number of countries do not have statistics available for certain indicators. The information published on these countries normally represent estimations based on information gathered from neighbouring countries which have the same level of BNP per habitant.

Manipulation of figures

Beyond this, the manipulation of figures start in a more or less subtle fashion. The classic procedure, so as to hide reality, consist of replacing old items with new ones, making comparisons over a certain period of time impossible and which would not conform to the official point of view, or to chose the most favourable period of reference for demonstration. Knowing that, during the period from '60 to '80, a number of countries experienced progress in social and economic development and that since then, this progress has slowed down or has made way for a regression with structural adjustment plans. One would be tempted, in order to hide this negative effect, to take the seventies instead of the eighties as reference as the results were better, be it for the infant mortality rate or for life expectancy. Thus for example, the infant mortality rate in Mali decreased by 23% between 1960 and 1980, then rose by 26,5% from 1980 to 1985, to return in 1994 to the level close to that of 1980. In comparing the years 1970 and 1994, one conjures away the rise in mortality and gives the impression of a sustained decrease.

One can do even better, without being deprived at all. Another encouraging sign is the statistics pointing to a noticeable decrease in the rate of infant mortality in the countries of the region. These statistics are established from the number of births practised in maternity wards. This while structural adjustment plans favour the paying of medical expenses by the beneficiaries themselves, which in

turn leads to the decrease of births in maternity wards because of the elevated prices involved. For those women who still have the means to pay for giving birth in a hospital, the risk of complication is effectively decreasing. During this time however, the increasing number of births outside the hospital is not taken into consideration and the maternal and infant mortality are equally ignored.

Finally, for the lack of statistics, instruments of measure with a strong ideological content are elaborated, but with a complete absence of scientific applicability. The very latest World Bank report entitled "The State in a changing world", is a perfect example of this. Its preoccupation is not only to rehabilitate the state, as have been pretended by certain journalists, but to justify its quartering for its unique penchant of maintaining of law and order so as to prioritise security for foreign capital. The Bank is exhausting itself, comforted by a number of charts, in trying to give a statistical legitimacy to its ultra-liberal positions.

One measures here the very subjective indicators of corruption and of the credibility of states. One learns, by way of the artificially fabricated figures, that the countries which follows the appropriate economic policies - policies of course proposed by the World Bank - have a faster growth rate than the others and even more rapid if the policies are followed meticulously. Or how to become an efficient state in jumping from zone 1, that of the least capable state which wants to do everything with very little means, to zone 3, the most capable state concentrating on a small number of essential tasks, after having abandoned in zone 2 most of its activities to the business community.

One even finds a small propagandist liberal guide : "Six objections to privatisation and how to reply to it", as well as the model states have to follow. This year the best student in the African class of (the) "structurally adjusted" is without doubt Uganda, which has succeeded Ghana in the role of "miraculous recoveries", and congratulated by its teachers for its ability to "introduce important reforms" by "strongly reducing the numbers of the civil service" and by "stimulating competition" by "sub-contracting some of its social services to non-governmental organisations" and by "opening the country to foreign competition". Because "the participation in the world economy is an additional protection against arbitrary state action; it reduces the state's rights' with regard to the imposing of capital and exposes monetary and budgetary policies to the attentive attention of the financial markets". One would understand that the interest of the people is not the first and foremost preoccupation of the experts of international financial institutions.

The motives for this "rational exuberance", evoked by an "Africa on its way to prosperity and well-being" and as discovered by the Vice-Presidents of the World Bank, remain to be found. While the statistics given by their own institution and confirmed by others -in particular the "World Report on Human Development" by the UNPD -reflects a totally different reality. Of the 50 most poor countries in the world, ranked according to the indicator of human poverty of the UNPD, 33 are in Sub-Sahara Africa. "45% of its population, being 266 million inhabitants of 590 million, are suffering from poverty (...). The intensity of this poverty is more acute here than anywhere else in the world".

Disneyland of globalisation

And the situation is only getting worse. The number of poor people has increased and the number of persons living with less than one dollar per day, have increased from 179 million in 1987 to 218 million in 1993, representing 85% of the population of Zambia, 72% in Madagascar, 65% in Angola, 61% in Niger and 50% in Uganda. "Between 1981 and 1989 a cumulated decrease of 21% in real BNP per inhabitant were registered for Sub-Saharan Africa. This decrease affected countries which engaged in structural adjustments as well as the others (...). The most important decrease's were noticed in Gabon (58%), Nigeria (50%), Ivory Coast (42%) (...). Even in the nineties, almost 32% of the people living in the region, would not reach the age of 50 years". One doctor for 18 000 inhabitants (in comparison of one to 350 in the industrialised countries); two-thirds of the 23 million HIV infected people; and the virus is progressing here much quicker than elsewhere; less than one in every two persons have access to drinking water; one in two has access to medical treatment; food production per inhabitant has decreased since 1980; the illiterate population has increased from 125,9 million in 1980 to 140,5 million in 1995, etc. During this time, inequalities in the world are increasing. "In 1994 the revenue relationship between the 20% most rich and the 20% most poor in the world, was 78 to 1; much more than in 1960 when it was 30 to 1.

The former socialist programmers cultivated statistical lies. While the production units, armed with the genial thoughts of Comrade Stalin, delivered slightly more in a few months than the objectives which were fixed for fifty years, shortages became evident everywhere. The father of the nation explained this failure to the people (by referring to) "...the virtues of success". It was the time of success. This is how a virtual economy was established, the opening of a gigantic Disneyland of globalisation (...).

All this masquerade vainly attempts to hide the striking failure of structural adjustment policies imposed for the

last fifteen years on countries of the African continent in the unique interest of the members of the G-7 Club. More the gap between rich and poor is increasing, the more populations of Sub-Sahara Africa are growing poor and the more it is necessary to maintain the illusion. The illusion of progress, of development and of a next "miracle", fetish image of the neo-liberalists which, one would have thought, would be more attached to rational behaviour and which would not depend on well-meaning divine intervention, a concept which even the church treat with care.

In January 1949, in point number 4 of his "state of the Union speech", the American President Harry Truman introduced the era of "development". Henceforth there would be no Berbers, no Thais, etc., but only the "underdeveloped", or "developing" (countries), thanks to the aid given by "developed" countries, of which the United States almost naturally became the leader in terms of a ranking which was done by way of a new economic indicator : Bruto National Product (BNP).

Imperialism found a new ideology to legitimise the expansion of capitalism, threatened once in the South by the demand for a new international economic order (NIEO) and the "third world nature", before the latter became undesirable and created the opportunity for the universal laws of the markets. Henceforth the universal market laws would be the only measure of differentiation between strong and weak, rich and poor, North and South. To the good liberal doctors are left the decision of a shock treatment to the sick and the needy, structural adjustment setting the scene for humanitarian interference. On 25 September 1972, before the council of governors of the World Bank, its President Mr Robert McNamara, was called upon to "launch an assault on poverty" and the "conditions of deprivation which challenges human dignity". Twenty-five years later, in view of the results, it would be time for the Sub-Saharan African countries to reconsider the western model of growth, dedicated to cover-up the injustice of a ruined idea of development.

Escaping from the infernal debt cycle (Article by Eric Toussaint)

Although it has already repaid twice the amount of its external debt between 1980 and 1996, Sub-Saharan Africa finds itself three times as much in debt than it were sixteen years ago. Africa owed to its debtors 235,4 billion dollars by the end of 1996 against 84,3 billion dollars in 1980. In the meanwhile the sub-continent would have reimbursed 170 billion dollars for debt servicing (interest and capital); a service which cost each year at least four times the budgets of health and education.

Despite this, the 48 countries of the region have accumulated enormous arrears : 48 billion dollars in 1994; 31 of these countries were rated in 1996 by the World Bank in the category of "heavily indebted low income countries"; 6 more than in 1994. To repay a foreign debt entirely made up of strong foreign currencies, the countries must consecrate a considerable part of its export revenue. To get rid of the total amount of the debt, the total amount of revenue on exports must be used for at least three consecutive years.

Since the beginning of the eighties, the terms according to which the export products of sub-Saharan Africa are exchanged on the world market, against import products from industrialised countries, have not ceased to erode. Despite the fleeting increase of the price of some basic raw materials in 1995-1996 (coffee, cocoa), the tendency towards decline was much more evident. The basket of products exported, lost more than half of its value in comparison with products imported from the north. Africa reacted by trying to increase the volume of its exports on the international market, but without solving the problem as the price of the exports were decreasing faster than the price of the imported products. In fact, in the current system of international trade, the countries of the southern hemisphere are disadvantaged and in particular countries in sub-Saharan Africa, which export much less manufactured products than the countries of Latin America or eastern Asia; any increase in the volume of exports tend to erode the value in price. Consequently the trade balance is subjected to a growing deficit. After almost ten years of structural adjustment policies dictated by the World Bank and the International Monetary Fund, failure is most noticeable.

In 1995, sub-Saharan Africa did not represent more than 1% of direct foreign investment in developing countries : 2,2 billion dollars of a total of 240,3 billion dollars. The situation is even more critical if one takes into account that a small number of states receive more than 90% of these credits (South Africa and some oil and mineral producing countries like Nigeria, Angola, Gabon, Cameroon...). On the other hand, the branch offices of multinational companies present in these countries, do not hesitate to repatriate their profits of which the amount is two times superior to that of their investments.

Increasing indebtedness despite the repayment of important amounts; unequal exchange increasing the trade deficit; weak foreign capital support but with important repatriation of funds towards the countries of the north : the health reports which are satisfying the media and international financial institutions, have very little in common with reality.

"Do you know that despite the considerable sums (of money) given to bilateral and multilateral aid, the flow of capital from Africa towards industrial countries is more important than the flow of capital from the industrialised countries towards the African continent ?", President Francois Mitterrand remarked in July 1994 during a meeting of the G-7 countries. Half truth only because it is not true that the sums of money earmarked for bilateral and multilateral aid, are considerable. Public aid for development is at its lowest level since forty-five years, inferior to 0,33% of the BNP of developed countries, this while the objective fixed by the UN towards the end of the sixties, was to reach 0,7% and that the Heads of State gathered in Rio in 1992, undertook to increase its volume threefold.

In fact, the process of African indebtedness is similar to that which affect the other regions of the south. From the second half of the sixties the banker of the north searched for buyers of their surplus liquidity. This phenomena intensified with the recycling of petro-dollars. Under the presidency of Robert McNamara (former Secretary of Defence of the United States during the escalation of American involvement in Vietnam), the World Bank pushed in the same direction : it increased its loans tenfold between 1968 and 1973 and increased it even more rapidly during the following five years.

The crisis which hit the economies of the industrialised countries from 1973 onwards, saw the governments trying to relaunch the economies by lending more money to the countries of the south, on condition that these countries procure their merchandise in the north. Envoys from the World Bank, bankers and Ministers of external co-operation of the northern countries, camped on the doorsteps of African governments in order to convince the latter to borrow more money and engage in big infrastructure projects with the equipment and technical know-how of the industrialised countries. Something which African leaders gladly accepted as interest rates were very low, big construction projects would serve to strengthen their hold on power and they would also benefit from the commissions offered by multinational companies and governments of the industrialised countries, which are also fighting to get clients. Corruption coming from the north served to maintain corruption existing in the south and reinforced clientelism and kleptocracy of many regimes. Thus the debt of sub-Sahara Africa increased twelve-fold between 1970 and 1980.

The crisis manifested itself in the 1980's when, under pressure from the Federal Reserve of the United States, interest rates experienced a sharp increase. The countries of the zone, like all the developing countries, were confronted with a three-fold increase in interest charges at

a time when the prices of their exports started to decrease. Thus started the infernal circle : the countries borrow to repay and, while they are repaying, their foreign debt increases.

During the last few years, private banks were paid back their loans by the indebted countries and the governments of the north, which hold about half of the total debt of sub-Sahara African countries (excluding South Africa), the international financing institutions (World Bank, IMF, African Development Bank) holding at least a third of this debt. The more poorer an African country is, more bigger is the part of its debt which is held by international financial institutions : 79% for Burundi, 81% for Rwanda, 77% for the Central African Republic, 61% for Guinea-Bissau, 77% for Uganda. In total, the World Bank and IMF receive more from the indebted countries than what it borrowed to them and are normally the first institutions to be reimbursed.

A considerable part of public aid for development extended by the countries of the north are thus utilised by the indebted countries to reimburse international financial institutions. Apart from South Africa (seen the seize of its economy) and the Soudan (which broke all contact with these institutions), the governments of the sub-continent is literally under the control of the IMF, the World Bank and the Paris Club, which leaves the opening for the first two institutions to propose to the indebted countries the policies to be applied.

For almost fifteen years, structural adjustment plans were imposed on almost all the sub-Saharan African countries. Supported by an efficient blackmail method : the credit line is suspended if the country refuses the plan, of which the social and economic effects are often disastrous : decreasing the role of the state as distributor; decrease of national production in the agricultural and semi-industrial sectors and general decrease in the living conditions of the majority of the population.

In this way for example, between 1990 and 1993, the government of Zambia spent 37 million dollars for primary education while it repaid 1,3 billion dollars in debt servicing. Seen otherwise, for 1 dollar invested in primary education, the government pays 35 (dollars) to the club of the rich countries. In 1995 the government spent six times less per inhabitant for primary education than ten years before and 30% less for the health budget. Result : 80% of the costs involved in primary education is paid for by the families themselves and infant mortality rose by 20% during the same period.

Since 1994, the Paris Club negotiated debt reductions, case by case, with the countries identified as "good pupils" by the World Bank, and claims its intention to reduce up to 67% the stock of the bilateral debt of the most indebted countries. In reality, the entry conditions are so draconian that the promised reduction amounts to very little. The first country (Uganda) to benefit from the benevolence of the Paris Club, only obtained a 3% reduction of its foreign debt and the totality of cancellations and debt relieve measures accorded in 1995 to all the countries in sub-Saharan Africa, represent less than 1% of the stock of their debt.

In 1996, the World Bank, the IMF and the Paris Club, took a new initiative aimed at making debt service repayments more "supportable" for the poorest and most indebted countries of which the total represent more than 200 billion dollars. The first reductions are expected in 1998, but the bulk is only expected after the year 2000. The World Bank and IMF declared themselves willing to pool a maximum of 7 billion dollars to finance this new initiative, being "almost as much as the (cost of the) construction of the Eurodisney Park in France", and 30 times less than the 200 billion dollars which were lost on the Asian stock exchange during the month of August in 1997.

The foreign debt of sub-Saharan Africa, where more than 10% of the inhabitants of the planet reside, represent less than 1% of the debt quoted in dollars in the world. Seen its social cost, refusing to cancel (these debts), is equal to the refusal to assist a person in distress. In order to avoid that such a cancellation would give a new lease on life to corrupt regimes, it is also necessary to freeze the possessions of these foreign governments and their lackeys, in order to allow the democratic organisations in each of these countries, with the aid of the judicial and legislative powers at their disposal, to start an audit. If it appears that certain possessions have been acquired illegally, it must be returned in order to finance a social development fund under public control. These two proposals, as expressed by the Committee for the cancellation of the debts of third world countries, are prerequisite conditions necessary for a economic and democratic renewal in Africa.

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