

60% one-fell-swoop devaluation, which we find will only make matters worse. For example, oil exportation could not expand if we devalue our currency at one fell swoop, and that would lead to more troubles and riots in the streets.

Apart from that, it has been found in the debate . . . that most Nigerians are against the IMF and taking the IMF loan.

By and large, Nigerians prefer a regime or discipline which is self-imposed, rather than that which is seen to be imposed from an outside institution or external body, however benevolent the institution.

We are very encouraged to see the Schiller Institute and other associations here seeking a practical solution to the North-South problem, and we are encouraged to see that a healthy debate is now taking place in the Organization for African Unity on these questions. We are conscious of the fact that within the U.N. and outside, North-South dialogue has not been fruitful in the last decade or so.

In two development decades the U.N. system, the Brandt Commission, the Cancún summit, have not produced any substantial fruit to bring to bear to the problems of the Third World. Nonetheless, we have not lost faith, and we believe, in and outside of the U.N. system, in the OAU initiative, by President Diouf [of Senegal], and we still have hopes that within the North and the South, a lot of things can be done to improve the international economic order, which is very much wedded to the exploitative system, for the advantage of the exploitative system, which dates from the mercantile era.

For Nigeria, ministers are taking initiative in discussing the debt problem with the Paris Club, the London Club; we are also talking to Washington. Our foreign minister who was here two weeks ago, went to these countries, and there is hope that they will try and be a bit more flexible, and go out of the traditional system of pushing each country to swallow the IMF conditionalities, whether they kill it, or leave it half dead.

. . . It is not our aim to destroy the IMF; we cannot, even if we tried, but we think, while trying to order ourselves, impose financial discipline on the developed world, a lot also should be done on the other side, on the part of the developed countries, to meet us halfway, in meeting our problems. Not only just existing to pay debts, to banks, but also to restructure our economy and develop a self-sustaining economy so we could make a contribution to the international community.

The Western world, which we do most of our trading with, and to which most of our economies are tied by historical colonial conditions, should do more, develop more political will, in trying to meet the developing nations half-way to accommodate and see some of the crying needs of some of the poorer countries in the underdeveloped South.

Nigeria is not calling for a crusade of debtor nations of the world to unite and cast off their chains. What we call for is a reasonable dialogue and a spirit of give and take, not to ask our citizens to cut our throats, in order to pay the Western banks for their profits and the Western multinationals.

Senegal: Moustapha Kasse

Debt and the need for new policies

Professor Moustapha Kasse, director of the Center of Applied Economic Research (CREA), University of Dakar, Senegal, delivered a lengthy speech to the conference on "Debt and the need for new economic and social policies." What follows are very brief extracts.

. . . My objective is not to offer you final answers; it is more precisely and more modestly to bring a West African sensibility and some facts for you to reflect on, which will doubtless find many positive echoes in this part of the continent. . . . The development efforts of the working populations as well as the prospects for economic growth are compromised and ruined by the payment demands on our largest foreign debts, relative to the characteristic aggregates of productive activity.

The indebtedness of the countries of Africa—if it is not as spectacular as that of the Latin American countries—remains no less an object of concern, and that is the reason why we have gladly agreed to come to take our bearings on the foreign debt of these countries, and at the same time on the policies of adjustment which are applied, as well as the proposals which our President is valiantly and courageously upholding, to in fact bring about a meeting to discuss this question.

Everywhere in Africa, terribly sombre balance sheets are being drawn up, and a financial catastrophe is being predicted which supposedly would arise from the insolvency of the big debtors. Is this an ill-founded alarmism, or an irreversible fate? Can we find other alternatives which will permit us to avoid just such catastrophes?

In 1983, the debt of the non-oil-producing developing countries sped up, and we can also observe that 53% of this debt was owed to the commercial banks, whereas this situation was not particular to the previous years. More unsettling yet, this indebtedness is progressing at an annual rate of 20% between 1970 and 1984, at the same time as the rates for economic growth add up to something like 4% and 8%.

We see that the loans coming from international financial organizations and public authorities have fallen off sharply, going from 60% of the total to less than 50%. That means that the private banks have taken the burden of financing for the countries with the greatest needs. Of the \$609.9 billion in debt of the 25 principal borrowers in 1983, \$344.5 billion,

or 56.8%, were owed to the commercial banks. In other words, this element is going to introduce a certain weakening of the international monetary system, and one can even say that the bankers, like magicians, have sometimes lent funds they in no way possessed. . . .

At the same time, the rate of growth in African countries has been nil, or even sometimes negative. So between 1980 and 1982, raw-materials prices have dropped about 27%, if we reckon in current dollars. These elements taken together, of course, have produced a permanent decline of the trade balance and at the same time a general deterioration of the financial situation.

In 1983, to cover the deficit in the current account, sub-Saharan Africa had to dip into its reserves, and on the regional level, we can establish that things were far more grave. Nearly all over Africa, a crisis of exceptional gravity is observed in food and agriculture, making the African continent a zone of insecurity and fragility. This worrisome trend derives from three factors: first, the weak growth in agricultural production of about 1.3%, and the strong demographic growth of 2.7%, which entailed a drop in per capita agricultural production. Afterwards, the decline in food production was to the benefit of revenue crops for export. For example, West Africa used to import 2 million tons of cereals in 1950, while today it imports between 15 and 20 million. Finally, there was a huge,

disorderly speed-up in the expansion of cities, such that food self-sufficiency is far from being attained, and yet we used to think that this could be among the goals attainable by the end of the century. . . .

[Mr. Kasse presented a detailed discussion of IMF conditionalities and their failures.]

The result of these policies applied as a whole have thus shown a perfect incapacity to resolve economic difficulties, and to get out of the crisis. The sacrifices imposed on the working population, notably, by the bias toward skyrocketing prices and erosion of buying-power, have brought on certain threats of civil war by the hungry. Also, the duration of the adjustment, which lasts for decades, shows the low-performing character of these policies.

That is why the 21st session of the Organization of African Unity recognized the need to define other political alternatives, of searching for other results which would not be those whose success has not been evident. . . .

On the external level, the leaders of the OAU believe that two types of action may be envisaged, and that local public powers ought to aid their effective realization. The first type of action would be consultation for the achievement of an efficient regional order. In fact, we have inherited from colonialization tiny spaces, limited spaces, on which it is utopian to base large-scale development. Integration will there-

A message of greeting

Text of the message sent to the conference by Ahmed Kedidi, member of the Tunisian Parliament; editor, El Amal newspaper; member, Central Committee, Destourian Socialist Party.

Dear friends, participants in the Paris conference, on the same day as your conference, which I regret not being able to attend, I find myself on an African tour accompanying the Tunisian prime minister, M. Mzali, through eight countries of Black Africa, and particularly on the last leg of this tour, in Senegal and Mali. And I realize, on the ground and among the working peoples of my continent, that the battle of our Schiller Institute for the true right to development of Africa, is a hard, but exalting, battle; long, but impassioned, strewn with obstacles, yet promising.

It is the fight of Helga and Lyndon LaRouche for an Africa which is truly independent and truly sovereign, which unifies you today around a common ideal: that of bringing about the second independence, that is, to accept the challenges and to close ranks against the new servitude of the international financial institutions. It is a fight of

destiny, which will determine the vocation of Africa in the concert of nations for the 21st century.

In this struggle, the Black continent is not alone. With it, Latin America carries the banner and outdistances the pace of events. President García has already set the tone for a grim and legitimate determination to free Peru from the humiliating conditions of the International Monetary Fund. I have found in Africa an honorable echo, worthy of the courageous initiative of President García, and I have ascertained for myself on the ground in Africa how urgent is the coordination of the efforts of Africa and of Latin America, to break the chains that prevent these two continents—therefore, half of humanity—from fully living and participating in the world's march toward a better future.

* Dear friends, having lived through and analyzed for 20 years the problems of underdevelopment, I remain convinced that international peace depends largely upon an integral and rational development of Africa and of Latin America, on their adherence to the ideals of freedom and of the flowering of industry, on their rejection of the blackmail of the neo-usurers and the new slave traders, the international financial institutions. Therein lies the main objective of your conference.

I greet you from the depths of Africa and wish you the full success of your labors. *

fore be a means for realizing a collective autonomy, the establishment of a regional division of labor, permitting a stabilization of raw materials, and permitting an allocation of activities which takes into account the relative endowments of nations.

On the international scale, the OAU leaders recognize that the different elements of the world economic order must work with a view toward the arrival of a more just and more equitable economic order. This must pivot around the cancellation of public debt; the consolidation of private debt or the setting up of mechanisms for consolidation, be they arrears, be they future payments; the organization of an appropriate realignment of the financial economic situation of each country; and the setting up of new mechanisms which would permit the mobilization of new financial resources. . . .

With great responsibility, with great foresight, Africa's political officials recognize that foreign debt constitutes obligations that they have contracted, and that they will attempt to honor. With respect to their economic and financial situation, they have proposed to hold an international conference on debt. This conference ought to allow, according to the president of the OAU, [Senegalese] President Abdou Diouf, both creditors and debtors to agree on emergency measures for the short, medium, and long term, capable of lightening the problem of the debt.

Africans in Europe: Hakkoui

Africa needs a 'Unified Fund'

Mr. El Hakkoui is president of the Association of Solidarity of Africans in France.

Twenty-eight years after the signing of the treaty of Rome on the European Economic Community, the European Council admits today that there is need for revision. But, alas, the mere revision of this treaty will not put the problem of Europe into order. The present crisis is an international crisis. To assure the future of the industrialized countries, one would need a total revision of the present policy of the IMF and the establishment of a new world economic order. . . .

The African countries and the Third World countries in general are no longer capable of reactivating the process of their development and assuring debt service. Africa finds itself today facing an extremely grave crisis. The debt problem is the principal constraint to its development. Must we pay the foreign debt, or fight hunger? In the face of the present situation, people's survival goes before repaying the debt, and it is out of the question to make the IMF happy by

increasing people's misery.

If there is not a new world economic order favoring industrialization and development of the Third World, based on growth and justice, then the present crisis may bring on a chain reaction of bankruptcies of American banks, and the world will undergo a catastrophic setback.

To get out of this crisis, we need a rapid industrialization in Africa, and so that this will be possible, there is only one solution to be envisaged: an immediate one-year debt freeze. After that, the indebted countries shall discharge their debts at the rate of 10% of their export earnings, and this, so that this money be invested, on the one hand, in agriculture (to resolve the food crisis) and, on the other, in industry.

But it is necessary to stress that the objective of food self-sufficiency in the framework of development cannot be attained without the support upstream of basic industries supplying inputs such as fertilizers, implements and tools, and, downstream, the facilities for processing, preserving, stockpiling, transporting, and maintenance and repair. But, without financing, the industrialization of the African countries is not presently realizable. Therefore, we need to create a Unified Fund for the development of the African continent. And this can only be carried out in the framework of the Organization of African Unity.

By choosing the nexus-points which easily link all the African countries, this Unified Fund will permit us to build tens of factories at each such nexus. It is obvious that when such projects are built they will benefit from the know-how and skills of African workers and intellectuals who have immigrated to Europe, and wish to go back to their own continent. The building of these great projects will be the best guarantee of acquiring our economic independence. It is in this type of policy that our sovereignty, dignity, and material progress will become one and the same thing.

The economy of the African countries is controlled by IMF agents, and this impairs a part of the sovereignty of each African country. The IMF demands that African governments implement even more rigorous austerity measures, provoking uprisings and rebellions; in these conditions, governments can only be destabilized; indebtedness has thus become an ignoble blackmail tool, serving to rationalize a systematic policy of genocide against the peoples of Africa and the Third World. These IMF methods are identical to the tyrannical economic policy of colonialism.

No progress is possible as long as the heads of state and the African governments have not understood that it is time for them to take charge and themselves determine their needs and resolve their problems in the framework of the OAU.

Africa is rich. It is time for its wealth to be used for Africa's development, by the Africans themselves. For yesterday's colonialism, with its threats and its pressures exerted on the African continent and the Third World, has only changed in form, but at bottom, it continues to serve the same interests.