

Democratizing Africa: 'Paris-stroika' or true economic development?

by Christine Bierre

Will the sun finally rise over Africa? The speed with which tyrants fall these days across the entire continent has created an immense hope among all Africans. There was recently an explosion of joy in the Mali community and its friends in Paris, when it was learned that the tyrant Bamako had fallen. To draw up a list of the "democratic transformations" which are rocking Africa today is no easy task, for practically everywhere there are "national roundtables" being held, with an eye toward opening the way to multi-party systems, establishing electoral laws, and marking the calendar for the next elections. It is almost easier to talk about those recalcitrant countries which have not yet embarked on their "democratic reconversion," among them Central Africa, Equatorial Guinea, and Ghana, just to name those. Woe to these governments, for there is rumbling in the streets, and where changes are not coming from above, this is what will violently force out tyrants, as happened in Mali with Moussa Traoré.

Let us look at the face of this new democratic Africa that is beginning to appear.

Among the best students of democracy, Ivory Coast has been cited, where free elections have already taken place, and where Alain Ouattara has become confirmed as prime minister. There is also Gabon, where President Bongo was quickly able to grasp the necessity for him to organize the "democratic renewal" before the street mob imposed it on him. Presidential elections will take place in Gabon in 1993, and already last year's elections, in spite of innumerable instances of fraud, all the same gave the opposition 47.5% of the deputies' seats in the Assembly. Another "good student," according to Paris and the international institutions that hand out "brownie points" in place of dispensing new credit, is Benin, where, without violence, former Prime Minister Nicéphore Soglo replaced former President Kerekou, during elections last March. The Zaire of Mobutu, one of the bloodiest dictatorships, would also be moving forward on the road to democratization. Legislative elections are set for the first quarter of 1992, where the former Prime Minister Lunda Bululu, much contested in the wake of the extremely grave economic crisis, has given way to Mulumba Lukoji. Finally, there is Senegal, where President Abdou Diouf has just brought back into power the leading voices of the opposition,

among them, notably, Mr. Wade.

By comparison, other regimes are still smoldering, and risk much. Cameroon is one, where, in spite of the fact that a certain multi-party system exists (12 new parties) and elections are scheduled, President Biya is refusing to organize a national roundtable, the only occasion for imposing a truly democratic debate. Last April 12, the violence that swept the country left about ten dead. Then there is also the Congo, where a national roundtable has been dragging on since February, and the head of state Sassou Nguesso and others will have to answer to all the putsches they ran against the former heads of state.

So, everything's going just dandy. But to look at it up close, there are false notes heard among the choir of new "democrats" and "recent converts" to democracy, to such a point that one might say that there are two parallel processes rocking black Africa. On one side, we find weakened, impoverished populations, decimated by diseases, enraged against years of bestial dictatorships, who are rising up and demanding that the "inalienable rights" guaranteed to all by natural law, be restored to them. On the other side, we find imposters, wolves in sheep's garb, who are making use of the democratic process the better to loot what remains of Africa's economies.

World Bank and IMF: wolves in the sheep pen

In effect, who do we find among the voices speaking most strongly and with the greatest authority in favor of democratic change in Africa? They are the pinnacle of cynicism, from the World Bank and International Monetary Fund. Look for the World Bank or the IMF, it could be said, each time a developing country is rocked by food riots. We've already seen it in Mali, where, if Traoré was detested, it was his regime's application of the austerity policies of the IMF which finished him off. You think you are dreaming on hearing the statements from the leaders of these institutions: "The lending institutions will no longer support for very long those systems that are ineffective and do not correspond to the expectations of their people," peremptorily declared World Bank president Barber Conable toward the end of 1990 before a caucus of the African governors of the World Bank.

"The transparency of governments," he added, "respect for human rights and for law constitute the essential elements required for all undertaking of development." With what arrogance he demands that Africa accord its people what he otherwise consciously prevented them from giving them: a true democracy founded on economic and social progress! It must be said that, for the World Bank, "economic growth is not synonymous with social progress," as Edward Jaycox, a trusted friend of Conable's and vice president of the World Bank Africa Department, told *Jeune Afrique Economie* of November 1990.

The new democratic vocation of the World Bank is not entirely innocent. This was thrown into relief by another interview with the same monthly by Barber Conable during his visit to Burkina Faso last December. Asked, "Does the World Bank tie its assistance to democratic opening?" Conable did not hide that, for him, "democracy" is a stratagem to make the bitter pill of austerity go down better: "I would not pretend there is no relationship," admits Conable, "because we have learned that, if economic reform programs do not carry the adherence of a large popular base, their chance of success is very weak!"

In Cameroon, the World Bank representative, Rabeharisoa, who is campaigning for democratic changes on behalf of the "young wolves" of power, because they show more eagerness than their elders to apply the draconian policies of the World Bank, also acknowledges, according to a report in *Jeune Afrique Economie*, that "it is necessary to be brave and take the risk in order to conduct, in the context of a renewed multi-party system, a policy whose major characteristic is painful for all."

The fraud of the Structural Adjustment Facilities

As Senegal's President Abdou Diouf recalled in a dramatic manner during an early-April broadcast of Cavada's "The March of the Century," Africa is still waiting for the aid it was "promised" for having agreed to use "rigor" to get out of its financial impasse. For years we took the rigorous policies of the Structural Adjustment Facilities, and after the austerity policies. Africa is bled dry and we do not see the promised Western aid, said Diouf, in substance.

In fact, more than 30 African countries today are applying to their economies the "health plans" of the World Bank and IMF, the sadly celebrated "Structural Adjustment Facilities" and this, for a certain number, has been going on since the beginning of the 1980s. What is it? Ferocious austerity programs aiming to drastically reduce government expenses, including those which these nations need for their survival, in order to guarantee debt payments to the "lending institutions." Hence, budgets are cut, subsidies to nascent production and industries are stopped, public sector companies are "compressed and disbanded," the last bit of fat which the lending institutions attack without the least shame. Then,

the furnishings are sold, or as they say in the oh-so-elegant language of the bankers, the public sector is "privatized," leaving the door wide open to the capital of international predators, often the very same ones who controlled the large mining companies or others during the colonial period. Finally, they promise to create "free zones" which will become paradises for speculation and money laundering of all kinds, above all for drug money, whose culture has made enormous inroads into Africa for the last several years.

Cameroon is a typical case of what the Structural Adjustment Facilities represent. Following the price drop of the country's principal raw materials exports, cacao, coffee, and oil, its trade deficit went, from 1986 to 1988, from 200 billion francs CFA to 45 billion francs CFA [The African Financial Community (CFA) franc is used by some countries for trade among themselves and abroad—ed.]. The first SAF was negotiated with the IMF in 1988; others followed. The content? Of 75 state-owned companies, only 30 will be allowed to remain in the purview of the state. State subsidies must go from 150 billion francs CFA to 75 billion in 1990, and 30 billion in 1994. On the employment side, 30,000 people will be laid off between 1989 and 1992, since the only vein left to mine for new income is, according to the statements of the World Bank itself, the public functions. For the 1988-89 budget, the IMF demanded a 51% reduction in the mass of salaried employees, that is, considerable layoffs among the 178,000 civil servants of the country.

Finally, another big concern among the lending institutions is to avoid the social explosions inevitably caused by their looting policies. This is why the World Bank encouraged Cameroon to create a national jobs fund in order to "reduce the social costs of adjustment." How? By financing the large projects largely with low-skilled labor-intensive means—in the style of the great work camps—then by financing the assistance plans ridiculously called "small projects": thus, a subsidy equivalent of \$5,200 would be given out to whoever was willing to set himself up for his own profit. Credit facilities of up to \$85,000 at market rates would also be made available to new businessmen. These projects, however, would not be allowed to employ more than five people. The envelope dedicated to this laughable investment policy would have thereby permitted the launching of a little more than a score of projects—with a total of almost 100 employees!

This is but one example of a policy which is applied nearly throughout black Africa. And everywhere it is a catastrophe. Let's recall simply the case of Zaire where riots exploded in December after years of Structural Adjustment Facilities: Inflation had reached 150%, the rate of growth 4%, while the budget had dug down to 200 billion zaires.

The law of the foxes

But who is truly responsible for the economic collapse of Africa? Is it really only a question of the regimes in place,

as important as that may be? Is there more corruption in Africa than in France, the United States, or Thailand, or rather, are there other reasons for the economic degradation of the continent?

It is there we must examine what takes place in the famous "Futures and Options Exchange," the London FOX to its initiates. This is the most important futures market in the world for raw materials, where the prices of "soft commodities" are determined—coffee, cacao, and sugar—and the "hard commodities"—North Sea oil, Dubai crude, and natural gas. It is there that the prices for the principal export productions of these countries are set, far from any participation by the African countries, which, having no or little manufacturing, depend almost entirely on exports of their raw materials or basic goods.

So, by means of an ingenious system, speculators can play on prices to rise or drop. Certain trading companies have acquired such power that they can, in and of themselves, wield an impact on prices. This is the case with Nestlé and the American groups like Phibro or Sucden, all three of them powerful competitors on the cacao markets. In imitation of grains, whose prices are fixed by the large grain cartels on the Chicago Board of Trade, the prices of cacao, coffee, and oil are also fixed by the London cartels! So where is the liberalism so vaunted by the Americans? the free enterprise?

This is how the revenues of a country can drop from one day to the next. Take the case of Rwanda, for which the sale of coffee represented nearly 80% of the country's receipts in 1986, for a total of 13.9 billion Rwanda francs, about \$150 million. The price drop for coffee caused a collapse in revenue on the order of 53.3% in three years. Coffee revenues for Rwanda barely reached \$70 million in 1989! These countries are not capable of producing, we are often told by way of explanation of the brutal collapse in revenues. Lies! Although the coffee prices were rapidly falling, Rwanda tripled its coffee production in 20 years, going from 31 to 94 million plants. Production went from 8,000 tons in 1964 to 43,000 tons in 1988, and the work force employed for its production went from 285,000 to 682,000.

The case of Ivory Coast

The case of Ivory Coast is also significant in this regard, and it is entirely to the credit of President Félix Houphouët-Boigny that, in 1987, he dared to boycott the world coffee market, by being the first worldwide producer to withdraw Ivory Coast from the markets in order to force an increase in the price. Let's take the impact of the coffee price on the Ivory Coast economy. In 1977, the world price for coffee reached its highest level in London: 1,400 francs CFA per kilogram. Today it is no more than 500 francs CFA. The drop in the prices of raw materials adds other factors into devaluation. Thus, between 1985-87, the lower price of both basic goods and the dollar was translated into a decrease by 30% for revenue for Ivory Coast. We have just laid bare

several aspects of the looting system which is at work in Africa: looting by the cartels by means of price manipulations, then deployment of financial institutions associated with the same cartels—the World Bank, IMF—to collect what remains in debt payments!

'IMF boys' moving in on new democracies

This is the situation against which the new African leadership must impose true democracy, true independence, true economic development. This will not be easy, for almost everywhere one sees the "World Bank/IMF boys" taking up command posts in democratizing countries and striking their colors: "transparency," "rigor," etc. Take a look at the rogues' gallery of the new wave of African politicians. Ivory Coast Prime Minister Alassane Ouattara, in office since November 1990, worked as an economist at the IMF between 1968 and 1973, and then again beginning in 1984, where he took charge of the IMF's Africa Department. In Benin, the financial community did not deprive itself of favorably welcoming the election of President Nicéphore Soglo, during a joint meeting of the lending institutions which took place in Paris on April 12, 1990 under the leadership of Ismael Seralgedin, World Bank regional director for West and Central Africa. In Mali, Amadou Touré, who replaced Moussa Traoré, is also a former IMF official working out of Bangui. Often, at the same time democracy is discussed in national roundtables, "drastic" adjustment plans are discussed as well, as is the case in Niger.

What game is the France of François Mitterrand playing? Just as in the Gulf war, it seems to be dogging the footsteps of the Anglo-Saxon institutions, the World Bank and International Monetary Fund. Everyone is in agreement about underlining Paris's role, and notably, at the Franco-Africa summit at la Baule last year, where Mitterrand had stated that henceforth credits would solely be given out to good students of democracy, in the "democratic renewal" coming out of Africa these days. Would France thus open Africa up to Anglo-Saxon looting, when at one time it acted as a rampart against it? The fact that French companies are disengaging from Africa confirms this trend: Since 1984, some 200 out of 1,500 subsidiaries of French companies have left African soil—and it continues. With the lack of great projects, lack of a grand design for Africa, the "Paris-stroika" men can only act as hangers-on of the World Bank.

Rather than become coopted by the "democratic" fascism of the World Bank, real democrats should arm themselves with a program to fight the Structural Adjustment Facilities. We must work for the unity and integration of the countries that want to bar the way to looting. And we need a program, a Grand Design aiming to bring all of Africa into the 21st century, with all the scientific and technological development that implies, including letting the population grow and improve its living standards.