

negative effects of the SAP and the crushing burden of dubious foreign debts. Only a tiny minority of Africans and their collaborators in the multinational corporations enjoy these gains; the majority of Africans only have losses and tears from the adjustment of their stomachs.

These disastrous effects of the SAP in African countries are the direct result of its wrong policies, as has been shown by the Economic Commission for Africa (ECA) and other bodies. These negative policies of the SAP include the opening up of African countries to foreign goods and services (import liberalization), at a time when the advanced countries have been shutting their doors against African exports; total withdrawal of all subsidies; drastic budget and credit cuts for all purposes; massive and persistent currency devaluation, to make African raw materials and other commodities cheap for the advanced countries and discourage Africa from competing with foreign goods; dogmatic privatization of public enterprises, whether profitable or not; severe weakening of the state, in order to promote the domination of African economies by foreign multinational corporations; and ideological reliance on so-called market forces and "getting prices right," as if western Europe and North America were built by markets and not by strong states. The South Korean economic miracle shows very clearly that the effective and dynamic role of the state is crucial for successful development—and where African states are incompetent, they need to be strengthened, not marginalized and blackmailed into irrelevance.

African nations must define their programs

It is for these reasons that IFAA maintains that the correct road to rapid recovery and genuine development for African countries is for them to design their own national program for restructuring and transformation. The African alternative to the SAP produced by the Economic Commission for Africa and adopted by the Organization for African Unity, provides the correct guide for African countries. The correct historic mandate of the IMF and the World Bank is to support, not supplant, African countries in this democratic direction.

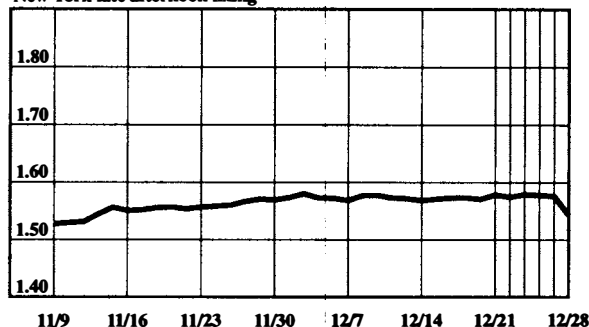
In addition, African countries should demand the immediate cancellation of all foreign debts. This is part of the reparations payment due to Africa—among other things, for 15 years of the destruction of our countries when our economies have been used as guinea pigs in the costly economic experiment called the SAP, which the IMF and World Bank imposed on Africa.

We are nobody's fools. If the IMF people deny these statements, then the IFAA challenges them to public debate on the SAP anywhere in Africa. If the IMF has nothing serious to say, it should shut up and not blackmail and threaten our countries each year when our annual budgets are being prepared. The sovereignty of our countries includes the right to design our budgets and economic policies in the best interest of our countries.

Currency Rates

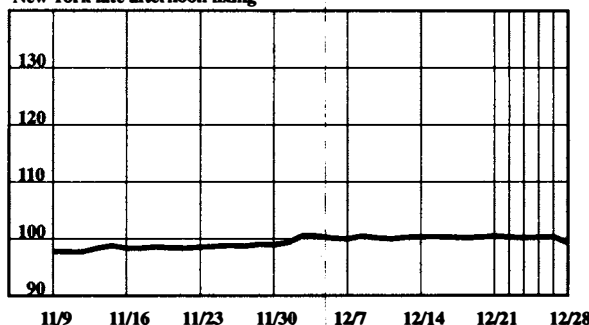
The dollar in deutschemarks

New York late afternoon fixing



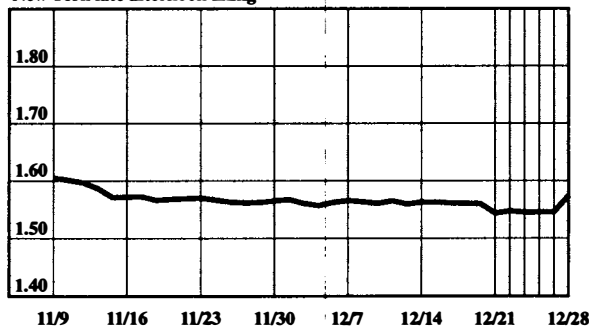
The dollar in yen

New York late afternoon fixing



The British pound in dollars

New York late afternoon fixing



The dollar in Swiss francs

New York late afternoon fixing

