The Challenge .of African Economic Recovery and Development

edited by

Adebayo Adedeji, Owodunni Teriba and Patrick Bugembe

with a Foreword by

J. PEREZ DE CUELLAR

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J. PEREZ DE CUELLAR
Secretary-General of the United Nations



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ABBREVIATIONS*

ACP African Caribbean and Pacific Countries

ADB African Development Bank

APPER Africa's Priority Programme for Economic Recovery,

1986-1990

BDEAC Development Bank of Central African States

CEAO Economic Community of West Africa

CEPGL Economic Community of the Great Lakes Countries
CGs Consultative Groups organized under the agencies of

World Bank

COMECON/

CMEA Council for Mutual Economic Assistance

DAC Development Assistance Committee of the OECD

EAC East African Community

ECA UN Economic Commission for Africa

ECCAS Economic Community of Central African States ECOWAS Economic Community of West African States

EEC European Economic Community
ERP Economic Recovery Programme
FAO Food and Agriculture Organization

FAL Final Act of Lagos

GATT General Agreement on Tariffs and Trade

GDP Gross Domestic Product
GNP Gross National Product

IBRD International Bank for Reconstruction and Development

(World Bank)

IDA International Development Association

IDEP United Nations Institute for Economic Development and

Planning

IGOs Inter-Governmental Organizations
IMF International Monetary Fund (Fund)

LDCs Least Developed Countries
LPA Lagos Plan of Action

MNCs Multinational Corporations or Companies

MRU Mano River Union

NICs Newly Industrializing Countries
NIEO New International Economic Order
NGO Non-Governmental Organization

^{*} Includes only those abbreviations which appear in several Chapters

OAU Organization of African Unity
ODA Official Development Assistance

OECD Organization for Economic Co-operation and

Development

OMVG Organization for the Development of River Gambia
OMVS Organization for the Development of River Senegal
OPEC Organization of Petroleum Exporting Countries
PTA Preferential Trade Area (for Eastern and Southern

Africa)

RTs Round Tables organized under the aegis of UNDP

SADCC Southern Africa Development Co-ordination Conference

SAF Structural Adjustment Facility
SAP Structural Adjustment Programme

SDRs Special Drawing Rights

TNCs Trans-National Corporations and Companies
UDEAC Customs and Economic Union of Central Africa

UDEAO West African Customs Union

UN United Nations

UNCTAD United Nations Conference on Trade and Development

UNDP United Nations Development Programme

UNESCO United Nations Educational and Scientific Organization

UNICEF United Nations Children's Fund

UN-PAAERD United Nations Programme of Action for Africa's

Economic Recovery, 1986-1990

US United States of America

USAID United States Agency for International Development

WADB Central Bank of West African States

WARDA West African Rice Development Association

WHO World Health Organization

FOREWORD

Africa has in the last few years been experiencing an economic crisis of unprecedented proportions. In various ways, many governments have formulated programmes and introduced measures to contribute to the process of speedy recovery and long-term development. I have been equally struck by the responses of many thousands of people, acting individually or in groups, to the plight of fellow human beings in Africa who have suffered from famine, hunger and homelessness, resulting from the drought and desertification which have also been one of the root causes of the economic crisis at the continental level.

As is well known, a Special Session of the United Nations General Assembly was, at the request of African Governments, convened from 27 May to 1 June 1986. The United Nations Programme of Action for African Development, 1986–1990 which was unanimously adopted by the Session analysed the critical economic situation in Africa in all its dimensions. It spelt out policy measures and concrete actions to be taken by African countries at national, subregional and regional levels, particularly in the priority areas identified in Africa's Priority Programme for Economic Recovery, 1986–1990. The international community also entered into a wide range of specific commitments, intended to complement the exceptional efforts which African Governments have undertaken to put their economies on course.

The international Conference on Africa: the Challenge of Economic Recovery and Accelerated Development, organized by the United Nations Economic Commission for Africa, in June 1987, was a timely opportunity for an assessment of the situation one year after the Special Session.

The present volume, which has put together some of the major papers presented at Abuja, provides a total picture of the African development experience in recent years and pointers for the future. It has also captured the main thrust of the discussion by the over two hundred participants as well as the conclusions reached. I take great pride in recommending it to all those concerned with the destiny of the African continent and especially those in a position to influence that destiny.

New York, 1989

Javier Pérez de Cuéllar Secretary-General of the United Nations

PREFACE

This book presents a number of papers prepared for the International Conference on 'Africa: the Challenge of Economic Recovery and Accelerated Development', held in Abuja, the new capital of the Federal Republic of Nigeria, from 15–19 June 1987. The Abuja Conference was the first of a series of conferences and other activities planned by the United Nations Economic Commission for Africa (ECA) focussing on the implementation of the United Nations Programme of Action for African Economic Recovery and Development 1986–1990 (UN-PAAERD). Since then, ECA has organized the Khartoum Conference on the Human Dimension of Africa's Economic Recovery and Development (1988), and in collaboration with nongovernmental organizations, African and non-African, an international conference on Popular Participation in the Development Process (1989).

Participation in the Abuia Conference was at the highest level, involving African Heads of State and Government, Ministers and highranking officials, executive heads and senior officials of United Nations agencies, international, regional and subregional development and financial organizations and institutions, representatives from donor agencies, as well as African and non-African scholars. In all, there were over 200 participants at the Conference, the opening session of which was addressed by H.E. General Ibrahim B. Babangida, President, Commander-in-Chief of the Armed Forces of the Federal Republic of Nigeria; H.E. Denis Sassou Ngouesso, the then current Chairman of the Organization of African Unity and the President of the People's Republic of the Congo; and Madame Monique Landry, Minister of External Relations of Canada. The closing address was given by H.E. Vice Admiral Aikhomu, Chief of General Staff of the Federal Republic of Nigeria. Altogether, seventy-four papers, all extremely stimulating and useful, were prepared for the Conference by officials from African countries, subregional, regional and international institutions, and by individual participants; but only about half of this rich collection are presented in this volume.

In their present form, the papers represent edited versions of what was presented at Abuja; but, as every effort has been made to preserve

the essence of the original contributions, the authors alone bear the responsibility for any errors that remain.

ECA wishes to acknowledge with appreciation the generosity of the Federal Republic of Nigeria in co-sponsoring and hosting the Abuja Conference. Most highly appreciated is the personal interest shown by His Excellency President Babangida in the Conference. From the very early stages he provided support and encouragement to the organizers and demonstrated his interest in the success of the Conference. President Sassou Ngouesso was kind enough to take time off from his onerous responsibilities both as current Chairman of OAU and President of Congo to be present at Abuja and to deliver a statement which served as a key point of reference in subsequent deliberations at the Conference. To both Heads of State, the organizers are grateful for their contributions.

The financial contributions of the Government of Canada, the United Nations Development Programme, the Commonwealth Secretariat, the Swedish International Development Authority, the African Development Bank, and the Ford Foundation are also gratefully acknowledged. Finally, ECA is thankful to all authors of papers for the vast wealth of ideas which formed the basis of the Conference deliberations, and to all participants for their overwhelming response to the invitation which was a welcomed manifestation of their genuine concern for and interest in African development and progress.

The world-wide interest shown in the Abuja Conference by the media must also be noted. Nearly fifty journalists from different parts of the world came to Abuja to report on the Conference. Coming as it did exactly a year after the 13th Special Session of the General Assembly of the United Nations which adopted UN-PAAERD, the world was understandably anxious to know what had happened, what was happening and what might follow. Since then, the Secretary-General of the United Nations has submitted to the General Assembly a progress report (1987) and a mid-term review (1988) of the implementation of the Programme. Indeed, the General Assembly at its 43rd Session has undertaken a mid-term review. It was assisted in this exercise by an Ad Hoc Committee of the Whole. The conclusions reached were that while most African countries have adopted impressive economic reforms, at both macro and sectoral levels, to foster the recovery and development process, the overall performance of their economies was terribly disappointing in 1986 and 1987 and improved only marginally in 1988. Thus, during these three years of the fiveyear UN Programme, the standard of living of the average African continued to fall - as it has done consistently since 1980. These poor

PREFACE

overall results are due primarily to worsening external factors – the plummetting of commodity prices, the fall in the exchange value of the United States dollar, the high rates of interest, excruciating external debt servicing obligations and the lack of increase in real terms of Official Development Assistance (ODA).

The mid-term review is intended to reinvigorate efforts at implementing the Programme. The extent to which it has succeeded in doing this will be unfolded in the weeks and months ahead. It is hoped that when the time comes to make an overall assessment at the end of the Programme in 1991, positive concrete developments can be reported. If Africa will not have recovered, at least the process will have been set in an irreversible motion.

I would like to thank Agnes Aidoo, Sadig Rasheed, Makhan Sarr and Jean Thisen for their invaluable editorial assistance in the preparation of this volume. I am also extremely grateful to Jeggan Senghor who served as a member of the Steering Committee for the Abuja International Conference, and Carolyn Kiwia, Fantaye Meshehsa, Mehret H. Selassie and Imaculee Nyankiye for their skilful secretarial assistance and the care and patience with which they typed the entire manuscript.

Addis Ababa, 1989

Adebayo Adedeji UN Under-Secretary-General and ECA Executive Secretary

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