SERIALS

African concord

18 October 1986 No 112

The Premier Pan-African WEEKLY

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SFEM: What's the ₦aira worth?

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It was like the fabled bazar, but this time with the Nigerian Naira and foreign currencies locked in a price war. In two consecutive encounters, the Naira took a searing bash, depreciating from 1.54 to one US dollar to 5.0584 to one US dollar. Both the auctioneers and the buyers at the new SFEM market were alarmed, but everyone could now hold his breath as the Naira seems to be on the climb to its former glory after the third bidding. *African Concord's* reporters take a look at the SFEM, the logic behind it and the brewing controversies. .... **P 9**

President Reagan received the thumbs down last week when his veto on the Sanctions Bill was overturned. The move indicates that the President is out of step with public opinion on South Africa and also reveals the growing power of the country's black representatives. See P 39 for our report from a special correspondent in Washington.

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Letters to the Editor

[illegible]

Sir,

[illegible] the people in the townships [illegible] the youths, [illegible] a potent force [illegible]

[illegible] came to the attention of the world after their effective street demonstrations.

[illegible] Africa [illegible]

[illegible] we realise that our freedom and human dignity presuppose a liberated South Africa and that our destiny lies in our own hands, the future remains a bleak one. It is imperative we mobilise to dismantle the South African racist apparatus, lest the youthful "comrades" of the South African townships do it single-handed, and later scorn our impotence.

J Lahai Sam-Bomah,
Freetown,
Sierra Leone.

Diplomatic wickedness

Sir,

I disagree with A M Babu's assertion (*African Concord* No 111) that the recent rapprochement of some African countries with Israel is as a result of diplomatic immaturity. The countries restoring links with the Zionist state have got one thing in common — they are all rabidly pro-Western and see Israel as part of the strategy that keeps them in power.

Others like Sierra Leone, who are hovering on the edge of restoring diplomatic links, are motivated by opportunistic reasons. They are in desperate need of foreign cash and will accept it from anyone who offers it, [illegible]

[illegible]

[illegible] Lorraine, [illegible]

London, [illegible]

The Lord's Prayer for South Africa

Sir,

[illegible]

[illegible] in South Africa.

[illegible] in Pretoria,

[illegible]

[illegible] give our brothers and sisters

Their daily freedom and independence,

[illegible] the ANC for the violence they

[illegible] wage to gain

Their attention,

As they sometimes forgive Botha and his
minions.

For their intimidation and humiliation of
blacks.

And lead them — Reagan and Thatcher —
not into temptation,

But deliver them from the clutches of
Satan.

For worthy is thy kingdom for those who
recognise human rights,

And they shall enjoy your power and
glory,

For ever and ever — Amen.

T Kakpindi Allie,
Freetown,
Sierra Leone.

More science and sport please!

Sir,

I have been a regular reader of *African Concord* for some time. While I enjoy its in-depth coverage on a number of issues, I feel some important areas have been left out. These include science and technology and sport. I hope you will consider making these regular items in the magazine.

Baye Habib Vuo,
Kano,
Nigeria.

Who's to blame?

Sir,

I have recently taken an interest in your weekly magazine, *African Concord*, and I should like to add my voice to the debate as to who is to blame for Nigeria's present [illegible]. All Nigeria's current ills are being blamed on one man, Shehu Shagari, as if everything that is wrong in Nigeria began in 1979 with the return to civilian rule.

It cannot be that Shehu Shagari was behind every fraudulent contract that was awarded during the time he was in government. There is a vicious circle of poverty and greed in most developing countries and Nigeria is no exception.

[illegible] of one man [illegible]

[illegible] the Nigerian [illegible] understood [illegible]

[illegible] our present powerlessness. I would therefore like to see the debate on Nigeria's ailing economy shifted to the international arena.

C Ebulul
Ikeja, Nigeria.

Respect our rights

Sir,

The question of human rights in Africa is a crucial issue. Governments which do not respect it pay the price of chronic instability. In Africa this often means their overthrow.

African leaders should make it their primary task, therefore, to make every individual feel they have a place in society by not denying them their basic rights.

Sunny Chim Nwachukwu,
Port Harcourt, Nigeria.

Not a blunder at all

Sir,

Abdul Hassan Fackie's "One man's blunder" (*African Concord*, 11 September) is a very good example of writing without cross checking your facts.

For schools to be on holiday while the GCE examinations are being taken was not a decision taken by Education Minister Ndomahina alone. Both school heads and teachers agreed that this was the one way exams could be better supervised to avoid leakage of exam papers. Ndomahina merely rubber stamped the idea.

And if educational standards are falling, it has nothing to do with Ndomahina but lack of diligence by pupils. Those who previously relied on leaked exam papers to get by are now stuck.

Sandy Kabaguay,
Freetown, Sierra Leone.

Divided we fall

Sir,

Now that the year 1986 is coming to an end, I think most of us have a question to ask. What has Africa achieved this year? In my opinion, it has been more loss than gain.

A case in point is the invasion of Tripoli by the US. This should have received unanimous condemnation from the rest of Africa, but it did not.

Obviously the Western imperialists' main objective is to prevent any kind of African unity. Unity is detrimental to their interests. So the next time Reagan or anybody else strikes on African soil, we should remain united against [illegible]

Robert [illegible],
[illegible], Sierra Leone.

The coup makers' treason

Eben Davies, writing from Freetown, argues that coups are tantamount to treason.

During the past two decades, starting with Ghana in 1966, military coups and counter-coups have become endemic in West Africa. It calls for sober reflection when one observes that in the 17 states from Mauritania to Equatorial Guinea, only four states — Cameroon, Ivory Coast, Senegal and the Gambia have escaped military take-overs.

Now this raises the question: Is the presence of the military in West African politics now a thing of permanence? And does it mean that democratic government now has no place in West Africa? But before attempting to answer this question, one needs to know how the military got a foothold in the governing-business in the first place.

There are two answers to this. The first s that often the military think they can nake a better job of governing particularly ınder a dictatorship or a repressive regime, which is how they viewed Nkrumah's Ghana in 1966. Second, the military have often intervened to topple corrupt regimes.

These reasons presuppose the fact that he military feel they can cure all a ountry's political, social and economic roblems. And here lies their greatest risk if failure. They simply cannot achieve this. The civilians they have replaced know this, actions within the armed forces know it, nd I dare say, even the coup leaders hemselves know it.

Military politics

So once a coup is successful, its leaders ıust rule behind the gun. Coups are high-isk undertakings. To retain power, with-ut exception, one of the first things coup eaders do is to suspend the constitution, an political parties, and detain politicians nd leading government officials seen to be oo closely connected with the ousted overnment. Theirs is the mistaken idea hat all the country's ills have been caused y these people.

Within a short space of time, one begins o see the emergence of military politics. High ranking officers are switched about, some are tired, and all of a sudden tribal affiliations become a thing of consequence. From being the nation's protector from external aggression, the military's role shifts to that of defending or protecting itself. Regularly in military politics one hears about counter-coup plotters, their discovery, their trial and execution, all within a matter of weeks.

However, this is not to say that some of the coup-scares are not without foundation. The military thinking usually runs like this: "If Flt Lieutenant X can do it, why not Captain Y!" Indeed, coups and their organisation are a field of activity which involves extreme alternatives — absolute power in success and the firing squad in failure. There is no in-between and these men cannot appreciate the fact that there is no intrinsic reason why this should be so in trying to run the affairs of state. After all it is a job someone has to do.

Alas, a state cannot be governed successfully by "gun-power" alone. So once the soldiers have gone back to their barracks, the populace is treated with announcements such as, "Subversive ele-

. . . a State cannot be governed successfully by "gun-power" alone.

ments have been crushed and we can all go forward in unity to build a better or a new nation." Meaning: "Those who have opposed us have been killed or imprisoned or are missing and to hell with what you think (for we know you cannot say it. We as a government can now govern as we please)."

The carrot of "civilian rule" ultimately is usually the next step. This is where hand-picked people — usually intellectuals, are given specific jobs with political overtones. Factions such as students, lecturers, trade unions, the bar associations and the press, are all admonished to join in and create a new state or usher in a "new order" free from corruption, nepotism, economic and political management, and all the ills that had put the previous regime in disgrace.

The result is an un-holy mix of "controlled political power" and "gun-power". Political power is bargained for, and instead of doing all the things they promised when they took power, a search is frantically made for scape-goats by the military to explain why the country is not yet ready to be returned to civilian rule or why civilian rule should not even at this juncture be whispered about.

Repressive actions

Once again, as in the early stages of the coup success, the country becomes unstable. By then, other factions (civilian and military) have re-grouped. They take up arms and become bolder. The incumbent military junta feels trapped and resorts to repressive actions. Suspects are summarily tried and executed for wanting to overthrow the government — a thing the incumbents had done themselves.

As I see it, there is no end to the military dabbling in politics in West Africa. The leaders have lost their chances by using the very army to remain in power. A chain-reaction has been set in motion that cannot be stopped. The military, now like a mad dog, has turned on them. But in the case of a mad dog, it can be killed — the military cannot. For good or evil, the idea of the military in African politics has come to stay and generally, democracy seems to have taken flight. You cannot talk to a bullet. The gun has become mightier than the constitution — otherwise how can one explain the summary suspension of constitutions as soon as the military take over?

Democracy

When you talk about democracy in West Africa today, it depends on what you mean because the military assures us that they want democracy and that is what they have seized power to maintain — of course we all know so well their own brand of democracy.

Military governments in most cases are out of their depths. They do not have the answer to West Africa's many problems. Their argument that they shot their way into the leadership role to put things right now brings a knowing smile for we know that as a group their only qualification is "being armed." Their acts are treasonable. For one can argue that, because West Africa is plagued with political, social and economic ills, if there is a group with any pretence of legitimacy "to seize power" to right things, that group should be the economists and political scientists — clearly not military men.

USA

Constructive disengagement from the Hill

The over-ruling of President Reagan's veto of the Sanctions Bill by the US Congress could mark the beginning of the end for the infamous pro-South Africa constructive engagement policy of the Administration, writes Fidel Odum.

When he arrives in Iceland this weekend for a pre-summit meeting with the Soviet leader, Mikhail Gorbachev, President Reagan will be carrying a badge of shame for his continuing support of injustice around the world. For although the American leader remains curiously popular among his countrymen, he has cut an image for himself in these past six years as a philistine in world affairs. His international reputation took a further battering from the overwhelming repudiation last week of his discredited South African policy by the US Congress (see story on page 28).

Africa has experienced too many disappointments from the West, the US in particular, in our struggle for freedom to be too excited over this singular, but enormously symbolic gesture from the American lawmakers. Perhaps, we would be more encouraged if the Senators and Congressmen proceed in the months and years ahead to demolish the so-called "constructive engagement" policy. This could be done by bringing pressure to bear on the Reagan Administration to reverse its pro-Pretoria stance.

The flexibility of the American political system and the nature of free enterprise will allow Mr. Reagan and Pretoria plenty of room for manoeuvre and this is why, while we applaud the US Congress, we must at the same time expect the lawmakers to follow through the implementation of their legislation. The executive branch, headed by the presidency, is obviously the most powerful of the three arms of government. Through its many agencies, it can [illegible] overlook sanctions-busting schemes to Pretoria's advantage by sophisticated methods. If this happens, it will be easy, for example, for many of South Africa's banned goods, [illegible] to find their way into the United States.

Other ways Congress could help to foster change in South Africa include the application of pressure on their West European allies, [illegible] Britain and West Germany, to join in the [illegible]. Just as important, the Senators and Congressmen ought to challenge the Reagan Administration's [illegible] and destabilising forces in southern Africa, such as UNITA in Angola.

[illegible] much can be expected of the US Congress [illegible] the generally deplorable image of the American [illegible] with regard to Third World affairs. The [illegible] Sanctions Bill [illegible] The President and his agents still [illegible] it would have been more [illegible]

[illegible] which the Bill was passed [illegible] good [illegible] the growing [illegible]

[illegible]

Others whose efforts have been rewarded by the Bill include the leaders of the Free South Africa Movement, led by Jesse Jackson and Randall Robinson of the Trans-Africa lobby group, based in Washington DC. The Movement has had tremendous success in generating a new awareness of the evils of apartheid by its members' ceaseless demonstrations in front of the South African Embassy in Washington and the country's consulates around the US.

The efforts of the Free South Africa Movement have also resulted in the disinvestment by many companies, state and local governments from South African-related businesses. On the Capitol Hill, the seat of the House of Representatives and the Senate, there occurred a spillover of the activities of the Movement, when members of the Congressional Black Caucus began to push for strong sanctions against South Africa.

When the black Congressmen, with the support of Democrats and liberal Republicans, introduced the present Sanctions Bill in May, it was considered a joke by certain observers who conjectured that it would not see the light of day, particularly in the Republican-dominated Senate. The adoption of the Bill last week Monday by the House, concurred to by an overwhelming majority of the Senate on Thursday, is also an indication of the growing influence of black politicians in the American political process.

Such rewards of political organisation as has been demonstrated in the activities leading up to the passing of this Bill, as well as the growing sophistication of black politicians like Jesse Jackson, will ensure that in the years ahead more ground will be gained not only for change of America's "constructive engagement" policy but possibly in reversing the general American attitude to Africa.

Reports in the British press since the Sanctions Bill show that Mrs Thatcher's Government, in spite of denials from No 10 Downing Street, is now beginning to feel what one writer referred to as "Britain's splendid isolation" on apartheid. Defiant of all the portents of change in South Africa, the three staunchest Western supporters of apartheid — Reagan, Mrs Thatcher and Helmut Kohl of West Germany — continue to delude one another in mutual consolation and congratulation on their obduracy, even as those who put them in power kick vehemently against their policies.

From Pretoria has come the most interesting and revealing reaction to the US Congressional move. After last-minute crude and desperate efforts to influence the Senate vote, much to the rage of the Senators, the racists' foreign minister, Pik Botha, wailed like a drowning man. "They are drowning us," he cried. "They are digging our graves. And when I moan about it, I am told I am interfering with their act of murdering me. I find it an outrageous argument." What the American Senators considered untoward and [illegible] was Botha's effrontery in threatening the world's richest economy with possible retaliation if the American Senate dared to vote for sanctions.

But what is even more interesting, betrayed in Botha's pathetic outcry, is the fact that sanctions were indeed dreaded by Pretoria. In one fell swoop, he countered the argument by the Reagans and Thatchers of this world that sanctions would not work against apartheid. If indeed that is the case, what was Botha moaning about being "drowned" and "murdered"?

The American Congress's Sanctions Bill has been the greatest [illegible] to the racists by their own friends, and coming from a superpower and the leader of the West — a major pillar of apartheid — it is understandable why there were not many smiling faces in South Africa last week, except among the oppressed Africans. All international efforts should now be directed at [illegible] economic sanctions against the racists and America may have a chance to redeem its past image by [illegible] to the West.

France, 'the silent gendarme of Africa'

France's military assistance to Togo is just one example of the former colonial power's gunboat diplomacy, writes **Kofi Buenor Hadjor.**

The announcement that French troops had been invited to assist the defence of Togo was almost a routine matter. As far as the international media was concerned the presence of French soldiers on the streets of Lomé was not a matter worthy of serious discussion. President Gnassingbe Eyadema of Togo acted as if nothing could be more natural than to ask Paris to put his problems right. Of course Eyadema could not admit that the threat to his rule came from within Togo. An elaborate public relations exercise was launched, pointing the finger at an ill-defined foreign-inspired danger. In Togo and France the media obligingly portrayed the French intervention as a proper response to an external threat to the integrity of a sovereign state.

In fact, as everyone in Togo knows, the opposition to Eyadema is widespread. He faces rebels intent on ridding the country of his presidency through resistance and force. Eyadema understands that he lacks the power and resources to maintain his regime, hence the invitation to his old colonial masters in Paris to lend a hand.

Eyadema had prepared the ground well. In August he announced that his country had become a target of international terrorism. He was not too specific on facts but let it be known that it was likely that there was some Libyan involvement. Nine Togolese dissidents were arrested for their part in this murky plot. The object of the exercise was to key in on the much publicised international anti-terrorism campaign that is so much in fashion in the West. The bogey of Libya is always useful to justify the most far reaching measures.

Eyadema's signal did not go unnoticed in Paris. The French were more than happy to oblige and promptly dispatched troops to save Togo from the unknown, but dangerous external aggressor. In passing it should be noted that President Mitterand and Prime Minister Chirac hotly vied with each other as to who should take the credit for this splendid act of international diplomacy.

The sovereignty of the Eyadema regime is more akin to an official administering local government than the government of an independent state.

The farce that is unfolding in Lomé should remind Africans that colonial oppression is not restricted to the southern part of the continent. In true banana republic fashion, it is the French businessmen and soldiers who run Togo. The sovereignty of the Eyadema regime is more akin to an official administering local government than the government of an independent state.

France has never left Africa. In fact there are currently more French expatriates in Francophone Africa than during the last years of the colonial era. African independence from Paris was always conditional on its former colonies accepting French interests on matters to do with foreign and economic affairs. A series of military alliances between Francophone Africa and Paris provide the pretext for French gunboat diplomacy. And the Paris dominated franc-zone has served as a framework for the subordination of the economies of the ex-colonies to the dictates of French interests.

As recent events in Togo show, France is the silent gendarme of Africa. A network of military bases in Djibouti, Dakar, N'Djamena, Port Bouet, Libreville and Bangui provides the infrastructure for the 6,200 French troops stationed in Africa. In addition the airmobile *Force d'Action Rapide* designed for rapid deployment abroad stands ready to supplement French forces in Africa. French officers also train and often supervise the national armies of Francophone Africa. Paris has adopted a deliberate policy of curbing the effectiveness of her client states' armies. With the exception of Senegal, the armies of Francophone Africa are suitable only for policing functions.

It is not old sentimental ties that keep France in Africa. France has perfected a new insidious form of colonial domination. Togo represents an excellent illustration of a formally independent but totally subservient African neo-colony. In principle Togo ought to be a prosperous nation. It exports phosphate, cocoa, coffee and cotton. Located off the Gulf of Guinea it is in an ideal place to become one of the main economic centres of West Africa.

Lomé handles substantial trade for the land-locked countries of Burkina Faso, Mali and Niger. Yet Togo faces a sombre future. In 1982 Togo was reclassified as a 'least developed country', indicating the downward slide of the country's economy. This reclassification was not the result of a natural disaster but the outcome of stupendous rip-off of her economy. From 1975 to 1980 Togo's external debt grew sixfold. Interest payments on foreign debt now constitute 54 per cent of Togos exports.

The Eyadema regime represents a negation of the ideals of the anti-colonial movement. The chains of colonialism have been replaced by a new form of enslavement. The exercise of French power over Francophone Africa is more insidious than the old colonial order.

Togo has little control over her conomy. Through the *Banque Centrale des Etats de l'Afrique de l'Ouest* (BCEAO), which issues Togo's currency, France controls the financial levers of Togo's economy. French banks do a roaring business in Togo and the Paris Club of official creditors has no inhibitions about insisting on having a say in government policy. A nation which has sold its economy to foreign banks can have little power over its destiny. In every respect the Eyadema regime expresses all the features of a puppet government. It is not popular support but the backing of Paris that provides the mainstay of the Eyadema presidency. The ultimate guarantors of the regime are the French military.

The Eyadema regime represents a negation of the ideals of the anti-colonial movement. The chains of colonialism have been replaced by a new form of enslavement. The exercise of French power over Francophone Africa is more insidious than the old colonial order. It creeps behind the scenes and operates through a network of puppet regimes, whose loyalty is only to themselves and their European masters.

It is now commonplace to pretend that the French empire in Africa no longer exists. French troops landing in Lomé are seen as natural as the day giving way to the night; a silent invasion not worthy of comment or protest. These are the circumstances that allow France confidently to claim that she is defending Togo from foreign enemies.

The events in Togo should not go unnoticed. Resignation to the existing state of affairs means the abandonment of the objective of Africa and Africans. What future has Africa as long as foreign troops remain the policemen of a significant part of the continent? Embarrassment at this silent invasion, a reluctance to confront its implications is a reaction worthy only of cowards. We must face this dreadful reality and prepare now for its transformation. Only when the last foreign troops have left the continent can Africa truly set out on the road to freedom.

[illegible] reserves of Commercial Banks [illegible] surrender to the Central Bank all foreign exchange earnings other than [illegible]. It was assumed that such centralisation would give the Central Bank [illegible] to manage the [illegible] external reserves more efficiently. The [illegible] introduced in 1967 was aimed towards conserving foreign exchange reserves [illegible] during the civil war and in the immediate aftermath. By the end of 1966, government had virtually restricted imports. [illegible] was introduced [illegible] imports in the country [illegible] set up [illegible] to [illegible] imports.

After the war the government pursued [illegible] policy as external [illegible] increased from N[illegible] million in December 197[illegible] to N[illegible] million in December 197[illegible]. The boom in foreign earnings came from oil exports. The import [illegible] policy [illegible] and [illegible].

It was not until 197[illegible] when the balance of payments deficit of N[illegible] million, that the government introduced import licensing procedures for the importation of a number of commodities. It raised duties on a variety of goods to restrain importation. The government also reduced customs duties payable on imported raw materials to induce expansion of local production and reduce prices of locally manufactured products.

In 197[illegible], the Exchange Control Act 19[illegible] was amended again by the Foreign Exchange Anti-Sabotage Decree to [illegible] of foreign exchange dealings. In 1978 [illegible] more commodities were placed under licence and generally more stringent foreign exchange controls were introduced.

The Shagari administration that took over in 1979 from the Obasanjo administration liberalised imports and set up Presidential Task Force on Rice and other essential commodities. In the process, the external reserves were depleted. The Obasanjo regime was able, through the various policies adopted, to leave behind N[illegible] million in the external reserve. And under Shagari, the country's import bill grew exponentially from N[illegible] billion in 1979 to N12.[illegible] billion in 1981, a [illegible] in 1981.

The depletion of the external reserve worsened to the extent that it could hardly support a month's import at the beginning of 1982. And by April, the Shagari administration launched the Economic Stabilisation Act which introduced wider ranging austerity measures, placing all imports under licence. The Act gave the president sweeping powers to introduce measures aimed at revamping the economy.

Thus in the past, the management of the external trade sector largely consisted of financing balance of payment disequilibrium by depleting external reserves in periods of deficits and accumulating reserves in periods of surplus. Furthermore, it centred on adopting quasi-adjustment policies such

Gowon: Money was no problem

as tariffs on imports, quantitative restrictions and exchange control in trade and capital investments.

Adjustment or currency realignment measure which is the real option for ensuring long lasting solution of payment imbalance was not adopted. For all the year, Nigeria adopted a system of allocating foreign exchange administratively through the much taunted, maligned and stringent import license apparatus and avoided exchange rate realignment.

The government deliberately maintained an over-valued naira. It arose from the policy of the government aim-

Obasanjo: Gave the signal that money could be a problem

ed at maximization of growth objectives such as reduction of inflationary pressures.

The government from 1974 adopted the policy of improving the external value of the Naira currency. The monetary authorities adopted exchange rate policy aimed at appreciation of the external value of the naira even in 1973 when major currencies were floated to reduce their values. In 1973, the industrial countries such as United States

How to buy foreign currency i

AN individual in any part of the country who wishes to buy foreign exchange for payment of goods and services not prohibited by a decree needs only to present his tax clearance certificate to any authorised dealer. It does not matter if the individual is not an account holder in his chosen bank. He only has to provide documentary evidence of the underlying commercial or services transaction. The authorised dealers open for business between 08.00 a.m. to 03.00 p.m. on Mondays, and 08.00 a.m. to 1.30 p.m. on Tuesdays through Fridays. However, authorised dealers provide services on 24 hours basis at the entry and exit points, to and from the country.

The authorised dealer cannot refuse the individual the sale of foreign exchange on the basis of unavailability. The market is designed in such a way that the authorised dealer can buy foreign exchange from another dealer if its allocation runs out.

The individual can buy as m[illegible] foreign exchange as he wants in SF[illegible] as long as he satisfies the minimum [illegible] quirement of proof of underlying c[illegible] mercial or service transaction.

The foreign exchange purchase[illegible] SFEM can be delivered immediatel[illegible] within a period of three working [illegible] from the day of payment in nair[illegible] respect of spot transaction. Alterna[illegible] the delivery of funds could be at a f[illegible] day in the future not earlier than [illegible] days from the date of purchase. [illegible] foreign exchange so purchased ca[illegible]

be put in the domiciliary accounts of [illegible] individual. Funds acquired from SF[illegible] are to be used for the purpose they [illegible] asked for and also for which they [illegible] been granted. Domiciliary accounts [illegible] funded with foreign exchange der[illegible] from external sources. Although, a[illegible] dividual who has deposited funds in [illegible] domiciliary accounts can freely sell t[illegible]

West Germany, Britain and all members of the Organisation of Economic Co-operation and Development (OECD) floated their currencies in response to

Awolowo: Managed Nigeria's finances after the civil war.

the four-fold increase in oil prices. This was to reduce the impact of the oil price increase on their economies. But the monetary authorities in euphoria of the oil-induced boom in external reserves allowed the naira to appreciate against the currencies of Nigeria's major trading partners.

Earlier, the monetary authorities had failed to adjust the external value of the Nigerian Pound in 1971 when the goal convertibility of the dollar was suspended and the dollar, pound and other currencies were devalued. This was inspite of the fact that the movements of the Nigerian Pound exchange was pegg-

Shagari: Depleted the foreign reserve

ed to that of the dollar.

By maintaining the high value of the Nigerian currency, the government not only encouraged importation of all types of goods but subsidised such importation. The goods and services imported mainly served the elite class rather than the masses. The mass of the people paid for the imported goods at inflated prices while the industrialists, merchants and their bankers benefitted from the subsidies.

The cost of the over valuation to the economy has been to discourage exports, encourage imports and deplete the reserves. For instance, the country's imports grew from N3.72 billion in 1975 to N12.01 billion in 1981.

From 1981, as the international demand for oil dropped and prices of oil also slumped, export earnings dropped from its 1980 height of N14.08 billion to N11.02 billion in 1981, N8.72 billion in 1982 and N7.64 billion in 1983. Because of the very high value of the naira, the drop in export revenue could not induce cutback in the level of import to match export earnings. The import bill was N12.01 billion in 1981, N10.77 billion in 1982 and N8.90 billion in 1983. Thus the external reserve of the economy decreased from N5.8 billion in 1980 to N2.6 billion in December 1981 and N1.098 billion in December 1985. External borrowing increased.

External debts piled up from N2.17 billion in 1980 to N13.86 billion with an accompanying heavy debt servicing burden. The 1986 budget puts the debt service obligation at N4.4 billion or about 42.0% of projected foreign exchange earnings. The debt trend is shown in Table 1. In addition the Federal and state governments are owing N27 67 billion as domestic debt as at 31st December, 1985.

The over-arching implication of the aforesaid is that it is no more economically wise to cling tenaciously to over-valued Naira and the import licensing system. There was thus the need for a realistic exchange rate to check the free wheeling abuses and scrambling for import licences. The establishment of the Second-tier Foreign Exchange Market is one way to enable the naira find its value, although it may turn out to be the most painful component of the Structure Adjustment Programme.

The pertinence for a restructuring and diversification of the production patterns of the Nigerian economy is an irresistible goal identified by both the policy makers and the public alike.

This pursuit is with a view to minimizing the country's import dependence and reliance on the oil sector as the sole source of foreign exchange earnings. The situation has become particularly expedient in the light of the prevalent economic predicament of Nigeria development in her international economic relations.

In an effort to launch Nigeria on the path of economic growth and development, the present administration has evolved a Structural Adjustment Programme (SAP) which aims at eliminating the rigidities inherent in the economy. The programme spans two years — July 1986 to June 1988.

The main elements of SAP include the establishment of the Second-tier Foreign Exchange Market (SFEM) in order to achieve a realistic exchange rate for the

SFEM

at the going exchange rate in SFEM.

The guidelines on SFEM tries to en-

Odozi

sure that authorised dealers do not delay the delivery of foreign exchange. The guidelines state that, "if an authorised dealer fails to make delivery of foreign exchange within three working days from the date of payment in local currency, a penalty of 2 per cent of the naira amount per day will be paid to the customer until the delivery takes place. However, any authorised dealer that fails to deliver within seven days of the agreed date may have his dealership permit suspended or withdrawn. Also "in the event that customer is unable to make the naira payment within two working days, the transaction will be reserved and the customer will assume all exchange losses and in addition, a charge of 0.25 per cent of contract amount in naira."

The procedure of buying foreign exchange in SFEM and the delivery of fund for an individual as discussed above is similar to that of a corporate body. However, companies and individuals are not allowed to buy or sell in SFEM, if they are placed under foreign exchange embargo by the Federal government.

The year of SAP (SFEM) which aims at rationalising the allocating foreign exchange earnings among the competing productive needs. It is slated to last for one year during which the convergence of the regimes of the official first tier and the parallel markets with SFEM would have been hopefully achieved. All the measures which are antecedents to SFEM are well known. Perhaps the major reason for their failure lies in the reluctance of previous administration to accept the functional relationship bet-

Endangered species

Arguments have gone back and forth on the effect of the SFEM on small-scale industries. **Nimi Wariboko** was present at a discussion where optimists won.

THE fate of small scale firms in SFEM era has been seen by many commentators as uncertain, and recently the *Investors' Digest*, Nigeria's special business weekly hosted a discussion on the impact of SFEM on small and medium sacle companies.

According to Mr. Nath Creimo, an official of the *Investors' Digest*, the seminar was organised to stimulate creative minds towards the lines of survival of small to medium-sized companies in the SFEM era.

Mr Tola Mubolarin, the assistant general manager of Continental Merchant Bank echoed what appeared to be in the minds of many participants: The SFEM will not necessarily kill small scale firms. Other discussants include Alhaji R.B Areago managing director, ARB Nominees Limited and Mr Henry Atenaga, the Editor/Publisher of *Investors' Digest*.

The consensus among the speakers was that SFEM by encouraging efficient allocation of resources in the economy and establishing the real value of the Naira in the international money market, efficient management of resources by companies will be a survival strategy — not dependent on government favours. If small scale industries can find a niche for themselves and efficiently manage their resources, they would surely survive.

Mubolarin drew laughter when he included himself in the class of common-men whom he said do not care about who or not survived SFEM. He is only interested in the benefits consumers will derive from SFEM-induced efficiency, lower prices, better quality products and services.

However, financial experts and observers of the money and capital market in Nigeria maintain that gloom hangs over the existence of the small scale and medium-sized companies.

For instance, Alhaji Umaru Mutallab, managing director of United Bank for Africa, addressing the 2nd National Delegates Conference of UBA Senior Staff Association, at Ibadan, said: The survival of small and medium-sized companies may be threatened. Financing problems may wipe out many of this category of firms.

In his contribution, Mr. Milton-Job of the National Bank of Nigeria noted that the demise of a large number of small and medium scale business will increase unemployment. The commencement of SFEM has brought in its wake certain problems which if unsurmounted by small scale companies, their swan song will be in the air.

The competition arising among businesses for increased capacity utilization of their plants and machinery is putting strain on the liquidity position of small scale firms as naira equivalent of foreign currencies increase. This means that small-scale industries that are financially weak will be wiped out soon as they cannot raise large amounts of naira to buy foreign exchange to bring in much needed inputs.

The chance of these industries getting naira loan from banks to finance their foreign exchange requirement is very slim. The recent recall of N3.5 billion from the commercial and merchant banks by the Central Bank and the naira squeeze due to SFEM indicate that banks will curtail granting of credit facilities to their customers including the small-scale companies.

The granting of loans by banks has become competitive as purchase of currency at SFEM necessitate the demand for more credit facilities. What counts is relationship with banks and size of the firm in securing loans. The problem is how small scale firms can get the right relationship given their small size and limited connection in the system.

The possibility of raising fund at the Second Tier Securities Market is also slim. The listing procedure, the illiquidity of banks and the character of Nigeria's productive system pose obstacles.

Another problem in the SFEM is the fluctuation in the rates of exchange and its unsalutory impact of small scale firms. This category of firms do not have the expertise and fund to saveguard themselves against exchange rate fluctuations.

However, participants at the seminar enumerated six important factors which will ensure the survival and growth of small scale business, particularly at this initial period of the structural adjustment programme.

First, it was suggested that small scale firms should employ the services of financial experts to educate them on exchange rates and how to take advantage of changes. Second, they shouldpurchase in advance so as to reduce losses which follow fluctuations in foreign exchange.

Another factor is efficient management of internal resources. If small scale industries exploit the advantages of economies of scale and prevent waste, these would lead to cost reduction and profit maximization. They should also pool their resources together in a kind of industry co-operatives or investment trust into which all members will pass the naira value of their import requirements. This gives additional financial clout. The advantage is that such a pool of big enough could employ a professional portfolio overseer who, if not able to deal directly, will at least bring to bear his professional expertise to the overall benefit of the members.

Mergers and acquisition is another factor for the survival of small scale companies in the era of SFEM. This is to increase resource base and financial bouyancy.

Finally, it was recommended that the Federal Government use its increased earnings from SFEM as venture capital to support small scale industries.

[illegible]

... the Naira ... [illegible]

[illegible] ... on the first instance.

The uncertainty has remained so because of some unanswered problems even after three trading sessions of the market. [illegible] the President of the Lagos Chamber of Commerce and Industry (LCCI) for instance, still raises the fundamental question of whether SFEM is really the last option.

[illegible], the Director of Foreign Exchange Control at the Central Bank of Nigeria rested his case on the potency of SFEM in determining the realistic value of the Naira. To him there is no other "viable option."

Another thorny outstanding issue is that of funding which has a direct consequence on the level of exchange rate.

Table 1

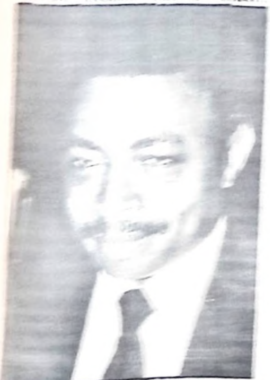
NIGERIA: EXTERNAL DEBT SERVICE OBLIGATIONS, 1980-85
(₦ million)

	1980	1981	1982	1983	1984	1985
Total debt outstanding (as at year end)	[illegible]	[illegible]	8,819.4	10,577.7	12,846.7	13,866.3
GDP at current prices	46,[illegible]	[illegible]	55,575.0	54,912.9	56,716.3	59,897.5
Total debt as proportion of GDP (%)	5.3	6.0	15.9	19.3	22.7	23.2
Debt service	[illegible]	518.5	775.2	1,337.0	2,515.1	2,921.5
Ratio (%)	1.3	4.7	8.9	17.5	27.5	45.0

Source: First Bank Monthly Business & Economic Report May, 1986.

He believes for instance that devaluation should be preferred because of the

The Minister of Finance, Dr. Chu Okongwu in his September 19 press



[illegible] ... taken to the [illegible]

Major-General Ibrahim Babangida announced his administration's commitment to the market in June this year. This continued unabated even after its commencement three months later on September 29, 1986. The apprehension have been expressed in the opposing views prevalent during the SFEM debates, a debate that was not [illegible]

precision in the exchange rate which will emerge from it, a factor most cherished by entrepreneurs. To him, the extent of over-valuation of Naira "is an empirical question which can be ascertained ... government mandates. Nigerian exports ... [illegible] ... is not a foregone conclusion and it is [illegible] ... Falae's ... thesis that [illegible]

briefing announced a number of sources of capital inflow to finance SAP and SFEM in particular. These include the US $450 million Trade Policy and Export Development Loan pledge by the World Bank. The Bank has also agreed to increase substantially its lending to projects in various areas of production up to at least US $450 million annually.

Black market depression

[illegible] the parallel market

[illegible]

[illegible] the Ikeja [illegible] Avenue where [illegible] from [illegible]. The seller at Allen Avenue [illegible] convinced that the official rate [illegible] SFEM cannot be lower than [illegible]. They were proved right as the naira eventually [illegible] at the second bidding session of SFEM last Thursday.

However, [illegible] at the Eko and Bristol Hotels, including the local and international wings of the Murtala Mohammed airport, offered relatively lower rates within the same period. Last Monday, the least amount offered was at Bristol, where the dollar sold for N4.9[illegible]. Last Tuesday, sellers at the local wing of the airport offered to sell at N4.7[illegible], the lowest price recorded within the period in the black market, as against N4.8[illegible] at the international wing, Eko and Bristol Hotels.

The funding of the black market is far more complex than spider's web. Foreign currencies are brought into the country in the "bowels" of television and radio sets including other commodities imported into the country in containers. A former black market foreign exchange dealer who lives at Allen Avenue in Ikeja — one of the biggest and most sophisticated black market spots in Lagos, said some officials of various embassies also fund the illegal business.

He said people who had "proper connections" with embassy officials easily bought the foreign currencies from them at a much lower rate than what obtained at the black market. The middle-aged man who asked for anonymity said some Alhajis can exchange over two million dollars on the spot because they could call in the dollars from these foreign nationals.

African Concord also learnt that some Indian and Lebanese nationals in the country had no other business than trading on foreign currencies. It was gathered that the Asians register companies which exist only in the books of the registrar of companies. Their profits from the sale of foreign currencies are [illegible] in the name of the fake companies with the assistance of some unpatriotic Nigerians. The hard currencies so obtained are recycled back to the country.

There is also a long-standing arrangement where working Nigerians in various western countries [illegible] their earnings through Nigerian businessmen and women. A businessman with a friend or relation abroad simply pays an agreed amount in Naira to the bank account of the fellow and travels abroad to collect an equivalent amount of foreign currency.

Here in Nigeria, the big merchants do not hover around the various spots or the sites. [illegible] on the payment of the various hotels [illegible] customers. If an agreeable deal is struck and the customer has proved to be an interested buyer, he is led to the "Alhaji" who will provide the cash depending on the amount involved. The "Alhaji" could give a customer his complimentary card especially if the customer doubts the genuineness of the notes.

This, perhaps, explains why securitymen have found it difficult to dismantle the black market web. In their one-in-two years' raid on black marketeers, only the fronts are caught while the "Alhajis" run around to secure their release.

On the effects of the SFEM on their trade, most black marketeers argued that the SFEM would encourage rather than scuttle their activities.

Frank Igwebueze

[illegible] the World Bank and the IMF.

Two weeks ago, the outgoing IMF managing director, Mr. Jacques De Larosiere announced that the Fund and World Bank have reached an [illegible] agreement with Nigeria [illegible] economic programme. But on [illegible], the president of the World Bank, Mr Barber Conable said in Washington DC that the financing package has not been put together.

The official source has proved to be grossly [illegible] in meeting the demand for foreign exchange [illegible] with the restriction [illegible] in which each bidder [illegible] in the market. The total demand of US $8[illegible] million and US $[illegible] million during the first and second sessions are definitely in excess of the [illegible] US $5[illegible] million offered during the two sessions. [illegible] the [illegible] taken is tied to the [illegible] not [illegible] being [illegible] by the dealers on the two occasions. It was therefore not surprising that the rate fell dramatically from an average [illegible] to N3.[illegible] to US $1.00 during the second bidding to N3.[illegible] to US $1.00 during the first bidding session. The [illegible] was greatly accounted for by the US $[illegible] million increase in the weekly allocation to the market and the amendment of the [illegible] guideline which limits the bidding to a maximum of five per cent for the four big banks namely, CBN, First Bank, Union Bank and United Bank for Africa (UBA). Others are limited to a maximum of three per cent of available fund for a given week. This has served to accommodate 36 dealers as against 16 and 15 in the first and second bidding sessions respectively.

The pattern of disbursement of foreign exchange by the successful bidder in the first two session had raised some eyebrows within the economy. Manufacturers according to E.G. Ferreira, Senior Manager, Operations, of Nigeria Merchant Bank (NMB) have "refused to respond as they are protesting against the high exchange rate ruling in the market." This situation has been made more so by the delay in the release of the new tariff by the Department of Customs and Excise, a fact that has hampered the utilisation of funds by the customers of the successful banks. The critical question as put forward by such bankers like Kingsley Ikpe of the ICON (Merchant Bankers) and A. Akuazaoku of African Continental Bank (ACB) is "who had the banks been bidding for?"

It is true as Ferreira put it that the first bidding was essentially for the bank's accounts as customers were yet to be consulted. The question is however more relevant during the second session. Tongues have been wagging that the willing buyers had been such customers who were ready to remit their funds out of the country at any price. These include especially the Indians whose funds had been locked in the country for somtime. The ensuing capital flight that is consequent on this is of concern to all.

The reality of the commitment of this class of people to effecting the flight has made people such as Dr. Michael Omolayole the former Chairman/Managing Director of Lever Brothers Nigeria Limited believe that the exchange rates during the first two bidding may not be too high afterall. According to him "Nigeria should maximize the Naira value she gets from these people who are bent on effecting capital flight at onset when they are bent on going... maybe after they might have left genuine manufacturers can now settle down for a more realistic exchange rate regime." Such a step on the part of Nigeria would moderate the leakage that will follow capital flight, he said.

One other person who could not see the need for excessive emotional outburst in the bid rates for the two sessions is Professor Ogunsheye. He likened the Nigerian situation with a bad sore which has been neglected for so long. Eventually when the patient consulted a doctor, the already malignated leg was recommended for out-off. The patient according to him should be ready to pay the price for his negligence in the first instance. We cited the sugar being imported into the country in recent times under the import licences not valid for foreign exchange which were purchased at the rate ranging from N4.5 to N5.00 for US $1.00.

Banks who claimed to have adopted scientific approach in the determination of these bidding rates also lent credence to this. Ferreira who is the Chief Dealer for NMB revealed for instance that his bank was deeply involved in the financing of import licence not valid for foreign exchange. According to him, "experience has shown that foreign suppliers who were willing to obtain Naira in exchange for their goods did so at a rate of about N4.5 to US – 1.00." Maybe it is against this background that some analysts have tended to suspect the N3.4999 exchange rate for it: "the figure looks unreal."

The issue of appropriate pricing mechanism and the debiting system in the market remains unresolved as majority of the dealers prefer a mix of the Dutch option and the marginal rate system by which bidders are debited by the bid rates they quote while being made to sell at the marginal rate. The dealers' willingness notwithstanding, the monetary authorities seem to be reluctant in taking the steps because of what Odozi called administrative inconveniences in monitoring it in a country like Nigeria. These, according to him, include "the large expanse of territory,

Falae: The market will be free

Ogunsheye: Is SFEM the last option?

difficulties in communication and problems with reference to literacy." To him, the CBN is still learning, and it may become unavoidable in the near future to adopt this system taking a cue from the Zambian experience.

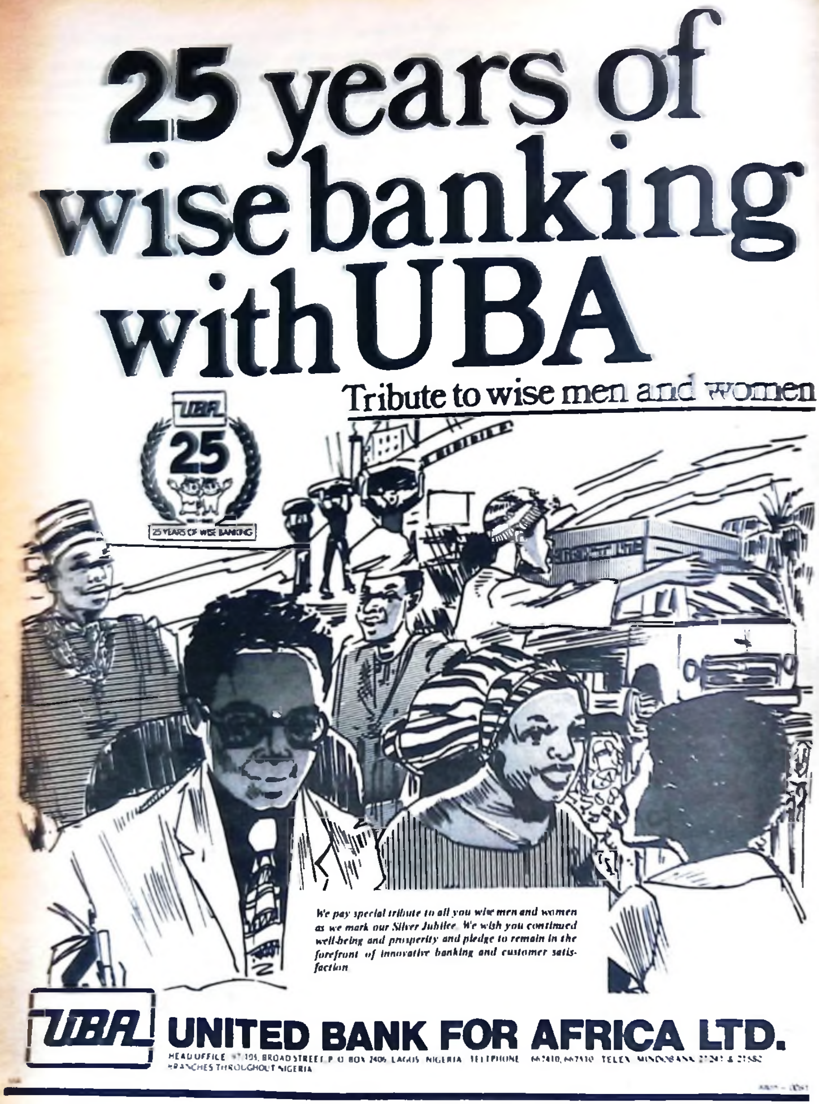
The need for a realistic exchange rate is particularly important if its dual role is appreciated. A high one for instance will not favour the local manufacturer but would encourage capital inflow. On the other hand a low one will discourage inflow but appeal to businessmen. Somehow a realistic compromise has to be struck. Meanwhile apprehensions still rent the air as to the efficacy of SFEM in getting the country out of the present economic doldrums within the context of SAP. What with its attendant inflation and the possibilities of business failures? This and other issues still bother Nigerians'.

That there will be an upward shift in the price level at least in the short run is undeniable. This will lead to a sharp fall in the consumption level. The result of this on the industries would be by way of unsold stock as consumption fails to meet up with the enhanced capacity utilization under SFEM. The classical definition of depression would then be ushered in, where demand falls short of supply. This will in itself be a real problem that needs urgent attention. Perhaps the best option for the government is to effect prudent demand management at the onset when it has a lot of Naira at its disposal. To raise wages or unduly increase the money in circulation would fuel inflation the more. It would therefore be necessary for the government to identify the advent of real depression when it comes. Then the Naira hitherto earned by government could be utilised in stimulating demand through increases in wages and other expenditures.

Professor Ayo Ogunsheye would however want the government who will be "awash with Naira" under SFEM to "accelerate the payment of its debts to the private sector while the advanced import duty scheme should be modified so that duty is only paid on presentation of bills of landing as against proforma invoices."

The issue of payment of duty has been of special concern to businessmen. Alhaji M. Abdulahi a Kaduna-based businessman for instance decried a situation where a businesman is made to pay duty on the production of proforma invoices when foreign manufacturers would not commence production unless letters of credit are confirmed. Before the goods finally arrive in the country a period of eight to nine months might have elapsed. The typing down of the businessman's fund for so long which often attracts interest payment and its consequence on the liquidity could be avoided if payment of duty is based on the production of bill of lading.

That there will be a new era of liquidation under SFEM is undeniable as marginal firms incapable of effective competition would fold up. In order to avoid some sectors being "ousted by sheer economic forces", Chief I.A. Shoyombo, Chairman Indigenous Business Group of the LCCI has called for "a sectoral allocation formular to ensure greater benefit and success of the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25 YEARS OF WISE BANKING
We pay special tribute to all you wise men and women as we mark our Silver Jubilee. We wish you continued well-being and prosperity and pledge to remain in the forefront of innovative banking and customer satisfaction
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BRANCHES THROUGHOUT NIGERIA

scheme. This call is not out of place if one considers the importance of such sectors as agriculture to the realisation of the economic development aspirations of Nigeria. Victor Odozi would however not support this because of the possible distortions that will be attendant on it. The solution lies in efficiency and re-allocation of resources in line with the reality of the time, That is of course what restructuring really means. Hopefully other supporting fiscal policies would be enough to serve as incentives for local production. One of this, which is a challenge to local industrialists, is the 100 per cent retention of export earnings.'

With the triumph of the monetarists in Nigeria, the bureaucrats have left the management of the economy to the private sector especially the banks. They have a duty to play towards its success as SFEm and infact the entire SAP constitute the last option open to the country. The success depends on Nigerians who are the architects of their own fortune. Okongwu has implored Nigerians to "strive to create requisite resources for the financing of the market... the old days of subsidized exchange rates, subsidized products and so on are gone fo ever. "Nigerians should begin to thin of paying respect to the importance o capital cost. This is what structural ad justment is all about."

The success of SFEM would lead t improved capacity utilisation, creat more job opportunities nd reduce th rate of inflation in the long run. Thes undeniably are desirable conditions i the economy.

— **Nimi Wariboko**
— **Ade Ayoola**

SFEM update: Naira's rise

FOR two consecutive weeks bankers watched the naira slump and tumble. But last Thursday, the naira climbed from 19.77 American Cents on October 2, to 28.57 Cents. This meant a rise of 8.8 Cents or 44.51 per cent appreciation over the preceding week's bid. Thus the dollar now sells for ₦3.4999 as against ₦5.0584.

The new rate emerged at the third bidding session of the Second-tier Foreign Exchange Market. At the First-tier Market ₦1.7004 exchange for a dollar - that is, a naira is equivalent to 59 American Cents.

The embarrassing situation in which the determined rate in SFEM made the naira too cheap, vis-a-vis the major currencies at the black market appears to have ended. The naira value in the SFEM has gone higher than the rate at the parallel market. A dollar exchanged for ₦4.70 in the parallel market on October 2, whereas on the reverse a naira was valued 21 Cents.

The sudden rise could relate to three factors. Dissatisfaction with the second bidding session led to a modification of the operational guidelines of the market. Allocation of available foreign exchange to the two categories of authorised dealers was reduced from 10 per cent for the bigger banks and seven per cent for the rest to five per cent and three per cent respectively. A second reason was, the choice of marginal rate, rather than the average of the successful bid rates as the reference exchange rate at which all successful bid will be settled.

Third, more foreign exchange was available which checked high bid rates as bankers became more confident of getting funds forcing them to discontinue high bidding as means of securing funds. Thirty-six banks were successful in the third bidding compared to 13 banks at the last bidding session. The increase in the amount available for bidding - from $50 millions at the second bidding to $75 million - gave reasonable assurance to every bank.

It must be noted that not all banks were optimistic. The pessimistic ones offered rates ranging ₦5.0002 to ₦5.3499 to the dollar. However this week's highest bid rates of ₦5.3499 submitted by a bank with the code

Okongwu

number BOC is lower than that of last week which stood at ₦5.5999. Also the lowest bid of last week: ₦2.750 was below that of the preceding week: ₦3.000.

The total demand for foreign exchange at the third bidding stood at $75.525 million as against $98.1 million dollars at the second bidding session. This drop of $22.575 million is explained by the reduction in the percentage of funds banks could get. Banks knew these limits and pegged the amount they demanded at the maximum allowed for them. The total demand at each bidding session has not reflected the overall demand for foreign currencies is put at the economy. The monthly demand for foreign currencies is put at over $0.67 billion. The bidding session is only a conscious attempt by banks to limit demand to the limited supply.

CROSS RATES (IN ₦)

2nd Tier

Bid No. 1 Sept. 26	
Dollar	4.6174
Pound Sterling	6.6269
French Franc	0.6900
Deutsche Mark	2.2578
Yen	0.0299
Swiss Franc	2.7840
Dutch Guider	1.9972

Bid No. 2 Oct. 2	Bid No. 3 Oct. 9	Oct. 9
5.0839	3.4999	1.7004
7.3462	5.0001	2.4172
0.7688	0.5380	0.2601
2.5180	1.7605	0.8511
0.0330	0.2228	0.0110
3.1056	2.1600	1.0447
2.2288	1.5581	0.7532

Last week's exchange rate had the blessing of all banks. It was described as satisfactory, professional and realistic. Bankers echoed after the session: "it makes sense". Bankers had another cause to be happy as the number of successful banks increased. Out of the 39 banks that submitted bidding, 36 were successful. Two banks offered rates below the marginal rate and the third was disqualified on the basis of wrong use of forms and non-disclosure of bid amount. The bank that submitted the marginal rate did not get all what it asked for. It demanded $2.25 million but went home with $1.80 million as the 35th successful bank brought up the cummulative total to $73.20 million.

The dealers were reminded by Victor Odozi, director of Exchange Control of CBN to summit their daily, weekly and monthly returns on SFEM transactions to the CBN in keeping with the provisions of the enabling Decree, the General Operating Guidelines and the supplementary Guidelines.

— **Nimi Wariboko**

SFEM

Taking the good with the bad

Bright E. Okogu, an Ibadan University economist, takes a personal look at the second-tier market.

Multiple exchange rate systems are not new. They have an impeccable pedigree among some of today's big defenders. Brazil, Indonesia and Yugoslavia used it in the 1950s, and again it became popular in the early 1970s after the breakdown of the Bretton Woods system. In 1973, Italy adopted a dual exchange system consisting of a "financial lira" for capital transactions and a "commercial lira" for trading purposes.

They are generally a half-way house between the International Monetary Fund's insistence on outright devaluation and the rigid maintenance of an overvalued currency. They have become a way of testing the uncertain waters of devaluation. The fact that the World Bank is providing some initial support for the SFEM indicates a nod of approval from the international financial system for Nigeria's tentative steps towards economic liberalisation.

Under the SFEM system, auctions are to be held weekly for a predetermined amount of foreign exchange to bidders. It appears that all foreign exchange transactions, with the exception of government ones, are to go through the second tier. The exchange rate at the SFEM will be determined by market forces of supply and demand. Since supply is to all intents and purposes fixed, the effective exchange rate will be demand-determined, probably with a threshold price determined institutionally.

"The" SFEM rate

In other words, no foreign exchange will be sold below this price. At a guess, this will be in the region of N4 to $1 — the current parallel market rate. It is important to note that there is nothing sacrosanct about this rate which is so often quoted as "the" SFEM rate. The effective rate at the market will be determined by a vector of factors which affect the supply of, and the demand for, foreign exchange.

For a number of years now, factories have been operating at well below capacity as a direct result of the foreign exchange crunch. Thus one would expect demand to outstrip supply for sometime as these companies try to rebuild their operations to capacity levels. This immediately raises the question of the survival of small businesses. Many of them will be squeezed out and only the most efficient will survive.

As with most markets of this kind, a futures market can be expected to develop

Governor of the Central Bank, Alhaji Abdulkadir

whereby dealers speculate on the likely exchange rate in future weeks. If they expect the future exchange rates to be lower than say N4 to the dollar, they will sell forward and vice versa. Although speculation invokes negative emotions, it has a positive role in providing market stability. One of the factors which speculators will be watching very closely for example, will be the state of the oil market because this will largely determine the supply of foreign exchange to the SFEM. The government can help the market by ensuring that the supply of foreign exchange is evenly spaced out throughout the year, after making allowance for seasonal demand factors.

On the assumption that Nigeria earns $10 billion per annum from exports, and the government supplies $6 billion to the SFEM, this will provide a weekly auction of $150 million. At the threshold price of N4 = $1, this would absorb some N600m from the private sector per week, or over N30 billion per annum — a large sum of money for an economy in depression.

One of the effects of the SFEM system will be to raise the domestic prices of their goods as they have to cover the costs of their (now higher) foreign exchange component. A related source of inflation will come from the desire of foreign companies to maintain the levels of profit repatriation. In order to export the same amount of profit as before, it will have to generate four times the usual amount of naira. This inflationary pressure can be expected to lead to industrial unrest as workers demand wage increases to compensate them for a loss in real income.

Another effect of the system will be to boost federal government domestic revenue from the sale of foreign exchange on the SFEM. Instead of selling foreign exchange at say, N1 = $1, it will now be selling it at four times that amount. In other words, the government is entering the foreign exchange market to compete directly with the underground market. This should boost the revenue allocations to the states, and help them meet some of their obligations, such as the payment of salaries.

From a pure efficiency point of view, the SFEM system will lead to a superior allocation of resources as foreign exchange will go to those who most need it, as measured by willingness to pay. However, this is an erroneous approach, since the free market mechanism has an appalling record in the crucial area of economic development.

The current crisis

The current economic crisis arose partly because of wrong policies of the past which effectively neglected such vital sectors as agriculture and self-sustaining local industries. Although details are not yet available, it is hoped that the Federal government will use the opportunity of the SFEM to correct some of the sectoral imbalances of the past. In particular, it is necessary to make provision for sectoral allocation of foreign exchange which guarantees that identified priority sectors get some of the funds. Such a system may result in different exchange rates for different sectors, although this is not inevitable.

Thus if the demand for foreign exchange for trading purposes is high relative to the amount auctioned for that sector, the exchange rate will be higher than in the case of another sector where demand and supply are equal. This will not be easy because it would require monitoring to ensure that funds are used for the purpose for which the bid was made. It will be disastrous if, for example, purely trading houses which have the advantage of higher turnover rates and profits were to get the bulk of the auctioned foreign exchange purely on the basis of ability to pay.

This would only ensure the imports of the consumer goods, and intensify the level of dependence of the Nigerian economy on foreign sources. The mentality of a trading post economy which has dogged the country for so long will only be perpetuated by a dogmatic application of a laissez-faire SFEM.

Industries shy away

Manufacturers of essential goods have adopted an attitude of wait and see since SFEM came into town.

THE improvement in the rate of the naira for this week's transactions at the second-tier foreign exchange market (SFEM) as fixed during last Thursday's bidding session probably raised the hope of manufacturers of essential commodities - detergents, toilet soaps, milk and beverages. The downward slide that characterized the two previous bidding sessions had earlier driven the manufacturers into recluse and made them to adopt a wait-and-see posture to the SFEM.

Lack of enthusiasm to patronize the market was evident in companies like Lever Brothers (Nig) Limited, PZ Industries Limited, Cadbury and Ovaltine. They complained that the rate of ₦4.62 to the dollar arrived at during the first bidding was unreasonable. The rate at the second bidding was even higher. It was put at ₦5.08 to the dollar.

Said Mrs. Yeside Pampam of the corporate affairs section of Lever Brothers: "If we buy at that rate, how much do you think we should sell Omo?"

Later in the month, when Lever Brothers' plants which were shut down earlier in the year roar back to life it would be no thanks to SFEM. According to Mrs. Pampam, the company had continued discussions with its bankers. Apparently, the rates being quoted by Lever Brothers had not come near the fixed exchange rates at the SFEM. And this has forced the company to keep a distance to monitor the SFEM situation. Last week's rate of ₦3.49 to the dollar must have shone rays of hope on the company.

At PZ Industries - manufacturers of a brand of detergent, toilet soaps, body cream, cornflakes and other products - the Marketing Manager, Mr. M.C. Akpoveta, could not say what the company was doing to patronize the SFEM. There was no need to rush, he told *African Concord*. The impact SFEM would take some months to come, said. PZ has managed to keep scan quantities of its products in the mark before the arrival of SFEM and in spite of The secret of this fact was not known. M Akpoveta pleaded that his company be giv time to monitor situations. "It is too ea now to say anything. Why not come back i say, one or two months' time," he said.

Onosode.

A similar cold reception of the SFEM w noticeable at Food Specialities, a compa that manufactures an array of household a baby food items; and at the premises of t company manufacturing Ovaltine. A sour close to the company's Managing Directo Mr. Partridge, disclosed that no decision h been taken on the buying of foreign exchan at the SFEM.

He said that if the company finally decided patronize the market at the SFEM's rate, t logical thing to follow would be an increase the prices of items at the same percentage th the cost of production had shot up. Mr Pampam of Lever Brothers pointed out that similar action was likely to be taken by mo manufacturers. She said there was a limit which prices could rise if companies mu retain the loyalty of consumers.

Observers were of the view that it w unfair for government to expect that essenti commodities could be produced under t naira rate quoted at the SFEM and still t made available within the reach of t common man. They argued that SFEM w bound to usher in an inflation spir Government has admitted this fact b contended that prices would stabilize when manufacturing organisation would ha begun increased capacity utilisation.

—Oluwambo Balogu

Uganda's bitter taste of SFEM

Rocked by civil strife with successive governments printing more money and awarding triple digit pay increases, SFEM's failure was a foregone conclusion.

UGANDA has finally abandoned its system of foreign exchange auctioning after four years of what boiled down to a sour romance. The divorce came last August at the head of a seven-month trial of the revised second tier system by the Museveni Government.

Immediately after the ousting of General Tito Okello Lutwa's regime, the new National Resistance Movement Government suspended the inherited 'one door' system through which foreign exchange was auctioned for all external transactions. The 'one door' had merged the first and second windows from June 1984.

At the end of February this year, the Museveni Government lifted the suspension on foreign exchange transactions to allow importation of essential goods and services. The auction market system was still put in abeyance and industries need of foreign exchange were asked channel their requests to the Bank Uganda, through their commerci banks.

Museveni: Done with the market

Government's bias for vital impo was a product of the country's c cumstances: Uganda then had ju emerged from a five year war and w short of consumer goods such as soa sugar, salt and baby food, raw materi for vital industries, petroleum produc spare parts for machinery ar automobiles, drugs and buildi materials. All these products and so others were given priority in the fore exchange allocation at the rate of 14 Ugandan shillings to one dollar.

By March, a modified form of t

[illegible] system was announced. Government still [illegible] some goods as [illegible] and announced a different rate for [illegible] goods and another rate for non-[illegible] imports. Importers of priority goods were to pay foreign exchange at [illegible] shillings per dollar and other importers at [illegible] shillings per dollar. This [illegible] was fixed for just five months [illegible] it was scrapped.

[illegible] foreign exchange transactions are [illegible] the official rate [illegible] [illegible] shillings [illegible] dollar. Government [illegible] because the [illegible] [illegible] Uganda. There [illegible] foreign exchange [illegible] [illegible] that the [illegible] countries did not [illegible] [illegible]. [illegible] qualified to buy [illegible] of the first window were [illegible] [illegible] their [illegible] [illegible] means of funding the [illegible] black market where Uganda's [illegible] smugglers are ever [illegible] to pay. At the black [illegible] dollar can fetch as much as [illegible] about [illegible] times the official [illegible].

Under IMF pressure, Uganda [illegible] the Second Tier Forex market on [illegible] August 1982, initially about US $2 million was auctioned weekly at the second window. From July 1, 1983, the amount was increased to US $3 million. In January 1981, [illegible] months before the [illegible] of the second window, Uganda's shilling exchanged at 7.19 shillings to one US dollar. With [illegible] [illegible] of [illegible] million, debt servicing [illegible] [illegible] per cent of export earnings in [illegible] [illegible] [illegible] 1981, with [illegible] [illegible] [illegible] [illegible] which made up 90 per cent of foreign exchange revenue, with [illegible] [illegible] [illegible] budget deficits, Uganda came under IMF pressure to [illegible] the [illegible] budget gap and devalue. The devaluation began in earnest in June 1981.

Suddenly, Uganda's shilling took a [illegible] plunge, [illegible] to one US dollar at [illegible] shillings. By December of that year, the exchange rate was 85.56 shillings [illegible] [illegible] dollar. By August 1982 when the second window began, official exchange rate was about 100 shillings to one dollar. The second window rate was fixed at 300 shillings.

At the end of 1982, Uganda's Ministry of [illegible] [illegible] reported an increase in the capacity utilisation by industries from 15 per cent in 1981 to 25 per cent in 1982. Workers in Uganda's [illegible] major industries [illegible] ensure of keeping their jobs became more confident. [illegible] and efficiency increased. Budget deficit decreased from 71.5 per cent in 1980/81 to 30 per cent in 82/83. The IMF allowed a rescheduling of external obligations.

The two windows continued up till June 1984 when they were merged into a "Door". To Uganda's policy makers, the system was a harbinger of growth — increased productivity in agriculture, industry, more exports in agriculture, less imports. But sooner, the system began to take great tolls on other areas of the economy. Inflation went wild, with prices of consumer goods increasing, in some cases, 20 fold. Oil prices jumped 11 times, prices of tobacco, beer and soft drinks also increased. Government quickly saw the need to do something drastic about the salaries of workers. In June 1982, civil servants were exempted from paying income tax. In April 1983, workers had a 20 percent increase in wages. Two months later, they had another 50 percent increase. In 1984/85, government workers had their salaries trepled, with a minimum salary fixed at 5000 shillings. Workers earning less than 150,000 shillings yearly were spared of

Obote: Printed more money

taxes.

The trebling of workers wages was a government reaction to some disruptions in its 1984/85 budget. Government used the exchange rate of 330 shillings to one US dollar to calculate its commitments. But this rate increased to 600 shillings to one dollar. Government found itself in chase of extra shillings to cover the foreign exchange projections in the budget and bankroll other domestic expenses that increased in the wake of the rise in exchange rates.

According to Prime Minister Dr. Samson Kisekka, the Obote administration did not have the money to meet these increased expenses and thus resorted to printing money.

"The Obote administration in the course of its last financial year, pumped into the economy over shillings 100 billion of useless money because of its failure to control government expenditure... the Okello administration also increased the money supply by another shillings 60 billion in its six months in office," Kisekka said.

In January 1981, the money in circulation was Shs 31 billion. This rose to 330 billion by December. In 1983, it was Shs 44 billion. By December 1984, money supply reached Shs 111 billion. By June 1985, it was Shs 182 billion. The Museveni Government met Shs 240 billion in January 1986.

Dr. Kisekka gave a succinct analysis of the implication to Uganda economy of this [illegible] money supply: "When domestic output was at the best sluggish, this financial [illegible] led to a massive increase in inflation which eroded the value of the money in people's pockets and discouraged savings and productive investment."

In today's Uganda, the Ugandan shilling is almost valueless. A bottle of beer costs as much as Shs 6000. Soft drinks sell for as high as Shs 3000. Yet the minimum wage is 9000 shillings, just enough to buy two bunches of the green plantain, used in preparing the national staple "matoke".

The collapse of the second tier exchange market in Uganda was a child of several factors: the five year guerrilla war which diverted resources into arms acquisition (about 182 million was spent in 1982), the inadequate funding of the Second Window, causing over bidding and a wild depreciation of the Ugandan shilling and the economy's great reliance on coffee exports.

In interviews with financial experts in Kampala, *African Concord* gathered that Uganda's experiment with the second window was bound to result in disaster partly because of the war and partly because of funding. "The second window rendered our currency very useless. People don't live on salaries here. They have to do some other businesses to make ends meet," said an [illegible] [illegible] with one of the commercial banks.

Mr. F. [illegible], a UNDP expert with Uganda Commercial Bank, explained that the second window was to enable a national currency find its actual level in the free market. "It is a way of institutionalising the black market." But he said the objective would be defeated if after a country's currency was devalued, it couldn't increase its export capacity to earn more foreign exchange for its cheaper products.

That was the tragedy of Uganda. Only coffee production increased and the gains here were easily offset by the downward slide in coffee prices in the world market. For the scavengers of the country's meagre foreign exchange — the 39 major industries, production gain was about 30 per cent, not even enough to match domestic demands. For them, even if they had produced surplus for exports, their products would not have been able to match other competitive products as they lacked what economists call "comparative advantage".

As Mr. [illegible] noted, "SFEM is useless where a producer has to import 90 per cent of inputs". That was the lot of many Uganda industries. That was why the second window only had a marginal effect on their productive capacities. That was why Uganda, at last, divorced the second window.

— Bayo Onanuga

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Babangida drops co-pilot

President Babangida takes his cabinet reshuffle to highest quarters and drops his co-pilot

NIGERIA'S rumour mill was abuzz recently regarding Commodore Ebitu Ukiwe's absence at the 26th National Day Parade at Abuja. What could be amiss? What was the implication? Speculations were aplenty and the hastiness by which the parade was closed and officials rushed down to Lagos gave additional fuel.

Last week, the Armed Forces Ruling Council (AFRC) settled the gathering dust when it announced the removal of Commodore Ebitu Ukiwe from the exalted post of Chief of General Staff. Rear Admiral Augustus Aikhomu who was then the Chief of Naval Staff was named Ukiwe's successor. Ukiwe has thus gone into history as the first person to be so removed.

No reason for the change was given by President Ibrahim Babangida who announced it at the end of the six hour AFRC meeting in Lagos.

But Ukiwe's aides told the *African Concord* that the absence of the bespectacled naval chief at Abuja was the major reason. "His removal had much to do with his absence at the Independence Day Anniversary celebrations", an aide said.

Informed sources in Lagos said Ukiwe's absence from the parade emanated from his dissatisfaction with the order of ceremony. He was placed No. 3, after General Domkat Bali, Chairman Joint Chiefs of Staff and defence minister.

"Ukiwe complained bitterly about this and stayed off Abuja" said a source. By precedence in military eras, the Chief of General Staff is supposed to be the nation's No. 2 citizen, after the Head of State. Early in its life, the Babangida administration has been caught in this controversy about who should be No.2. Military leaders dodged the issue then

Babangida: Another surprise drop

saying the regime was not concerned about positions as it worked as a team.

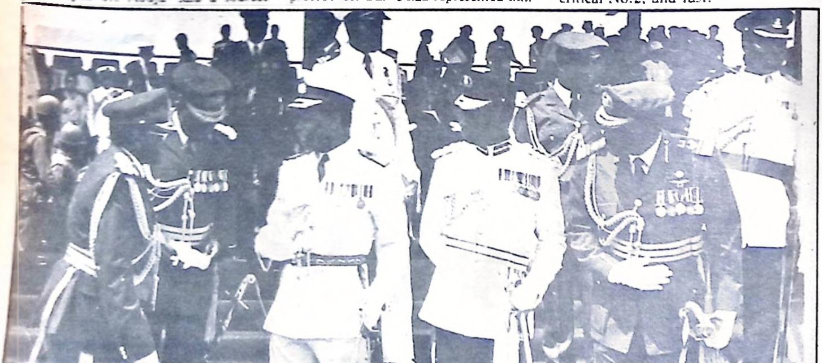
The misunderstanding was later laid to rest by President Babangida himself through words and deeds and by a government gazette stating the order of precedence. Ukiwe had represented him in various fora in the capacity of a vice-president. This is in addition to the time-honoured tradition that the military leadership (Bali) cannot take precedence over the political leadership. Ukiwe handled mostly political matters.

The National Day protocol committee was said to have reversed the traditional order of precedence on the pretext that the National Day parade was a military occasion. Whether such a far-reaching reversal was made with the President's knowledge is unclear. But Ukiwe was not persuaded that the National Day celebrations could be a military matter and reportedly told the President so.

It is, however, being speculated that Ukiwe's removal was not entirely because of his boycott of the Abuja parade. For some time, he and General Babangida had not been agreeing on some issues. An informed source at Dodan Barracks said Ukiwe and his boss did not agree for instance on the refund of salaries deduction to junior workers. "This argument was that the nation needs more money to get out of the woods", the source said.

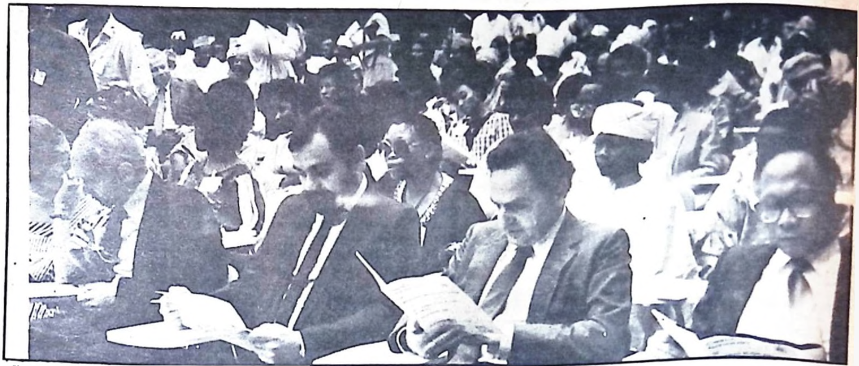
Some other sources spoke about Ukiwe's running war with some ministers, particularly External Affairs minister, Professor Bolaji Akinyemi. With General Babangida, Ukiwe had once publicly embarrassed him during the uproar over Nigeria's membership of the Organisation of Islamic Conference. Ukiwe said then that he knew nothing about the decision and that it was never discussed at cabinet level.

However, under the 1979 Constitution, President Babangida is empowered to make certain foreign policy decisions without reference to his cabinet. With the OIC issue still a sleeping bomb, it was not impossible that Babangida used the Abuja incident to get rid of his critical No.2, and fast.



Service Chiefs at national day parade

Pix by Segun Adebayo



Foreign dignitaries at Nigeria's national day

Commodore Ukiwe's departure has left some room for further speculations on his political future. The president did not say whether Ukiwe would be redeployed or not. There is the suggestion in the air that he is in line for a ministerial appointment. The other avenue open to him was that of becoming the head of the navy. This has shut itself against him due to the appointment of Rear Admiral Patrick Koshoni who until then was the Minister of Labour, Employment and Productivity.

Commodore Ukiwe, 46, was the second naval ever to become a Number Two man in the history of the military in Nigerian politics. He was also the first number two citizen to be removed from office, in either a militarty or civilian government. His ascendance to power was rocked by an initial confusion of interpretation when General Abacha almost made an issue out of it.

In his 26 years in the Nigerian Military service, Commodore Ukiwe came to public limelight 13 years ago. That was when he was made a member of the Supreme Military Council during the regime of General Murtala Mohammed. Thereafter he became the military governor of Niger State and later, administrator of Lagos State.

In January 1984, he was appointed the Flag Officer Commanding the Western Naval Command (FOC West). From that post Commodore Ukiwe became Chief of General Staff (CGS) when the Babangida administration came into being. During the Buhari regime, Ukiwe also served as a member of the Supreme Military Council (SMC).

Preceding the announcement of Ukiwe's removal was that of the retirement of Mr. Etim Iyang which takes effect from November 1, 1986 after 37 years of service in the police force. The news of Mr. Iyang's retirement did not come as a surprise. It was a national rumour for sometime. Many people even speculated that Police Commissioner, Fidelis Oyakhilome, former governor of Rivers state was removed, to take over from Mr. Iyang as Inspector General.

On his independence day nationwide broadcast, President Babangida said that the Nigeria Police Force was to be overhauled. Prior to that, on the eve of his departure to Harare to attend the Non-Aligned Movement summit, the president gave an ultimatum to the police to either curb the country of the hideous crime of armed robbery or own up to its failure.

On the history making day which saw the nation's number two citizen out of office, three out of four new AFRC members were sworn in. They are Colonel David Mark, Director, Corps of Signals, Nigerian Army; Brigadier Garuba Duba, General Officer Commanding 2 Mechanised Division, Nigerian Army, Commodore Godwin Ndubuisi Kanu, and Air Commodore Nureni Yusuf, who was not present at the swearing-in ceremony. No explanation was given for his absence.

Ukiwe: His absence at Abuja caused jitters

Brigadier Duba who was born in 1942 in Kontangora, Niger State is not new to public life. Apart from serving as Brigade Commander, he was also the military administrator of Bauchi State and Commander 23 Armoured Brigade from 1978 to 1979. Between January 1984 and August 1985, he was the governor of Sokoto state.

During the Nigerian Civil War, Brigadier Duba served as troop commander and was later a Squadron leader and a regimental commander. Duba replaces Brigadier Yohanna Kure in the AFRC.

Colonel David Alechenu Mark who is popular among members of the army was born on April 8, 1948 at Oturkpo, Benue State. Colonel Mark who replaces Colonel Raji Rasaki, who became the governor of Ogun state last month, was commissioned into the Nigerian Army in 1970. During the coup of December 31, 1983, Colonel Mark was director of telecommunications in the army. Between January 1984 and August 1986, he was governor of Niger State.

Commodore Godwin Ndubuisi Kanu had a taste of public life in 1976 following the creation of additional seven states. He was the first military governor of Imo State. Later he was transferred to Lagos State.

He became a member of the AFRC in his new capacity as Flag Officer, Naval Training. He replaces Commodore Babatunde Elegbede. But both Commodore Elegbede and Brigadier Yohanna Kure according to the president, would remain in the AFRC "on personal merit".

— Ben Etaghene

A 'Titan' is dismissed

The Army Council gave a red card to one of the country's most remarkable army officers. [illegible] reports

N[illegible]

[illegible]

at [illegible] Col. Madaki had made a very [illegible] Nigerian army [illegible] [illegible] [illegible] However the [illegible] [illegible] [illegible] [illegible] [illegible] as the [illegible] [illegible] [illegible] Alhaji Abba Tukur for "selling [illegible] the constituted authorities."

The [illegible] of the emir was still [illegible] Col. Madaki [illegible] [illegible] the [illegible] of the *New Nigerian* newspaper in [illegible] announced its support for [illegible] military [illegible] by [illegible] Ibrahim Babangida.

[illegible] as admitted by Alhaji [illegible] the first son of the Sultan [illegible] Madaki had "stepped [illegible] people's toes". This [illegible] of the northern emirs [illegible] was reported [illegible] Dodan Barracks against [illegible] Madaki. A few days [illegible] Madaki was asked by the [illegible] Military Government [illegible] government now in [illegible] State.

[illegible] weekly magazine [illegible] interview given by [illegible] village, Zamfara, where [illegible] mourning his deceased [illegible] The former governor said in

that interview: "If I had not removed the emir I would not remain as governor." As far as the Emir was concerned, he said, there was no [illegible] just a world [illegible] "I want to set right [illegible] I want to be [illegible] after I was governor."

Madaki [illegible] of the [illegible] of opinion leaders and said: "The military came to power because there was corruption. So we made laws and tried some people, found them guilty and jailed them. [illegible] people are now saying that no matter what some Nigerians do, they should not be touched."

Madaki was [illegible] and that if he [illegible] to the title to [illegible] he would be the best army officer in the country.

Many observers agree that Madaki's days as governor had been [illegible] ing. He worked like a Titan and showed remarkable initiative and [illegible]. When the former governor removed the Emir of Muri, he [illegible] strong reasons for doing so. He was always [illegible] stand by the oppressed and asserted in the interview that the country was not yet ready for honest [illegible].

His [illegible] appears to have forced the hand of the Army Council to dismiss him. [illegible] the council was said to have had no difficulty deciding the former governor's case. It is not clear if Madaki intends to sue the Army Council since he apparently has that option.

Last Friday an [illegible] and cheerful Madaki asked the [illegible] correspondents to give him a break, and promised to speak later on his adventures. "I am going to my village to rest for the meantime," he said, "then I will be ready to talk to you [illegible]."

Madaki's famous (risky) sayings

[illegible]

before, but they compelled me, they forced me."

* * *

"They put white cloth on top of the table in order to put things all right. So you never get a [illegible] you never know the people. Everybody keeps on telling you about his achievement but just behind the backyard there you see things for yourself. I would tell you I visited a school. This chap painted the stones, painted the trees, made them beautiful, the children were to sing national anthem very fine, they came outside and they put everything, then the classroom was painted. So I said okay let's see the inside. Then I discovered that the blackboard had never been written on before. When I used the chalk it refused to write because they used coal tar to paint it. Very fine, but it cannot write."

Excerpted from the New Nigerian September 6, [illegible]

NNSC: The last days

The much-maligned supply firm on its final days has [illegible] customers are biting their fingers.

[illegible]

Assistant Trade Minister

[illegible] the release of [illegible] to be sold at $108,000. She paid a commission of [illegible] to the Alhaji to get the transfer.

[illegible] traders presented [illegible]. With despair [illegible] they queried the [illegible] of their source of livelihood [illegible] theirs. Resigned to the [illegible] of events, they ask for more [illegible] refund of their monies paid for [illegible] so far unsupplied. The [illegible] arrangements for this refund. But the traders come against a wall [illegible] of the commission were [illegible] pay out to people who operated under the cover of dark.

On the whole, the NNSC is [illegible] its customers worth N16 million. [illegible], flanked by his directors, the General Manager Rtd. Major [illegible] and other top staff, stated emphatically that the company could pay what it [illegible] that matter, outsiders owe it N26 million, leaving a take-away balance of N10 million.

Just into the last quarter in the process of winding up, the management has [illegible]. All commodities in its inventory have been determined and sold to customers. [illegible] of the directors told members of the public to beware of dupes who claim the company is still expecting shipments. In fact, it no longer has commodities.

With reduced activity, eighteen depots and ten branch offices throughout the country have been closed. Two thirds of its staff strength (1,000) have been reduced with [illegible] million paid out as claims.

The "good" staff may be absorbed into the Federal Civil Service.

Less fish more demand

[illegible]

This shortfall in satisfying the Nigerian appetite for fish has had adverse effects. The attendant ascension in the price of fish has put the commodity beyond the reach of many and has forced rationing among those who still can reach it.

Protein-energy malnutrition affects between 20 and 30 per cent of Sahelian pre-school children, according to FAO. The evidence in Nigeria points to a worse picture affecting even the general populace. The shortage of [illegible] cheap protein source [illegible] helped to [illegible].

The Food and Agriculture Organisation has declared [illegible] World Food Day [illegible] and Fishing Communities. The worldwide [illegible]

[illegible]

Folalumi Tubosun

Irikefe CJ of Federation

Executed in error

An unprecedented legal tussle was held at the Supreme Court last week.

THE Supreme Court will, on December 5, 1986, deliver judgment in a case which (it was admitted last week by the Federal Attorney-General and Minister for Justice, Prince Bola Ajibola) seemingly put the nation's judicial system in a square box. Declared Prince Ajibola: "It is a very important case because of its constitutional content. It is important for the development of our law and will decide whether our judicial system calls for a review."

At the centre of the legal tangle is an armed robbery convict, Nasiru Bello, whose public execution was prematurely effected five years ago by the Oyo State Government while a valid appeal against his sentence was still pending. His dependants -- 14 in number — are asking for ₦100,000 as reparation from the Oyo State Government for the "illegal killing" of their bread-winner and damages done by it to the name of their family. The Appeal Court in Ibadan presided over by Justice Uche Omo dismissed their claim on the ground that the plaintiffs' "cause of action was unknown to the law." It however recommended that compensation be paid by the government to the dependants of the deceased to "assuage their feelings."

When the appeal first came up for hearing at the Supreme Court last July, the court decided that the appeal raised serious and fundamental issues of law and directed that fuller and deserving briefs be filed by the two sides. They also directed that all the Attorneys General in Nigeria be invited to express their views as 'amici curae' (friends of the court).

Hearing in the appeal ended last week on a dramatic note with the Attorney General of Kwara State, Mr. L.K. Obasa, making a last minute U-turn. He asked the court to discountenance his earlier argument in support of the respondents. He filed a fresh one in favour of the appellants. On the whole, 13 attorneys-general presented independent briefs of argument, seven out of which cast their lots on the side of the appellant's counsel, Prince Joseph O. Ijaodola, praying that the appeal be allowed to succeed. The remaining six joined the respondents, the Attorney-General of Oyo State, in calling on the court to dismiss the appeal on the ground of procedural defects in the writ of summon and pleadings. The entire proceeding at the hearing was, itself, marked by exciting exchanges between the Chief Law Officers and the seven Justices -- Justices Mohammed Bello, Anthony Aniagolu, Dahunsi Coker, Adolphus Karibi-Whyté, Saidu Kawu, Chukwudifu Oputa and Alfa Bello Belgore who heard the appeal.

Ajibola – Justice Minister

Federal Attorney-General Prince Ajibola, was one of those who opposed the appeal. He agreed that there were reckless and negligence on the part of the respondents in prematurely terminating the life of Nasiru Bello, but contended that it was not an "illegal killing" as pleaded by the appellants' counsel

He noted that there was a valid judgment which had not been offset by any competent court at the time of Nasiru's execution. The case of the appelants, said the Justice Minister, had been spoilt by bad writ of common and pleadings. "My lords, it is a writ with an ugly face," he declared. But his contention earned him rigorous probing by the court.

"Has he (Nasiru) a right to appeal?" Justice Coker asked "He has a right to appeal." Prince Ajibola replied. "Has he a right to live to prosecute his appeal?

He was asked. "He has a right to live to prosecute his appeal" replied the Minister.

"If he was not allowed to live to prosecute his appeal, is that not unconstitutional?"

Prince Ajibola told the court that he would call it any name but certainly not "illegal." Later, it was the turn of Mr. Henry B. Fabunmi, the Attorney-General of Oyo State who was also the respondent, to walk the tightrope. He told the court that Nasiru's execution resulted from an "administrative error," but according to him, "We did not commit any illegal act. The court was not satisfied. " What did you commit? demanded Justice Bello (presiding).

"It was as a result of an administrative omission," replied Mr. Fabumi

"What was the omission?" Justice Bello pursued further. "The man was

... allowed to prosecute his appeal", said the respondent.

"Was that lawful?"

"I agree that not allowing him to prosecute his appeal was against certain sections of the constitution."

"If it was against certain sections of the constitution, is that lawful?"

"It was not strictly lawful."

"What is not strictly lawful is unlawful. Was it unlawful?"

"It was unlawful," the Attorney-General finally admitted, but he quickly pointed out that even if it was unlawful there ought to be a prescribed punishment before the appellant's case could have a basis in law. He argued that the grounds of appeal and claims of the appellants fell within neither the straight-jacket of the Torts Law of Oyo State nor that of the constitution and that the lower courts were therefore right in dismissing the claims. Other five Attorneys-General who asked that the appeal be dismissed were those from Plateau, Rivers, Ondo, Benue and Cross River States. All, however, agreed that the appellants had a right and that there was gross negligence on the part of the respondents.

Earlier in his submission, the counsel to the appellants, Prince Ijaodola leading Mr. Shittu Bello, had told the court that he was basing his appeal on the general principle of law which, according to him, said "where there is right there must be some remedy". He contended that the appeal court Justices erred and misdirected themselves in law in dismissing the plaintiffs'/appelants' appeal on the ground that the plaintiffs' cause of action was unknown to the law" and at the same time recommending compensation to the plaintiffs.

He argued that by recommending compensation, the court had tacitly admitted that some injury was done by the Oyo State Government and that once this was conceded, the court ought to have awarded substantial damages in favour of the plaintiffs.

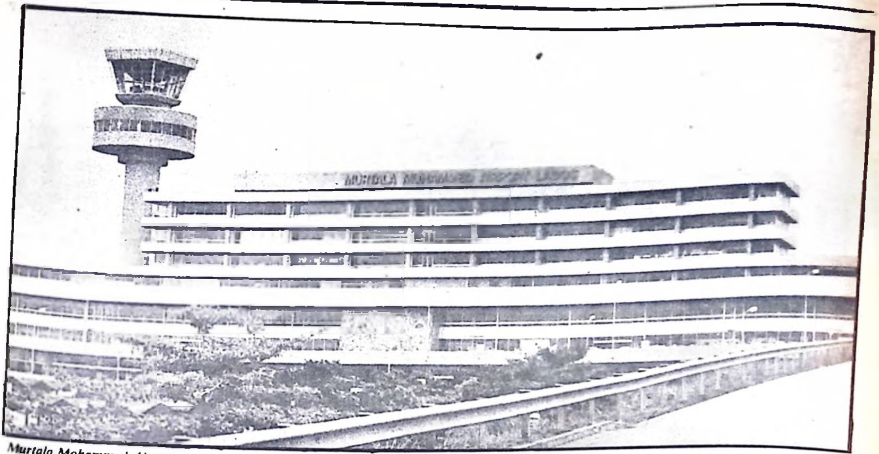
The Attorneys-General of Anambra, Imo, Kwara, Benue, Kano, Niger and Kaduna states asked the Supreme Court to allow the appeal. They maintained that the appellants had a cause of action. The Attorney-General of Anambra State, Mr. J. C. N. Ugwu, said that there was not much difference between the words "wrongful" and "illegal" but that they could be interchangeable. The action of the Oyo State Ministry of Justice in recommending the execution of Nasiru was wrong and amounted to a breach of his fundamental right in accordance with sections of the constitution, he said.

He pleaded with the court not to punish the appellants for the lapses of their counsel. He urged the court rather to use its "inherent judicial powers" to do substantial justice. "I urge your Lords as the final courts of the land to be courageous and not to be timid," he said.

Mr. Ben Nwaitanma, the Attorney-General of Imo State, submitted that the appeal was sufficiently based on the Torts Law of Oyo State. He said that it was not true that the cause of action of the plaintiff was unknown to the law as argued by the Court of Appeal. Mrs. Hansine Donli from Kaduna State was of similar view.

Abdullahi Mustafa, the Attorney-General of Niger State who came with Mohammadu Danisu, a senior state counsel, also argued in support of the appeal. He urged the court to uphold it. "We should not allow the impression to be created that government officials could do something wrong and go scot free," he cautioned.

— Oluwambo Balogun



Murtala Mohammed Airport

Air travel crisis

For airlines which hauled passengers by the thousand, now take a twinkle as airlines demand clarification on SFEM.

THE decision of the 29 foreign airlines operating in the country to suspend the sales of tickets in naira had particularly hit Nigerian international travellers who incidentally have become the first casualties of the Second-tier Foreign Exchanges Market (SFEM). Their plight is a catalogue of human miseries. Since the beginning of the month when airlines started to shun naira ticket holders, Murtala Mohammed International Airport has hosted an unusual crow reminiscent of either Christmas or Easter holiday.

Nigerian travellers with confirmed tickets bought in naira could not travel due to the deadlock arising from the operational principles of SFEM . The airlines want air fares that would reflect the rates of exchange charged in SFEM. But the Federal Government has failed to provide any guidelines.

The airlines argue that it would be unprofitable for them to charge existing fare and repatrate their revenues through the second tier market. After an initial refusal to accept tickets purchased with naira, on October 2 they decided to make refunds "because there was no possible agreement in the horizon." That decision had a far reaching impact on travellers leaving Nigeria. This was manifested in the case of one Mr. Dominic Okafor who left Agbor in Bendel State with a confirmed ticket for Amsterdam on a KLM flight. But he was caught in the middle of a government policy and its implementation.

Despite the ruling that "all former tickets bought in naira are now only good for only refund" But Okafor stayed in Lagos for four days. The situation remains confusing because the government has failed "to come out clearly on what is to be done with respect to price fixing." This failure and the lack of a clear-cut direction has contributed to the hardship and disorder at the international wing of Murtala Mohammed airport.

It is evident that this tug-of-war will continue because of "the unrealistic bidding by banks for the naira" at the second tier market. During the first two weeks of SFEM, the naira depreciated but it picked up strength in the third. How much this will contribute to ease the current stalemate remains to be seen. And as a representative of one of the airlines said, "the Federal Government, in spite of this, has to come out with something concrete."

According to ministry officials, the Minister of Transport and Aviation, Brigadier Jerry Useni, has been making some frantic efforts to brief the president on how to resolve the issue. They said that the ministry was on the verge of structuring a new air fare rate for the airlines during the period of the SFEM.

The search for a solution has also attracted the attention of International Air Transporters Association (IATA) which has indicated its willingness to send a delegation to mediate in the ongoing controversy with the Nigerian government. Since the beginning of this month, foreign airlines operating in the country have minimal level of passenger traffic. With their refusal to carry passengers from Nigeria with tickets purchased in naira the national carrier has an unprecedented upsurge in patronage. The situation has degenerated into one of the worst ever recorded human suffering associated with air travelling in Nigeria.

Its attempt to maintain the status quo led to the "overflowing" of passengers at the Nigeria Airways counter while most foreign airlines counters were virtually empty. Many foreign airlines now pick up very few passengers from Nigeria. For Egypt Air the impasse has not had much impact on their business as "this is no peak season" for them. But for British Caledonia which operation a DC 10 with usually hundreds of customers it is a different story. Since the beginning of the "crisis" they have had the average of 60 passengers per week.

For KLM, the Dutch carrier, in normal times operates three flights out of Lagos per week. Its aircraft, a DC 10 with the capacity for 240 passengers only picked up 30 passengers from Lagos per flight.

The story is about the same for all of them. The few passengers they carry now are those foreigners returning home with tickets purchased in their countries of origin or those who received prepaid ticket.

— **Ben Etaghene**

Uganda

Ministers charged with treason

[illegible], our Kampala correspondent, reports on Museveni's [illegible] on government opponents.

The [illegible] were [illegible] in the [illegible] Kampala [illegible] Tuesday [illegible] overthrow [illegible] the Government [illegible] Museveni.

[illegible] Luwero [illegible] Lwiira, [illegible] of the [illegible] Freedom Movement, [illegible] environment minister, and [illegible] commerce minister. They [illegible] with [illegible] other Ugandan [illegible] including [illegible] Milton Obote, [illegible] editor of the [illegible] paper of the Democratic Party, and [illegible] former [illegible] general of the DP and later of the Uganda Freedom Movement.

Camp plot

The accused were brought to the court from the maximum security Luzira prison [illegible] Kampala under heavy guard. They are charged with plotting Museveni's armed [illegible] between [illegible] August and October [illegible] offences which carry the death penalty. [illegible] who is being [illegible] army barracks in [illegible] in court although [illegible] on the charge sheet.

[illegible]

[illegible]

[illegible] received the news of the [illegible] They were told in a [illegible] that the accused had [illegible] to infiltrate the units of the [illegible] Resistance Army (NRA), [illegible] power in January, to recruit [illegible] into their own rebel force. This [illegible] to link up anti-government [illegible] based in northern Uganda and [illegible] Sudan.

[illegible] arrested at [illegible]

The opposition Democratic Party responded by immediately calling a meeting and it is believed that it is now considering pulling out its remaining three cabinet ministers from the government in protest at the arrest of Nyanzi. They are finance minister Ponsiano Mulema, internal affairs minister Paul Ssemogerere — the DP leader — and regional co-operation minister John Ssebaana-Kizito.

It is the first time in 20 years that members of the cabinet have been detained.

It is the first time in 20 years that members of the cabinet have been detained. Milton Obote created the precedent in 1966 when as Prime Minister he had six ministers arrested after a stormy parliamentary debate in which they passed a no confidence vote in him. The six were not released until five years later when Army Chief of Staff, Idi Amin, seized power.

Although the Museveni Government has pledged that all those arrested will be given a proper trial it has already breached Ugandan law by detaining the suspects for more than 24 hours and removing them from police custody.

Kayiira's wife Betty, who was with her husband at the time of arrest, has also fuelled the controversy by her description of how they were both "ambushed" by a group of soldiers in their car. Her husband was hastily dragged out and taken away.

Lwanga's arrest in front of his home in the middle of night was equally dramatic. His armed guards opened fire on the approaching soldiers killing one of them. Reinforcements were called in and a shootout followed in which at least four people were gunned down.

Only Paulo Muwanga's arrest failed to raise eyebrows. As Obote's number two he was responsible for the campaign against the NRA, then a guerilla force. The 61-year-old businessman was picked up at his home in Nsamizi, Entebbe, where he has virtually been under house arrest since May.

The accused were rounded up following a helicopter crash in which President Museveni's principal private secretary, Commander Serwanga Lwanga, was seriously injured. The incident which occurred 15 miles from Entebbe, was given no official publicity but it is [illegible] widely rumoured that sabotage was involved.

Meanwhile the [illegible] battalion of the Uganda Freedom Movement, stationed at the Namukola near Kitgum in northern Uganda, which according to the government had attempted to link up with anti government troops in southern Sudan, had now been disarmed, rounded up and detained at Luzira. According to reports they were taken to Kampala in container wagons and at least [illegible] died on the way.

Gaddafi conferring with Uganda's Vice-Chairman of the National Resistance Council (NRC), Haji Moses Kigongo

Uganda

Echoes of the Gaddafi visit

Ugandans are still discussing the controversial visit of Libyan leader Colonel Gaddafi, which followed his appearance at the Non-Aligned Summit Meeting in Harare. **David Musoke** reports from Kampala.

Long after the departure from Kampala of Africa's most controversial figure, Colonel Muammar Gaddafi of Libya, the debate goes on in Uganda about his three-day visit and Libya's relations with the Government of President Yoweri Museveni.

Two weeks after Gaddafi's departure, Museveni summoned the American ambassador to Uganda, Robert Houdek, to justify the visit.

He clarified, said the state Radio Uganda, that Uganda's relationship with Libya mainly sprang from the fact that Libya sympathised with his guerrilla movement, the National Resistance Movement (NRM), and that Libya helped the four-year struggle against the governments of Milton Obote and General Tito Okello.

Neutrality

Museveni told the American envoy that if America and Libya were fighting each other, Uganda would not get involved. He pointed out that America dealt with South Africa while many Africans were getting killed. Most African countries had condemned South Africa, and yet they were still dealing with America.

Gaddafi's arrival caused quite a stir in Kampala. He and Captain Thomas Sankara, leader of Burkina Faso, had been expected at Entebbe airport on September 4 for stopovers on their way home from the Non-Aligned Summit in Zimbabwe. Museveni had appealed on the radio for his guests to be given a rousing welcome.

So large crowds, including flag-waving schoolchildren, lined the 21-mile Kampala-Entebbe road. The two had been expected to fly in the same aircraft with Museveni, but the Ugandan leader came earlier, apparently to receive them on arrival.

The Libyan leader emerged from one of the four jets looking every inch a messianic figure, to be greeted with a warm embrace by President Museveni.

People waited patiently in the scorching sunshine for seven hours, but neither leader showed up. Foreign envoys and pressmen at Entebbe were advised to "call it a day" because the authorities had not been able to contact the guests. Then, when everyone had left, at 8.30 pm Sankara flew in on a Burkina Airlines Fokker 28 jet.

Gaddafi came two days later — at 3.30 pm on 6 September.

The night before, three Soviet-built Ilyushin aircraft brought 250 Libyan troops — Gaddafi's personal guard — in two bullet-proof BMW limousines, and two Land Rovers mounted with sophisticated long-range guns. The Libyan troops, in green-brown camouflage uniform, lined both sides of the Entebbe runway and took up positions all around the otherwise quiet airfield.

Entebbe airport has known little activity since Israeli commandos raided it in 1977 and rescued 100 hostages taken there by armed Palestinians in a hijacked Air France Airbus.

When Gaddafi arrived, other Libyans in plain clothes could be seen above on the waving bay toting AK 47 assault rifles while yet more patrolled the airport's tarmac. They totally overshadowed the Ugandan security personnel.

Dramatic entry

A small helicopter with foreign registration numbers landed first, almost from nowhere, carrying a Libyan army officer dressed in a smart cream parade uniform with matching striped cap and dangling a green baton.

Then Gaddafi himself came with a fleet of four large aircraft which landed in such quick succession it was not possible to tell on which he was travelling. The Libyan leader emerged from one of the four jets looking every inch a messianic figure, to be greeted with a warm embrace by President Museveni.

Entebbe airport had never seen such a display of military might and wealth of aircraft. One enthralled spectator whispered to a newsman: "This is indeed the man who challenged the most powerful country in the world, the United States."

He greeted foreign envoys — from the West only the Italians attended — and local Muslim leaders, and then a horde of Libyan militants who had flown in with him on one of the aircraft chanted: "Down, down US! Death to the Americans. To Americans." The same group had demonstrated in Harare when Gaddafi spoke to the Non-Aligned leaders.

The Amin factor

At a State House press conference, Gaddafi was at pains to explain that he had supported former military dictator Idi Amin because Amin had expelled Israelis from Uganda. At a mosque in Kampala he called for the Islamisation of Uganda and denounced Christianity as a colonising religion. Christians were colonists.

His remarks drew strong objections from the Ugandan Anglican Bishop for Kigezi Diocese, south-western Uganda, the Rt Rev Festo Kivingere, and from Kenyan President Daniel arap Moi. They set off a debate in the Ugandan press about whether the country had benefitted from Gaddafi's visit.

Moi, a devout Christian, dismissed Gaddafi's claim that Christianity was a Western religion trying to colonise the African continent. He said anybody with any knowledge of African history would know that Christianity started in Africa and had a better claim to the continent [illegible] other religions. He said: "Who carried Christ's cross? He was from Africa."

According to the Bible, Jesus Christ was helped to carry the cross by one Simon of Cyrene, [illegible] North Africa.

Provocation

Bishop Kivengere said the remarks by "our friend from Libya" were "either very provocative or very [illegible] at best and [illegible] what they were [illegible]."

"If Christianity is identified with colonialism because missionaries who brought it came from Europe [illegible] the same [illegible] is an exaggerated [illegible] of history and very [illegible]."

"[illegible] to Islam, [illegible] the African faith, [illegible] the missionaries who brought [illegible] came with the [illegible] and [illegible] of hunting [illegible] the fact that [illegible] missionaries were involved in the slave trade."

"No more wars"

"However, if we dwell on digging up the bones of [illegible] history, the possibility of living together in this world will be [illegible]. We in Uganda had our religious wars in the last century. We do not want any more [illegible]. Muslims and Christians in Uganda, having learnt their lesson, now live together in peace."

Bishop Kivengere, who has called on Ugandans to support the ruling National Resistance Movement, pointed out: "I am sure when our President visited Libya [illegible] to make the [illegible] Muslims perhaps [illegible] death, and they would have been right to react like that, because that would not have been his [illegible]."

Explanation needed

The Bishop called on Museveni to issue a statement clarifying Gaddafi's assertions. The Ugandan Government made no statement but the public reacted by sending letters to the press. The independent English language Weekly Topic asked: "Bishop Kivengere turning politician for foreign interests?"

One correspondent, Mary Byarubanga of Mengo, Kampala, was not in the least sympathetic to Bishop Kivengere. She wrote: "Before the Bishop challenges the Christians, the government and the Muslim community to make statements on

Bishop Festo Kivengere: told to examine the corruption and degeneration in his own church

President Museveni

Colonel Gaddafi's remarks, he should first make one on corruption in his church. He should also explain the sources of funds and other resources for his African Evangelistic Enterprise and how these are used."

Another correspondent said: "The Bishop knows full well that the greatest enemy to Christianity in this country is not Islam or Gaddafi. The Church is crumbling because of the moral degeneration of the majority of its leaders. That is why their followers are deserting in total desperation."

Museveni, answering questions from newsmen as to whether Gaddafi's visit had undermined Uganda's credibility, said: "I am not here to fight a war for the Western countries against Gaddafi. The West should fight its own war. I have enough of my own problems. Colonel Gaddafi's visit will not in any way affect Uganda's credibility."

Museveni explained that in 1979 he had fought against Libyan troops who were assisting Idi Amin's regime while the West was trading oil with Gaddafi. He said: "Now that I am friendly with Gaddafi and Gaddafi is quarrelling with the West, let them fight him themselves."

Tanzania

Luxury goods flood market place

D K Leo, reporting from Dar es Salaam, reveals some of the negative results of the country's recent import liberalisation policy.

When the Tanzanian Government allowed businessmen who had overseas foreign exchange connections to import goods from abroad, the intention was to alleviate chronic shortages.

Businessmen responded energetically. But now, the once empty shop windows are full of expensive luxuries from Europe that the average Tanzanian cannot afford.

Looking at the Tanzania Motor Services Company's show window along the famous Samora Avenue in Dar es Salaam, a 70cc second-hand Honda motorcycle imported from the United Arab Emirates costs a staggering 175,000 Tanzanian shillings (US$4,375). A Benelli motor scooter, which has tiny wheels unsuitable for the potholed roads of the city, is sold at 170,000 shillings. A single-doored refrigerator costs anything up to 100,000 shillings and a pair of Italian shoes costs 5,000 shillings.

Again, thanks to import deregulations, ice-cream bars have mushroomed. Pubs appear to be very popular now that there is a greater variety of drinks on tap. The second-hand clothes trade, commonly known as "mitumba" in Tanzania, is also booming. It has proved to be such a lucrative trade that some businessmen have abandoned textiles to sell them.

Recently, a reporter of a local newspaper discovered a number of imported food items in an Arusha supermarket with expired consumption dates. His story prompted health inspectors to make surprise checks and they found a variety of foods and wines which were not only out of date but banned in their country of origin.

The Government itself has banned the importation of toilet soaps such as Ambi, Neko, Mitlik and Jacob which all contain mercury and naphthalene, which are toxic substances with bleaching properties.

Zimbabwe

'Mr Mop' earns first million

Asif Khan's report tells the story of the rise and rise of one of Zimbabwe's youngest millionaires.

From shop cleaner to Zimbabwe's first black industrialist — that is the proud claim of Tony Makwabarara whose factory makes electric cooking stoves for low-income families.

The stoves are cheaper to buy and run than their rivals on the market. They are also helping Zimbabwe protect its environment. The factory was established in response to a call by the Government which was concerned at the number of trees being chopped for fuel. Inexpensive stoves, it was hoped, would go some way towards checking this trend.

The stoves are proving so popular that Mr Makwabarara plans to increase his workforce from the present 73 to 200 within a few months. His reputation is spreading, enquiries about his products have been received from Kenya, Zaire and Zambia. It should not be too long before he enters the export market.

Mr Makwabarara may be on the way to becoming a millionaire, but he began his career as a £4-a-week cleaner in a camera shop in Salisbury — as Harare, the Zimbabwean capital, was them known. He started the factory near Harare in 1980, the year Zimbabwe became independent, with £500 and with the help of a pair of switches and elements bought for £9 in London.

The turning point

"My first stove was made from a second-hand one I bought at an auction," he says. "I repaired it and put in one of the elements from London." Mr Makwabarara, aged 46 and father of five children, added: "We used to battle making five stoves a day. Now, we can produce 60 without difficulty."

The turning point in his fortunes came after a small team of engineers and technicians arrived at his factory from India to help him sort out the problems which were retarding his progress. The team was sent by the Industrial Development Unit (IDU) of the Commonwealth Fund for Technical Co-operation, the developmental arm of the Commonwealth Secretariat, which had been asked by the Zimbabwe Government for assistance.

The IDU was set up, on a recommendation of Commonwealth Industry ministers' meeting in Bangalore, India, in 1979, to help speed up the industrial process in the developing Commonwealth. It took the Zimbabwean project on board in 1985 when it found enamelling as the main problem besetting Mr Makwabarara's factory.

The unit recommended changes to the manufacturing process which, according to Mr Makwabarara, was "primitive". It produced a new design to streamline it, helped him acquire appropriate machinery and engaged the Indian team which had considerable experience in enamelling. The team, led by Mr Ramesh Tyagi, a mechanical engineer and technical director of the National Industrial Development Corporation of India, visited Mr Makwabarara's factory. And the IDU arranged for Mr Makwabarara to visit factories in and around Delhi.

New-look factory

Mr Makwabarara recently resumed production at his new-look factory. Unlike other stoves in the market, which are large ones with four steel hot-plates, his units are small and have two elements. The elements produce heat more quickly than the plates — saving both time and electricity. The stoves are largely made from local materials. "More than 70 per cent of the raw material was imported before the IDU suggested changes. Now, we only need to import just 13 per cent. We are even making our own elements!"

The plant is suitable for making other things and Mr Makwabarara hopes to start producing simple agricultural implements in the near future. His ambition is to increase production to the factory's full capacity of 300 stoves a day when operating three shifts of eight hours. He follows a policy of employing disabled people and hopes to recruit more.

One of his workers, Wilson Nzuma, 38, is blind — but also among the best. He fits switches to the stoves, a task he mastered after patient training from his boss. "For disabled persons work is entertainment," says Mr Makwabarara. "It is also a recognition of their ability to contribute to society like anyone else."

He is confident he can sell as many stoves as he can make. "The first lot went the same day it left the factory. We are now having to ration supplies to the shops to ensure fair distribution." This is a far cry from the days when he left the camera shop after a year to become a freelance electrician and contractor.

"I had always been fascinated by anything electrical," he recalled during a visit to the IDU's offices at the Commonwealth Secretariat in London last month to show off his pride and joy: A gleaming stove.

"I used to fiddle with things electrical when I was a boy and taught myself about electricity by reading books as I grew older." He thanked the IDU for its assistance and said: "This is a dream come true . . . I don't think I could have achieved it without their help.

"It is not only good for me but also for the country. I have answered the call by the government by establishing this factory. The Government is very, very pleased with Commonwealth assistance and appreciates what it has done for us."

Apartheid

International brigade proposed

The Commonwealth Secretary-General floated the idea of an international brigade of volunteers for southern Africa at a special meeting in London. **John Street** reports.

The possibility of an international brigade of volunteers to help Africa's six frontline states in the struggle against apartheid has been raised in a speech to Commonwealth MPs by Commonwealth Secretary-General Shridath Ramphal.

He was addresssing delegates to the annual conference of Commonwealth parliamentarians in London's Westminster. The idea was floated towards the end of a speech, for which Ramphal received a standing ovation, reviewing Commonwealth action on apartheid from last October's summit in Nassau to the August summit of seven Commonwealth leaders in London.

He spoke of the massive damage caused by South African aggression and economic disruption and destablisation in neighbouring states, which are mostly Commonwealth members. Then he said: "If Pretoria continues to resort to aggression and inhumanities beyond its borders, the obligation on the international community to defend the extended family of apartheid's victims will be undeniable. A humanitarian international brigade could well be the response of people world-wide, whatever governments do."

The reference immediately led to comparisons with the international brigades of foreign volunteers who fought on the side of the republican forces against General Franco's fascists in Spain in the 1930's.

The Secretary-General was, however, talking of a humanitarian rather than a combatant role in the context of the deepening economic and social needs of South Africa's neighbouring states.

The Commonwealth has already extended help to these countries in their efforts to reduce dependence on South Africa and overcome the effects of South African action designed to punish them for their stand against apartheid. It has also launched educational schemes for exiles from South Africa and Namibia seeking refuge in neighbouring countries.

Commitment

Voluntary action, inspired by the revulsion against apartheid and commitment to the war against poverty in Third World countries, could complement official support for these countries, whose efforts to improve the living standards of their people have been set back by South Africa.

Several thousand people from many countries across the world were driven by idealism to enlist in the fight against fascism in Spain. They included noted writers like France's Andre Malraux, later to become a minister in the French Government. Some 70 nationalities were represented in the international brigades in Spain, though most volunteers came from Europe. The volunteers from the US included many blacks.

One battalion was named after Shapurji Saklatvala, who in the 1920's had become the first Indian to be elected to the British House of Commons. It included many Cypriots from London. In India itself, Nehru worked for the Indian Committee for Food for Spain which organised the despatch of foodstuffs to the Spanish people fighting fascism. Not all the volunteers in Spain had combat roles. British poet W H Auden was among many writers who joined ambulance units.

Ramphal's humanitarian qualification, as well as the circumstances in Southern Africa at present, preclude a close parallel with the Spanish experience.

There could be a special role for volunteer engineers in several fields and for others with industrial experience to help repair the damage caused to road and rail systems, power supplies and factories by South Africa's campaign of economic dislocation. These are among the principal targets of Pretoria's raids on neighbouring countries. The disruption of transport links is designed to keep these countries in perpetual dependence on South Africa's own transport system for vital imports and exports. The development of alternative routes is a priority aim of Southern African countries, eager to whittle down their neighbour's economic dominance.

The work of volunteers in Southern Africa would have a specific focus. In addition, the anti-apartheid thrust would give a political edge to the concern with development, which may appeal to many people who see apartheid as the modern face of slavery.

Commonwealth debate

MPs from almost all the 49 Commonwealth countries attended the meeting in London — the 32nd to be held of the Commonwealth Parliamentary Association, which was founded 75 years ago. The next meeting is in Kuala Lumpur, Malaysia in 1987. One of the major debates in London was about whether the Commonwealth can survive apartheid. Delegates were just about unanimous that it would. One said: "Apartheid must not survive the Commonwealth. It must be the other way round."

Ramphal made a tough speech, critical of Britain's failure to support stronger sanctions. Prime Minister Margaret Thatcher had earlier defended Britain's cautious position, arguing that it was not the Commonwealth's role to dictate policy to members. Ramphal replied: "It is not possible to be true to the Commonwealth while being less than militant against apartheid."

USA

Black heroes remembered

After being ignored for more than 200 years, black heroes of the American revolution are being remembered, reports **Richard Ellis** from New York.

The forgotten heroes of America's Revolutionary War are suddenly being rediscovered. The black soldiers who helped defeat the British in 1776, ignored for 210 years because of their colour, are finally being recognised.

After years of lobbying by black historians and others, a monument to the 5,000 blacks who fought in the war will shortly be erected in Washington. A bill calling for such a monument recently passed the House of Representatives without opposition and is expected to be approved by the Senate by Christmas.

It will be the first time mainstream America will have formally saluted the black patriots of the Revolutionary War, whose role has been excluded from most history books. Of the 5,000 slaves and freed black men who took up arms, only one gets regular mention in the accounts of the war — Crispus Attucks, whom many Americans will know as the first casualty of the Revolution.

But few of them will know — because the books neglect to mention it — that Attucks, shot dead at the 1770 Boston Massacre, was a runaway slave from Massachusetts. Only chronicles of the war written mainly by black historians in the past few years have begun to reveal the extent of the black soldier's role in the war.

Fight for freedom

Free blacks and slaves volunteered to serve in the army hoping, like the white colonialists, to gain their freedom. Free blacks hoped for the same political rights whites enjoyed. The slaves dreamed simply of a taste of liberty. But even volunteering to risk their lives for freedom was not enough. In 1775, at a meeting attended by George Washington and Benjamin Franklin, it was decided to bar further black enlistment.

Two years later, however, the colonialists desperately needed manpower and blacks were actively recruited. They fought in all the major battles.

Two blacks, Prince Whipple and Oliver Cromwell, were in the boat with Washington when he made his famous crossing of the Delaware River to capture Trenton, New Jersey. Blacks were wounded, captured by the British and died just like their white compatriots; and many were heroes in battle.

In Virginia, William Flora stayed at his post until the end despite being "amidst a shower of musket balls", according to Benjamin Quarles in his book, "The Negro in the American Revolution". In Massachusetts, Salem Poor was cited by 14 officers for acting "like an experienced officer, as well as an excellent soldier".

But despite their contribution, little changed for blacks after the British defeat. The new Constitution recognised the legality of slavery and counted a slave as "three-fifths" of a person in determining taxes.

Back to slavery

For slaves like James Robinson, of Louisiana, it was back to slavery, after being decorated for valour at the battles of Brandywine and Yorktown. Even after volunteering for the 1812 war against the British, Robinson was not freed until after the Civil War ended in 1865.

Despite such treatment, the case of Robinson, and others, is something black Americans today should look back on with pride, according to Maurice Barboza, the man largely responsible for gaining the monument to black patriots. Barboza, president of the Black Revolutionary War Patriots Foundation, was inspired by his childhood memory of a picture hanging on his grandmother's living-room wall. It showed his great, great, grandfather in Civil War uniform.

He visited the Library of Congress and discovered a wealth of black history that has largely remained hidden, a fact he said has contributed to an "ambivalence" among black American's today about celebrations marking 200 years of independence.

He argues: "This unfortunate attitude, which reinforces separateness, is the offspring of an educational system whose purpose was to make blacks feel inferior and apart from the mainstream. The remnants of Jim Crow (statutes enacted by the Southern states beginning in the 1880's which legalised segregation between the races) still behave as an invisible band which keeps us divided, grasping for an American we can call 'ours'."

Barboza says the monument to black patriots will "make us see that the history of blacks did not begin with the bus boycotts of the 1950's, but rather had its roots deep in America's past." The siting of the tribute, he says, is important. He and other campaigners want it to be directly opposite the memorial to the 56 signers of the US Constitution, in gardens separating the Lincoln Memorial and the Washington Monument.

Barboza argues, "The patriots' memorial must be closest to these things with which it shares a common history and with which it is communally perceived to have no relationship at all. Only then can the memorial explode the myths and misperceptions."

It is the spirit of patriots like James Robinson, the slave who fought in two wars but was still denied his freedom, that is the real backbone of America, Barboza claims.

He says: "People lose sight of some very fundamental things. They define success as education, wordly goods, external things. But there are certain things you need to survive — perseverance, desire, strength. These elements were possessed by people that happened to be slaves, people who survived horrendous indignities.

"Some of us don't know what we have unless we look back. We're all descendants of these people, black or white, descendants in spirit. Like Mr Robinson's freedom, the patriots memorial is long overdue.

Jamaica

An economic misadventure

One of the most promising agricultural diversification programmes inaugurated by Prime Minister Edward Seaga's Government in Jamaica has come badly unstuck. **Cedric Lindo** reports from Kingston.

Prime Minister Edward Seaga's economic policies have been dealt a severe blow that follows hard on the heavy voting in Jamaica's local elections two months ago in favour of former Prime Minister Michael Manley's opposition People's National Party.

It has just come to light that the high profile, much-vaunted Spring Plain winter vegetable project has lost more than J$70 million in four years. Until now the public had believed that the scheme was a showpiece of high technology farming making a profit. In fact it has never been so.

First hint of the setback came in mid-August with the announcement that the project was being shifted from South Clarendon to land in adjoining St Catherine and that the acreage would be planted in bananas.

The policy of the Seaga Government has

been not to take the public into its confidence and there was no other information. The silence produced a storm of protest. A joint statement revealing the facts was then issued from the former and present chairmen of the National Investment Bank of Jamaica. The former chairman is Dhiru Tanna, a highly regarded business consultant, originally from Uganda. The present chairman is Mayer Matalon, who controls vast business interests in Jamaica and is the head of one of Jamaica's most successful business families.

To a stunned public the statement revealed a loss in the first year, 1982-83, of just under J$7 million, of J$11 million in the second and of J$29.9 million in the third. Losses in 1985-86 could be around J$30 million. As this is taxpayers' money the public is furious.

The statement did show a degree of bad luck, mainly because of a change in the rain pattern in the South Clarendon. It said statistics over 91 years to 1961 had shown the area to be "a virtual desert" during the five months when vegetables would be grown for the US and British markets. Monthly rainfall was between one and one-half inches and two and one-half inches.

In the Seventies rainfall between December and April was even less. In 1982 the government invested heavily in the project after an experimental plot developed by Eli Tisona of Israel had shown

Prime Minister Edward Seaga: another blow to his public standing

good yields.

By January 1983 good quality vegetables were being exported to the US, making use of transportation via a cargo plane en route to the US from Venezuela.

But mistakes in spraying for disease and the inability to make full use of the cargo space produced a loss. Then a single day in February 1984 produced ten inches of rain. Excess moisture in the harvested vegetables led to huge losses.

The next year unseasonable rains struck again, and were aggravated by mistaken forecasting from marketing intelligence firms in the US and Britain. The market for cherry tomatoes had been badly overestimated. The chairmen say they received a 50-page document full of apologies but added: "The project does not benefit from their apologies."

Other reasons for the losses have been given as a drop in the value of the pound sterling and a fall in the US prices. These price factors have always been a problem with farmers but the huge amounts, by Jamaican standards, have come as a shock.

The transfer to a different area will, it is hoped, avoid unseasonable rains. The statement emphasises that the other government projects in the area — over 200 acres of mangoes, a 30-acre experimental plot of grapes, a large fish farm and now the increased acreage of bananas — should, over ten years, more than offset the losses in the vegetables grown for the US and Britain.

It stresses that the yield per acre in bananas, more than 20 tons, is now higher than that of a banana project in the east which is deemed a great success. But people are not much concerned with future hopes. They see a J$70 million loss which must come out of their pockets.

USA

Triumph for black sanctions lobby

Jeremy Harding, reporting from Washington, examines the role of Afro-American pressure groups in getting the Sanctions Bill onto the statute books.

Major trade and economic measures against South Africa became law on 2 October as the Senate overrode President Reagan's veto on sanctions with a decisive majority of 78 to 21.

The vote marks the final stage of a running battle between the President and the US Congress over sanctions legislation and further undermines the administration's ailing policy of constructive engagement.

The current sanctions legislation took a long and complex route to the statute book. It was introduced in the House of Representatives as a result of intense pressure from anti-apartheid lobbying groups in Washington and elsewhere. Most notable of these is TransAfrica, an Afro-American organisation based in the capital, which seeks to influence the legislative and executive on the formulation of US foreign policy in "the black Third World."

US sanctions movement

Almost a decade old now, TransAfrica began preparing the ground early on for a widespread sanctions movement in the US with concerted public education campaigns in schools and workplaces. It also lobbied assiduously on Capitol Hill, developing links with the Congressional Black Caucus and working behind the scenes to galvanise a broad bipartisan coalition of representatives in favour of sanctions. TransAfrica was the driving force behind mass protests, involving arrests of many Afro-American celebrities, outside the South African embassy in Washington.

Another parallel organisation, the Washington Office on Africa (WOA), has also been pushing for sanctions and numerous changes in US policy on southern Africa. WOA has campaigned for 14 years to end US support for minority rule in the region. It keeps up a steady stream of educational materials on South Africa, briefing churches, peace groups, labour organisations and others on background history and current developments in the area.

By June 1986, with mounting pressure from TransAfrica, WOA and other groups, the House of Representatives approved a bill advocating a total trade boycott against South Africa and full divestment of all US holdings, public and private. The Bill went to the Senate, where it was debated, modified and approved. From there it returned once again to the House. But it was now in less stringent form than it had been when the House first approved it.

The Senate version of the Bill included a ban on the import of coal, iron, steel and strategic minerals from South Africa and Namibia, severance of air links, a ban on all new investment and on the export of US petroleum products, computer technology and weapons. While many regarded these as adequate sanctions, they fell short of the House's sweeping proposals.

Why was the House, where pro-sanctions sentiments were running high, prepared to settle for the Senate's version of the Bill, as it did on 12 September by an overwhelming majority of 308 to 77? The answer lies in the intricacies of US constitutional procedure — a narrow chicane through which all the painstaking efforts of black, labour, church and humanitarian anti-apartheid organisations were being squeezed. The crucial factor in manoeuvres on Capitol Hill was the certainty that Reagan would veto the proposed legislation, which he duly did on 26 September.

The crucial factor . . . was the certainty that Reagan would veto the proposed legislation.

Under normal circumstances, a conference of delegates from both chambers of the legislative — the House and the Senate — would have debated the Bill. The House would then have had a chance to win back some of its tougher sanctions proposals, attenuated by the Senate. But the time factor was paramount, and the Bill had to be on the President's desk as early as possible in order to avoid a "pocket veto" — a veto by default, which would have allowed Reagan to sit on the Bill without a formal decision one way or the other. A pocket veto kills a Bill simply because Congressional recess begins before the statutory ten day limit for a Presidential response to proposed legislation has expired.

Proponents of sanctions in the House cut their losses and opted for a rapid vote on the Senate version of the Bill, jettisoning the idea of a bicameral conference. Intense activity followed Reagan's formal veto, as the Legislative drove for a two-thirds majority in both chambers to override the President. The majority was assured in the House, which voted to override the veto on 29 September by 313 to 83. It was in the Republican-dominated Senate that the President and his allies were working to break the override.

But Senate Republicans were divided between those, led by chairman of the Senate Foreign Relations Committee Richard Lugar, who favoured overriding the veto, and others, backing majority leader Robert Dole, who hoped to rally the Senate behind the President.

In Washington, the waiting was strained and attentive. Two Afro-American activists, Cecelie Counts of TransAfrica's "Free South Africa Movement" and Jacqueline Wilson of WOA, agreed that, sanctions or no sanctions this time around, their lobbying efforts for change in southern Africa would be intensified.

Mandatory sanctions

Both Wilson and Counts want the US to line up with the UN on comprehensive mandatory sanctions against South Africa — a view reiterated recently by Coretta Scott King on her return from southern Africa and by the Reverend Jesse Jackson, who also advocates increased US aid for the front line states to mitigate the effects of destabilisation in Pretoria.

At a press conference in Washington on 23 September, Rev Jackson accused the President of pursuing "race conscious" policies in southern Africa, though he said that Ronald Reagan himself was not a racist. Jacqueline Wilson of WOA concurs. "Ronald Reagan," she says, "isn't clear enough to be a racist. He is clear on two generalities: Communism bad, capitalism good; US good, Soviets bad. That's the depth of his analysis of these issues." Debate on the President's character and motives is largely peripheral. It does, however, illustrate the extent to which feelings have intensified in the US over the issue of apartheid. On the basis of Congressional voting alone, it is clear that the policy of constructive engagement has isolated the White House.

There are Reagan loyalists in the US Congress who will fight to have the sanctions law repealed, pressing the conditionality clauses of the legislation which stipulated that sanctions can be relaxed if Pretoria shows progress in the dismantling of apartheid. Nonetheless, the conditions are stiff, and include the release of Mandela, abolition of the Group Areas Act and the unbanning of majority-backed political parties. That will make matters tough for sanctions opponents.

But for TransAfrica, WOA and others who still wish to see comprehensive mandatory sanctions adopted by the US, the road ahead is likely to be equally hard going.

another 100 countries.

Prime Minister Robert Mugabe

United Nations

Mugabe takes the rostrum

Robert Mugabe recently spoke at the United Nations General Assembly. Jeremy Harding reports from New York.

As Zimbabwean Prime Minister and Non-aligned chairman Robert Mugabe addressed the UN General Assembly on 2 October, the US Senate was approaching the final vote on sanctions against South Africa.

Mugabe's remarks, delivered as general debate at the Assembly's 41st session, brought the agenda of the eighth Non-Aligned summit before the gathering.

Consistent with the emphasis of the summit itself and of the Non-aligned foreign ministers' meeting in Luanda last year, his address focused chiefly on the current crisis in southern Africa. He drew attention to the situation in Namibia, commenting on the number of nations that had won independence since UN Resolution 1514 on decolonisation six years ago. But Namibia, he noted, remained under South African domination.

The UN, said Mugabe, must condemn South Africa, as the Non-aligned nations had, for its occupation of Namibia, as well as its overall policy of destabilisation in southern Africa. He also characterised the notion of "linkage" — tying Namibian independence to the withdrawal of Cuban troops from Angola — as "unacceptable." Southern Africa, Mugabe continued, was truly a region in crisis. "The root cause," he said, "is apartheid." He called for Assembly members to subscribe to the [illegible]

[illegible] munity," he said, would bring peace to the region.

The Non-aligned chairman stressed the importance of multilateral approaches to international conflicts, ascribing the failure to resolve deteriorating situations in the Middle East, Central America and Africa to a crisis of faith in multilateralism. In this regard, he also called for an international conference on the Middle East and endorsed the rights of the Palestinians to self-determination.

A brake on the arms race and improvements in the world economic situation, said Mugabe, would likewise be achieved by a "creative commitment to the principles of multilateralism." Affirming the need for implementation of immediate measures enshrined in Stage One of Global Negotiations, he restated the importance of the New International Economic Order as a whole and commented later at a press conference: "We have all been working hard to get justice done for the developing countries." He added: "Our economies are tottering because of depressed markets." Citing lack of finance and technological flows into Third World economies as central issues to be debated at the UN, he described the debt burden on the developing world as "a monster devouring most of our economic systems."

Pressed on the question of US aid to Zimbabwe — a bone of contention since the US announced its intention to cut off [illegible] — Mugabe told the conference [illegible]

Carter Administration to the emerging Zimbabwean Government to recompense white minority property holders and undertake the acquisition of land. That context, said Mugabe, had since changed, as had the US Administration. In any case, he reiterated, the question of Zimbabwean sovereignty was "not negotiable." He added: "We would rather be poor and eat grass but remain sovereign."

As a frontline premier, Non-Aligned chairman and Commonwealth head of state, Mugabe's continued support for sanctions clearly raises questions regarding the ability of Zimbabwe to withstand retaliation by Pretoria. Mugabe believes that retaliatory measures from South Africa will cut both ways. "South Africa is more dependent on us than we are dependent on them," he told reporters.

He invoked South Africa's relatively high investment levels in Zimbabwe, contrasting them with minimal Zimbabwean assets in South Africa. If the worst came to the worst, he indicated, he would nationalise South African enterprises in Zimbabwe and cut remittances to some 40,000 Zimbabwean nationals currently resident in South Africa. This in itself, he added, would constitute a saving worth millions of Zimbabwean dollars — "a lot of money," he said, "for little Zimbabwe."

Hardships

Mugabe conceded that sanctions against Pretoria would entail hardships for Zimbabwe, particularly in terms of revenue losses from textile and chemical exports to Pretoria. "These are some of the things we must endure," he said. "There has to be a fight against apartheid by all of us and we are prepared to do our lot."

News of defeat for the Reagan Administration on sanctions came midway through Mugabe's press conference, as a reporter interrupted proceedings with details from Washington (*see sanctions article*). "I say, well done to the people of the United States," Mugabe responded. "When peoples of the world interact at non-governmental levels," he said, "there is a reciprocity of feeling that transcends hard and fast positions of state. Leaders come and leaders go, but the people live forever."

Whether the mass of Americans are able to keep up continued pressure on Pretoria for an end to apartheid remains to be seen. The US anti-apartheid movement could yet find that the wind of domestic opposition to the South African regime has dropped away in the wake of sanctions legislation, leaving a hard core of lobbyists with a difficult task in hand.

If so, the people of the US will require [illegible]

United Nations

'Don't forget the poor'

The new man in the presidential chair of the United Nations General Assembly is Foreign Minister Choudhury of Bangladesh. In his acceptance speech he reminded his colleagues of the poverty and deprivation that marks the everyday existence of so many of the world's people. **Ted Morello** reports from New York.

Foreign Minister Humayun Rasheed Choudhury of Bangladesh — one of the world's least developed countries — accepted the presidential chair of the newly convened 41st United Nations General Assembly with some emotion when he reminded his colleagues from 158 nations:

"Sitting at this moment amidst the glamour and glitter of New York, the hearts and thoughts of many of us are with our compatriots in regions where poverty and deprivation mark everyday existence. It is the aspirations of these peope that the United Nations embodies.

"Take, for instance, my own political constituency in Sylhet, located in a remote corner of Bangladesh. Time in some places there almost stands still. Not much sign of the 20th Century is to be seen, while the world hurtles towards the 21st."

His speech was received with acclamation. Then, shortly after his election, the urbane Choudhury bridled at a press conference characterisation of Bangladesh as "one of the poorest countries in the world." He replied tartly:

"I do not know what you mean by my coming from one of the poorest countries in the world. Poor in the monetary sense, perhaps. But we are a country of 100 million people, and for a determined people, human resources can be an asset."

The new President

Then, suggesting that the Third World might well give a lesson to the deficit-plagued UN, he added: "We, in countries like Bangladesh, are experts at managing things with very small resources."

Clearly, this year the Third World has one of its own in the chair. Choudhury is no stranger to the job. As one of 16 vice-presidents of the 39th assembly session in 1984, he took his turn at wielding the gavel in the occasional absence of then-President Paul Lusaka of Zambia.

This year, with the endorsement of the Asian group whose turn it is to hold the regionally rotated presidency, Choudhury was elected in his own right to succeed the 40th session's Jaime de Pinies of Spain. He will hold the office until his successor is chosen on the opening day of the 42nd assembly next September.

In his inaugural speech, Choudhury asserted that the UN faces a "crisis of confidence" — that it "needs revitalisation . . . to bring it in line with the priorities of a changing world." He called for urgent consideration of the UN's financial crisis, and warned:

"The crisis, if allowed to persist, has the potential of crippling the organisation to a point beyond recovery."

In an appeal for innovative thinking and action, Choudhury urged the assembly to "make a conscious effort to break with the past." Of mounting criticism of the way

Humayun Choudhury, new UN General Assembly president

UN business has been conducted, he said:

"No one has decreed that we must adopt several hundred resolutions at every General Assembly session — just as no one has decreed that we must generate mountains of paper every year which no one can possibly read, let alone absorb or act upon.

"Can we not make our general debates purposeful? Must we perpetuate a tendency to act as though the passage of a resolution absolves us of further responsibility for the subject in question?"

He ticked off the key agenda challenges that have so far defied the UN's best efforts, and called on the assembly to take "a bold and decisive step here and now to put an end to the abhorrent system of apartheid and to find a just and lasting solution to the problem of the Middle East and Palestine."

He called the UN "the only organisation enjoying the confidence of the world community" in dealing with other knotty perennial agenda items: disarmament, human rights, the environment.

Among the newer problems, he added, "drug abuse and terrorism . . . are assuming unprecedented proportions and causing death and misery to many all over the world."

All of the issues he cited are among the 140-plus items on the 41st session's work schedule and will be debated under Choudhury's chairmanship in the weeks ahead.

The new President should have no trouble following the interventions — even without interpretation. He is fluent in English and French, the UN's principal working languages, as well as in Bengali, Urdu and Italian. In addition, he has a working knowledge of two other official UN languages — Spanish and Arabic — and of Portuguese, German and Bahasa Indonesia.

Choudhury's diplomatic career dates back beyond the birth of the country he represents. When he joined the foreign service in 1953, today's sovereign nation of Bangladesh was still the eastern province of Pakistan — separated by a thousand miles of India from western Pakistan. And so it would remain until the 1971-72 war of independence.

Choudhury's past

During the war years, as chief of the Bangladesh mission in New Delhi, Choudhury negotiated recognition of the infant nation with over 40 governments.

In 1972, he became the Bangladesh Government's first ambassador to West Germany, with concurrent accreditation to Switzerland, Austria and the Holy See. He was also Bangladeshi representative to the UN International Atomic Energy and the UN Industrial Development Organisation, both based in Vienna.

After four years in Bonn, Choudhury was appointed first ambassador to Saudi Arabia with concurrent accreditation to Jordan and Oman. Simultaneously, he represented his country as permanent representative to the Organisation of the Islamic Conference.

In June 1982 he was appointed ambassador to Washington. He has also held diplomatic posts in Rome, Baghdad, Paris, Lisbon and Jakarta. Last May, Choudhury was elected a member of parliament.

On entering the foreign service he trained in the Pakistan Foreign Office and other government departments, in the British Foreign Office and other government departments, in the British Foreign and Commonwealth Office in London and at the Fletcher School of Law and Diplomacy in Massachusetts.

In 1984, he was awarded the Mahatma Gandhi Peace Prize by William and Mary University in Virginia in recognition of his outstanding contribution to world peace through his diplomatic activities.

CONCORD BUSINESS FORUM

Botha's threat to US grain shipments

THE clumsy attempt by South African Foreign Minister Pik Botha to sway the opinion of the US Senate on 2 October who were deciding whether to override President Reagan's sanctions veto, almost certainly led to the override being carried through by a substantial 78-21 majority. But the sinister content of the phone call by Botha to key Senators needs to be examined.

In essence what Botha said was if the White House veto was overriden, then he would seek to ban South African importation of US grain, most of it destined for African states further north. His plea was of the usual "you leave me no alternative" variety and he justified his country's position in a BBC interview — "They are drowning us. They are digging our graves, and when I moan about it I am told I am interfering." Whether his government's calculated decision to starve black African states to the north is the appropriate action of a country being "drowned," is arguable, but the premise of Pretoria's retaliation might well be faulty.

In a sense there are two strands to the South African threat to retaliate against its neighbours. The first is the banning of US grain from arriving at South African ports for shipment northwards. The second is the possible refusal by South African Railways (SAR) to transport grain already in the region, to their original destination. These two factors are not of equal seriousness.

Let us analyse the first element of Botha's would-be retaliation. The latest World Bank report makes it quite clear (African Concord No 111) that since the 1984 drought most sub-Saharan countries have had bumper harvests. The country in the Southern African region has recorded high agricultural yields. Kenya, Malawi and Zimbabwe had recorded record surpluses and within the southern African region, there are only two countries that will require further emergency food aid in 1986, Botswana and Mozambique.

So in the present crop season not only is there no short term food shortage but the problem within the biggest exporter in the Southern African Development Coordination Council (SADCC), that is Zimbabwe, is actually how to get rid of unwanted surplusses. These are estimated to be at least 1.4 million tonnes of grain stored in the country's warehouses, with no market. When Zimbabwe implemented the economic sanctions agreed at the London mini-summit it was left with no buyers for the estimated 200,000 tonnes of grain it once sold Pretoria.

The present threat by Botha could hardly arrive at a more opportune moment to empty Zimbabwe's overflowing warehouses. At a stroke Zimbabwe could supply states like Zambia with grain in place of South Africa, and deplete its stocks at the same time.

But here lies the second element in Botha's possible retaliatory package, the SAR monopoly of the transport system. Whether it is Botha's intention to recall the estimated 7,000 SAR locomotives in use at any one time on the SADCC railway system in order to stop them moving Zimbabwean grain through the region, is not yet known, but if it is, then the results could be catastrophic. Without the railway system, transporting grain will mean a long haul by trucks clogging up the region's small rural roads, and it will inevitably mean more expensive grain.

Fully cognisant of the South African hold on its jugular, the SADCC race is on to repair the important 'Beira corridor'. A nine nation coordinating committee is currently directing a crash programme to reconstruct both the 400 mile railway and the accompanying highway and oil pipeline which links the Zimbabwean capital Harare with the Mozambican port of Beira.

The corridor is one of six outlets to the sea that the landlocked frontline states have which border South Africa. The other routes have either deteriorated or else have ceased functioning altogether. The remaining five are the Chinese built Tazara railroad linking Zambia with the Tanzanian port of Dar es Salaam, the Benguela railway through Angola, the Blantyre to Nacala route linking the Malawi capital to the Mozambique port of Nacala, the Blantyre to Beira route, and the Harare to Maputo route. However with the exception of the 'Beira corridor' and the Tazara railway, both working at below capacity, the other four have ceased to be operational.

The good news on the horizon is that by December the first phase of the $300 million project to restore the corridor is scheduled for completion, and then the route will handle 60 per cent of the frontline states trade. By the time the second phase is finished in mid-1989 the frontline states will have ceased their dependence on the South African railway system. But it is the interim period that caused SADCC the most worry, and whether or not Pretoria will attempt to sabotage militarily the repairing of the corridor.

Nnamdi Anyadike

Commodities

Cocoa

AS part of their four-nation West African tour comprising Cote d'Ivoire, Ghana, Nigeria and Cameroon, the Cocoa Association of London (CAL) arrived in Lagos on 23 September. The group, which first visited Cote d'Ivoire and Ghana (*African Concord* No 111), have been holding talks with Nigerian exporters. They are believed to be urging them to install a satisfactory system of inspection to replace the Nigerian Cocoa Board (NCB) inspectorate that has now been abolished.

Meanwhile, concern continues to be voiced in Europe about the state of the Nigerian crop. A spokesman at Gill and Duffus, the important London commodity trading syndicate, have confirmed earlier reports that concern over the Nigerian crop has led to it being discounted by as much as 30 per cent below the prevailing average world price. One of the traders told *African Concord* that since the abolition of the NCB, European buyers have only been prepared to buy Nigerian cocoa on discount.

"We get calls from Nigerian exporters all the time asking us to buy cocoa. But until we have actually seen the crop, we are not in a position to judge its quality." The trader said that with new exporters entering the market replacing the NCB, there are two risks facing foreign buyers. Firstly, there is the risk that exporters in Nigeria will not honour their commitment and produce the cocoa, and secondly, the crop when it does arrive might be of dubious quality.

According to the trader, establishing a free market in cocoa without the necessary controls could damage the country's position severely as a cocoa exporter. "As a percentage of world production, Nigeria's output is small, and if importers cannot be guaranteed good quality from Nigeria, they will switch their attention to other exporters."

Estimates for the new season's crop (1 October 1986-31 September 1987) is put at 80,000 tonnes, which is a third down from the 120,000 tonnes produced in the 1985-86 season. This crop has been further depleted by 'black pod disease' which has ravaged Nigeria's crop for the past two seasons. Black pod has given farmers added incentive to harvest their crop early before the beans are ready in order to avoid contamination. However, this practice will need to be curbed through the greater use of chemical spraying. If farmers yield to temptation and pick the crop before it is ready, in order to fend off black pod disease on the one hand, and cash in on the higher prices currently being paid by Nigerian exporters on the other, the future of th country's production will be bleak.

On the London market at the close of trading, Friday 3 October, prices were December £1,512 a tonne, March 1987 £1,556 a tonne, and May 1987 £1,580 a tonne. At the start of the week, Monday 29 September, prices were September £1,475.50 a tonne, December £1,514 a tonne and March 1987 £1,554.50 a tonne.

Coffee

COFFEE showed one of those market quirks during the week which so bedevils commodity trading. Though all the factors continue to be bullish (that is, in favour of strong market prices), prices actually fell substantially during the week. The reason for the unexpected price fall appears to be what is known as a 'technical correction', that is to say heavy selling by the big traders of future positions, to release liquidity tied up in future contracts to allow underlying supply/demand factors to reassert themselves.

As will be the case throughout the rest of the new season, which started on 1 October, it will be the state of the Brazilian crop that will strongly affect the market. The most African suppliers like Cote d'Ivoire which exports 'Robusta coffee', and Kenya, which exports good quality coffee, can expect is to exploit the niche left in the market by the Brazilian shortfall.

At the close of trading, Friday 3 October, prices were November £2,235 a tonne, January 1987 £2,190 a tonne and March 1987 £2,135 a tonne. At the start of the week, Monday 29 September, prices were September £2,457.50 a tonne, November £2,473 a tonne and January £2,420 a tonne.

Copper

ON the London Metal Exchange (LME), copper prices fell during the week negating most of the price rises of the previous two weeks. At the start of the week, Monday 29 September, copper grade A cash copper was £937.75 a tonne, and three month copper £961 a tonne. Standard copper cash copper was £915 a tonne, and three month copper £940 a tonne.

By the close of the week, Friday 3 October, prices were cash grade A copper £917 a tonne, three month grade A copper £941.50 a tonne. Standard copper ended at cash copper £894 a tonne, and three month copper £920 a tonne.

Oil

THE week before the October 6 OPEC conference in Geneva, crude oil prices rose slightly to just above $14 a barrel for the key North Sea Brent crudes. At the start of the week, Monday 29 September, Brent North Sea crude stood at £13.50 a barrel and Dubai crude at £13.10 a barrel. By the end of the week, Friday 3 October, Brent crude was £14.05 a barrel and Dubai crude $13.80 a barrel.

In Geneva much discussion will be centred around the nature of the market agreement to replace the quota system adopted at the August summit. It has been reported that the collateral damage done by Iran and Iraq to each other's oil exporting capacity has hidden what is in fact a dangerous tendency towards overproduction, in contravention of quotas, by certain OPEC states.

Whether opposition to the quotas will be strong enough to result in their being abandoned remains to be seen, but consumers will be anxious to see some evidence that OPEC can continue to maintain market discipline.

Sugar

SUGAR fell during the week for both the London Daily Price (LDP) and refined white sugar. Prices for most futures contracts though remained stable. At the start of the week, Monday 29 September, the LDP for raw sugar was $125 a tonne and white sugar was $179 a tonne. Futures contracts were October $103.40 a tonne, December $121 a tonne and March $134.40 a tonne. By the close of the week, Friday 3 October, the LDP was $118.50 a tonne and white sugar $170.50 a tonne. Futures contracts were December $121 a tonne, March $135.20 a tonne.

Tea

QUALITY teas have started to show signs at the latest London tea auction of falling in value though the poorer blends are maintaining price levels. At the Monday auction, 31,585 packages were on offer and East African quality teas managed in spite of the general price weakening to retain their value from the previous auction.

Central African quality teas rose by as much as 4-6p kg from the previous auction. This confirms the trends established through the summer months of good demand for African teas, often at the expense of teas from the Indian sub-continent. Price quotations at the auction were quality teas 195p a kg, medium teas 163p a kg and low medium teas 126p a kg.

Around Africa

Congo

Recovery scheme

FOLLOWING approval at the start of September for a $27 million 20-month IMF standby arrangement, the World Bank is lending Congo $4 million for technical assistance in aid of the government's strategy for diversifying economic activity. The loan is for 17 years and provides a four year grace period, but the plan to diversify is a two year scheme and will focus on policies to promote the growth of the non-oil economic sector. As the recent World Bank report stated *(African Concord No: 111)*, Congo has suffered more than most African countries from the drop in oil prices since the start of the year.

The project will also help the government to design and implement financial policies. To this end, a financial economist and macro-economic planner will be hired for its duration. But in the meantime, the preeminence of oil in Congo's economy has been recognised, and the oil sector will be assisted through a strategy to promote the exploration of the central basin in the north and the coastal basin in the south.

Overall crude oil output this year is expected to decline to an estimated 5.54 million tonnes, from 1985's total of 5.82 million tonnes. The drop is a result of the fall in production of Elf's main inshore fields (Pointe-Indienne, Mengo, Kundji, and Bindi). Expected oil revenue this year is forecast to be in the region of $800 million, compared with $1.1 billion last year.

Gambia

IMF thumbs up

GAMBIA'S economic recovery programme has received further endorsement by the IMF. A 13-month standby loan of SDR 5.1 million, an SDR 4.7 million compensatory facility, and an SDR 8 million structural adjustment facility, are to be made available over the next three years as part of an IMF financial package of SDR 17.8 million to support the government's recovery programme.

Formal approval of the package was given on 19 September after a joint World Bank/IMF meeting in Washington on 26 August to assess the country's medium term recovery programme. The two bodies were said to be very impressed with the progress made so far in its programme which aims to raise real economic growth by 3-3.5 per cent a year over the next three years.

Measures so far introduced by Gambia include a flexible exchange rate system, a crackdown on tax and duty evasion, a cut back on civil service staff, and a programme of privatisation for state-owned tourism and fishing companies.

Under the three-part package, the standby loan of SDR 5.1 million will support the government's 1986-7 adjustment measures, primarily aimed at raising output through production incentives and new pricing policies. The SDR 4.7 million compensatory financing facility can be drawn immediately, and will be used to offset the shortfall in export earnings from groundnuts and fish (Gambia's main hard currency earners). The final part, the SDR 8 million structural adjustment facility will support Gambia's adjustment programme to 1988-9.

Ghana

SFEM takes off

ALMOST unnoticed amid all the attention given to the start of Nigeria's SFEM, Ghana's own first foreign exchange auction opened on 19 September. The new Ghanaian SFEM will operate every Friday afternoon at auctions in Accra. As a market, its modus operandi is slightly different from the Nigerian SFEM in that it is less encompassing. The Ghanaian SFEM, drawn up and implemented with IMF assistance, has the same goal as the Nigerian and other foreign exchange markets, that is, to bring the currency exchange rate close to levels obtained on the market, hence making the flourishing black market obsolete.

It aims to stimulate exports and domestic production, by introducing a more realistic exchange rate. However, whereas in Nigeria the SFEM is used for virtually all transactions barring debt servicing and government donations, in Ghana the SFEM deals with a more limited number of transactions. The 'first tier', that is the old official exchange rate, will still be in use for the importation of crude oil, essential drugs, government debt service payments, and other selected imports. The country's main export cocoa will also go out under the first tier. This will leave the second tier for the rest of Ghana's import and export trade.

The same fears that were expressed about Nigeria's SFEM, notably that a few powerful bidders will be able to exert undue influence on the market, have been mentioned in connection with the Ghanaian market. At the first auction, 74 bids were submitted and an exchange rate of $1 to 128 was struck. The government has made $2.5 million available for the auction from a variety of sources, though mainly export receipts and concessionary loans. Bidders were required to fill in a special application form obtainable from the Bank of Ghana detailing their bids in advance. Reports say that the first auction went hurriedly but smoothly.

Mauritania

IMF steps in

IMF board approval for Mauritania's economic recovery programme was given on 22 September in the form of an SDR 15.9 million structural adjustment facility for immediate disbursement. The IMF has already provided two one-year standby arrangements to support the government's recovery programme. The last one for SDR 13 million, was approved in April.

The specific measures that are to be implemented with the aid of the latest loan, include the rehabilitation of the commercial banking system, a further reduction in the country's current account deficit, the encouragement of increased public and private domestic savings, and a move towards more agricultural reforms. The aim is for a GDP growth rate of 4 per cent by 1988, and a reduction in the rate of inflation, currently at 10.5 per cent.

Mozambique

IMF negotiations

MEETINGS between seven western banks, as well as IMF and Mozambican officials, commenced in Washington late last month. The meetings are to discuss the rescheduling of Mozambique's estimated $200 million commercial debt. The bank advisory committee headed by the Paris based Banque de l'Union Europeene includes US Citibank, UK's Standard Chartered Bank, France's Societe General, and Portugal's Banco Pinto & Sotto Mayor, has been involved in rescheduling negotiations with the Mozambique Government for the past two years. However, agreement is unlikely to be reached until the government completes negotiations leading to an IMF standby facility.

Prior to the Washington meeting, the seven banks met in London on 23 September, and it was understood that some movement had been made toward an IMF package. The appointment of Eneas Comiche as governor to the country's central bank, Banco de Mozambique, had facilitated progress. Mozambique's former colonial power, Portugal had also gone some way towards breaking the deadlock. Under an agreement signed earlier in the year, the country agreed to reschedule $170 million in bilateral debt.

Railway to be upgraded

A 165 million French franc ($ 24.7 million) loan has been announced by France's Caisse Central de Cooperation Economique (CCCE) for the phase-two rehabilitation of the 615km Nacala railway. The loan is part of a wider project, last estimated at $100 million and, though financing arrangements are still far from complete, the breakdown looks like Canada $22 million, EEC $23.7 million, Finland $1 million, Italy $2.2 million, Portugal $40 million (for phases one and two inclusive), UK's Overseas Development Administration $3 million, and the Mozambican Government $15 million. The programme will mean replacing and improving stretches of existing track all the way up to the Malawi border and will be an invaluable improvement to the nation's infrastructure.

Niger

Japanese aid

FOLLOWING a three day state visit to Japan ending on 19 September, Niger's President Kountche announced that Japan would provide $43 million in aid in fiscal 1986-7. Half of the total will be for road rehabilitation, which is one of the government's main priorities. The rest, $25.7 million, will be disbursed jointly with the World Bank under its special sub-Saharan African facility.

Kountche was reported to have been satisfied with the result of the meeting which he hoped would boost further bilateral co-operation. As part of the deal, the Japanese will send a mission to Niger this month, to study ways of increasing aid for current projects.

One project that seems likely for future Japanese-Niger cooperation is the reafforestation programme at Quallam in the northern Sahel zone. In return Niger will seek to increase its uranium deliveries to Japan, where it is already the fifth largest supplier, though production levels are unlikely to increase until the present depressed world price improves.

Sudan

Delay in reform

SUDAN has delayed the economic reform package that the IMF and World Bank have been pressing for since last year. Apart from the well publicised food shortages in the south in the continuing civil war, the country has total forcing debts of $10 billion and IMF arrears of $300 million with no visible means of repayment.

A debt rescheduling agreement between the country and its official and commercial creditors, has been firmly ruled out unless the country undertakes an economic reform programme. The latest budget for the fiscal year 1986-7, was announced at the end of September by finance minister, Beshir Omar, and is a deficit budget of $1.2 billion. But the minister was confident that $796 million of the deficit could be financed through forcing loans and grants.

The government predicts revenue at $1.1 billion in the coming fiscal year, though financial institutions put the figure at $700 million. Expenditure has been calculated at $2.26 billion compared with $2.438 billion in 1985-6. Out of this 25 per cent, or $440 million, has been earmarked for the civil war raging in the south of the country.

Zaire

Brazilian aid

AT the end of a three day visit to Zaire, Brazil's transport minister Carneiro Tavares, said on 21 September that his country will provide $65 million for the construction of a gold refinery. The refinery will be in Kilo in the Ituri sub-region to the east of the country, and is part of a wider Brazilian commitment to the Zairean gold refining industry.

This was established in 1984 when the country helped to finance an expansion on behalf of the Zairean state-owned company office des Mines de Kilo-Moto (Okimo).

The current project will aim to raise Zaire's annual gold production to 6 tonnes. In meetings with his Zairean counterpart, Transport and Communications Minister Kasata Kinyanty Mutati, Tavares offered Brazilian technical help on transport and planning. He told Mutati about the similarities between the two countries given their size and tropical location.

Zambia

Indian visit

A ZAMBIAN delegation headed by Prime Minister Kebby Musokotwane has been on a 12 day mission to India. The delegation, including Zambian commerce and industry minister Jameson Kalaluka, and Minister of Finance Knsingo, had talks with the two Indian industrial corporations, Tata on steel projects and Birla for a wood pulp project.

These talks formed part of an overall strategy in seeking Indian assistance for the setting up of a steel rolling mill, an aluminium smelter plant, paper pulp and oil processing unit, and a fruit and vegetable processing plant.

The Zambian delegation also held talks with state owned Central Electricity Authority, National Alumnium Company and Metallurgical Engineering Consultants.

Prime Minister Musokotwane urged Indian companies to invest funds in Zambia.

Zimbabwe

Storage problem

WITH a continuing good harvest in the country, Zimbabwe now faces a major storage problem of where to put all its grain. The parastatal Grain Marketing Board (GMB) has already taken delivery of 1 million tonnes of grain and exports total deliveries of 1.67 million tonnes of maize by the 1986 season's mid-October close. Though the projected figure is slightly down on the 1.8 million tonnes harvested last year, the crop will still present problems due to the carryover stocks left from last year. The prediction is that carryover stocks will be above the 1.4 million tonne level of March 1986. What to do with the stocks remains a problem, given that the main export market, South Africa, is ruled out by Zimbabwean sanctions. The chances of alternative export markets to Zimbabwe's neighbours are unlikely to provide a satisfactory substitute to their own generally good harvests. The one remaining export avenue would appear to be grain purchases by drought stricken, or locust hit countries.

African Currency Rates

Country	Currency	Value of Dollar
Algeria	Dinar	4.93
Angola	Kwanza	29.918
Benin	CFA Franc	332.05
Botswana	Pula	1.8481
Burkina Faso	CFA Franc	332.05
Burundi	Franc	101.292
Cameroon	CFA Franc	332.05
Cape Verde Is	Escudo	89.2698
Cen Africa Rep	CFA Franc	332.05
Chad	CFA Franc	332.05
Comoros	CFA Franc	332.05
Congo Peoples Rep	CFA Franc	332.05
Cote d'Ivoire	CFA Franc	332.05
Djibouti Rep	Franc	177.00
Egypt	Pound	1.36
Equatorial Guinea	CFA Franc	332.05
Ethiopia	Birr	2.0657
Gabon	CFA Franc	332.05
Gambia	Dalasi	7.58
Ghana	Cedi	136.00
Guinea Bissau	Peso	170.479
Guinea Rep	Franc	340.00
Kenya	Shilling	15.8544
Lesotho	Maloti	2.2247
Liberia	Dollar	1.00
Libya	Dinar	0.3175
Madagascar DR	Franc	748.374
Malawi	Kwacha	1.9802
Mali Rep	CFA Franc	332.05
Mauritania	Ouguiya	74.80
Morocco	Dirham	8.79
Mozambique	Metical	40.048
Namibia	SA Rand	2.2247
Niger Rep	CFA Franc	332.05
Nigeria	Naira	4.62
Rwanda	Franc	84.7905
Senegal	CFA Franc	332.05
Sierra Leone	Leone	28.50
Somali Rep	Shilling	36.00
South Africa	Rand	4.3478
Sudan Rep	Pound	2.93
Swaziland	Lilangeni	2.2247
Tanzania	Shilling	44.598
Togo Rep	CFA Franc	332.05
Tunisia	Dinar	0.855
Uganda	Shilling	1380.80
Zaire Rep	Zaire	61.569
Zambia	Kwacha	6.993
Zimbabwe	Dollar	1.653

Source: Financial Times of London

Theatre

Caribbean Focus Tour 1986

Muffet inna all a wi is the title of a new reggae musical performed by a collective of Jamaican women called Sistren. The play's director, Eugene Williams, writes that it "describes the test of tenacity and endurance faced by our women as they struggle to protect their integrity and give meaning to their lives against frightening odds as marginal dwellers of the city ghetto." Luckily for us, the language and songs of Sistren are much more direct.

Sistren's work is a rare example of the practice of orature in the west. The content of their work is gathered from the community. In workshops with all classes of women they "seek to bring out and find solutions to the problems women face in their communities, both in town and country." Workshops like this with additional research formed the basis for the musical.

The musical is "of the People." The narrator, a combination of the master of ceremonies Jamaican style and the popular spider man, Anansi, leads us through the stories of the traditional mother, the ambitious young woman and the women who work in the Free Zone Factory, bombarded by a wealth of useless products.

Sistren succeeds where others have failed in using popular forms of Jamaican and African culture to depict the lives of these women. The dialogue is awash with proverbs: *Ah so we fall, ah so we rise*, a refrain from the theme song *Muffet inna all a wi' T[h]ief from tief make God laugh* is another old favourite. Humour and audience participation are equally important aspects of the musical. The set is a series of sound boxes and tie-dye hangings, which are used in an ingenious way to create settings from dance hall to factory.

Live music, provided by Joy Erskine on the Congas and the band Works of Women, ranges from heavy dub to Etu or Maroon African drum rhythms. Dance plays an essential role, and the final scene is a celebration dance of African militancy. These features allow the work to be described as orature, since orature is defined as a: "Multi-process, multi-level fusion of the cultural and the political, of art forms and languages, grounded in the experience, tradition and aspirations of Black people."

I spoke to members of Sistren, Pauline Crawford, Laura Burrell-Haslam, Beverly Hanson and Susan Foster from WOW on the first day of their London tour.

Q: Do you still feel representative of working class women in Jamaica?

Sistren: Well, most of the working class, middle class and upper class women really look to us to pave the way for them. Because I mean, who is listening to them? We reach a level now where we can speak out through our plays, through our workshops, etc, so when we speak for ourselves, its not for us alone but for the women. It gives them the motivation that there is a voice out there. It gives us a feeling of nearness, because most of what we use in the production comes from them!

Q: Do you work with theatre groups from other Islands at all?

A: Oh yes, in terms of our workshops. Last summer we had the Caribbean Popular Theatre exchange. Everybody came from different cultural backgrounds. We had groups from Belize, Dominica, St Lucia, Trinidad and Tobago, St Vincent, Cuba in a workshop at the Jamaican School of Drama. (The groups produced a piece called *Ida in a Jonkunnu Style* which toured the island.)

Q: So how much time do you spend working in Jamaica?

A: We work all year round. The full year isn't spent on theatre. We deal with administration, textiles, workshops, research . . . We have a theatre season from March to May usually.

Q: Sistren first toured London in 1983. Is there anything you hope to achieve this time round?

A: We are launching our first book, *Lionheart Gal*. It's an autobiography of the nine years of our existence. It was a collective process. Our artistic director [Honor Ford Scott] played a large part. She asked us, for example, to draw a picture on how we relate to men, then we talked to her about this. So we went through different stages. The designs we have, which will be on display, depict something of each individual story.

Q: Do you think that the book and the film* Sweet Sugar Rage *will help you to reach more people?

A: Yes, because even in some countries like Belize some of the women were shocked to know that women worked under such conditions. A country that is developed, a country that they look forward to sending their children to to University. I feel the harshness of the reality is there [in the film] and it has its own message. *(Sweet Sugar Rage is a dcomuentary produced by Sistren with sugar workers from Clarendon, Jamaica.)*

Monique Ngozi Nri

Sistren tour 1-26 October at the Albany, Commonwealth Institute and the Shaw Theatre. An exhibition of textiles opened at the Black Art Gallery on 14 October. The film Sweet Sugar Rage *is available on 01-995 0269 (London).*

Music

Balancing the elements

Anyone who is familiar with *African Dawn* will have noticed a change in its presentation and performance. The change is not so much between the group's act in the past with what it is doing now, as with the equilibrium, simplicity and communication of its performances.

The *African Dawn* collective has now adopted orature — the unity, fusion and integration of art forms against elitist specialisation, (artificial division between say, poetry and music, drama and mime). The collective has now ensured that all the ingredients used in its multi-media work are given equal time and space to reach their full potential.

In a recent performance at the Africa Centre in Covent Garden, London, with teenage 'kora' prodigy Tunde Jegede, the audience left for home not only satisfied with the rhymes and rhythms of *African Dawn's* dramatised revolutionary poetry, but also the competence of the musicians. In addition, we were all more educated than before about the struggles of the Pan African Congress (PAC) against apartheid.

Introducing the evening's performance, poet/sculptor/writer Pitika Ntuli excited the audience with a couple of his stand-and-deliver poems, "Every stone throw is Azania rising up . . " A video film on the imprisonment of Joseph Mlebo, a leader of the PAC, was shown. The film touched on the history, circumstances and role played by the PAC in the civil and military war being waged between the fascist apartheid regime and patriots of the African majority.

Tunde Jegede, showing no emotion on his face, but occasionally tilting his head a fraction to thumb a wicked note or two, played a number of rousing classical Mandigo tunes to applause from the audience.

Then, taking its own time to stir from the acoustics of a hollow gourd, Torera Mpedzisi, Zimbabwean member of *African Dawn*, played a traditional tune from his 'mbira' (thumb or finger piano).

Before the applause stopped, the song shot up, "Shoo-ooo-sholoosa, shosholosa . . . " *African Dawn* had arisen with a Zulu song of resistance! The accompanying poem to this famous African song, made more popular here in London over the years by *African Dawn*, "broke" with a power poem by Merle Collins, a Granadian member of the collective:

"I am a woman who looked for water with her bare feet . . . who from the beginning marched alongside her brothers . . ."

African Dawn sat and stood with two acoustic guitars, two 'dono' drums, two 'aprepensua' drums, one 'dawuro' (gong), a 'kabasa' (rattle), and dressed in an assortment of colourful African costumes.

With such musical weapons of resistance the poems flowed in heated antagonism to the manipulations of the internal strife in El Salvador. The internal contradictions brought upon that nation by the greed of the oligarchy (property-owning ruling classes), by Uncle Sam.

The heated struggle and resultant scandal of the Sharpeville massacre in Azania was also contested with words. In West Africa the poem, "Yer Bcpim Do" — "We shall struggle on", leapt from the gun-muzzle lip of Kwesi Owusu, from Ghana, ". . . Ye mpanyinfo adzifodzi . . na woama ye rebre yi . . .", (It is the greed of our leaders which has resulted in our toil.)

Although, collectively each member of the group was at home with a musical instrument, it was not too difficult to discern the poets from the musicians. Torera particularly fascinated me with his confident vocal and instrumental support to the more adept poets, like Ahmed Sheikh whose powerful contribution in a memorable *African Dawn* conversational piece is unequalled:

"I am Azania
my name itself
a platform, a programme . . ."

Wala Danga, from Zimbabwe, played a consistent beat as background to most of the poems. Vico Mensah, from Ghana, was particularly marvellous exchanging good vibes with Torera, and Eduado, from Uruguay — I can still feel the rattling in my head.

The *African Dawn* collective was formed in 1980. It is committed to Pan-Africanism, popular culture and internationalism.

Kofi Hagan, Jr.

Books

A self-reliance strategy

The Challenge of Industrialisation in Nigeria — A Personal Insight,
By Chief Onwuka Kalu,
Basic Trust, Lagos

An economic recession, worse than that of the late thirties stalks across the globe with majestic sneers and for Africa it has been a mountain of woes. Even as the West defies the recession to break fresh grounds in agriculture, science and technology, African nations continue to sink further into economic doldrums.

Haunted by the spectre of stagnation, they have begun to seek ways to revamp their economies and break the colonial ties which have perpetuated this anomaly. But dishearteningly, our leaders and, indeed, intellectuals have talked too much and done too little. This lack of political will and the wide gap between theory and practice have remained the major handicaps of most African nations in the search for real development.

This appears to be the balance which a Nigerian entrepreneur, Chief Onwuka Kalu, attempts to strike in his inspiringly patriotic book *The Challenge of Industrialisation in Nigeria*. The book is an attempt at bourgeois radicalism. It is a far cry from the Smithean orthodox economic theories and principles that have formed the bible of our so-called experts: experts whose only claim to expertise lies not in their successful formulation and implementation of result-oriented economic policies but in the acquisition of degrees.

With very little time for preambles and any attempt at theoretical conceptualisation, Chief Kalu throws the first salvo in the first chapter titled "Why we couldn't industrialise" in which he blames the colonialists for our current travails. In a simple, down-to-earth manner, perhaps arising from the author's background as a practical, realistic industrialist, Chief Kalu rests the cause for Nigeria's underdevelopment on colonialism, which, he says, created a laissez-faire economy that "was purposively skewed against the native population so as to benefit the colonialist." He buttresses this assertion with the "evidence" that "no real infrastructure for industrial development existed except, of course, that which aided the production of exportable agricultural staples."

The pre-independence plans formulated by the colonialist, the author argues, were not development-oriented but geared towards creating transportation and communication facilities that would ease the evacuation of raw materials to mother Britain. The transnationals also come under hammer for the role they played in disorientating the Nigerian economy.

Chief Kalu moves from this historical perspective to assess the development plans that have been implemented to date. He postulates that these plans were not only fraught with contradictory policies and deficient in supporting the rural areas but also highlighted our "national foolishness to have relied only on oil." The author then proceeds to analyse the contemporary Nigerian economy which he dubs a "moral" one, because of the citizens proclivity for subsistence living instead of large-scale production that could trigger off more investment and, therefore, accelerate the industrialisation process of the country.

After this critical self-re-examination, Chief Kalu submits that the Nigerian economy suffers from extreme disorientation and contradictions. The Enterprises Promotion Programme, which the author believes would have reverted this trend, was subverted by unpatriotic Nigerian middlemen with their foreign collaborators. Consequently, "the noble economic scheme of enterprises promotion, in effect, promoted no enterprise afterall, but rather aided the siphoning of a greater part of our wealth out of the country."

In prescribing an economic blueprint for the country, Chief Kalu submits that copy engineering is the most critical challenge facing industrialisation in Nigeria. This submission stems from the author's admiration of the wonders copy engineering has performed in Japan. He cites small and medium scale industries as holding the key to the nation's development and therefore advocates for a research and development policy "that will put to work the natural resources of the country and meet the demands of higher standards of life and to translate productive skills into tangible products and services."

There is no such thing as transfer of technology, the author asserts, because "technology can hardly be transferred without judicious local research and development of indigenous products and organisations." Hence, he opts for exclusively made-in-Nigeria trade fairs that promote locally manufactured goods and attract necessary foreign inputs for the accelerated growth of domestic industries.

A dispassionate analysis of the work clearly marks it out as a transparently patriotic contribution to the nation's search for a self-reliance strategy. This is what one thinks Chief Kalu would want to be noted for and not just his millions. The observations, analysis, conclusions reached and suggestions proffered hold true for any Third World nation struggling to fight off the yoke of imperialism. It is no doubt a commendable effort by a hardworking, self-made millionaire who definitely has nothing to lose from a peripheral capitalist economy that tends more towards the imperialist west.

Jackson Ekwugum

Books Received

'Popular Islam' south of the Sahara,
Ed by J D Y Peel & C C Stewart,
Manchester, 1986, £8.50.

The Global Possible: Resources, development and the new century,
Ed by Robert Repetto,
Yale, 1986, £45 hb, £13pb.
Environmental experts offer a broad overview of the state of the world's threatened resources and, drawing from recent experiences in many countries, propose corrective measures.

Saudi Arabia: A case study in development
By Fouad Al-Farsy, KPI, 1986.
Dr Al-Farsy argues that Saudi Arabia, the only nation to use the Holy Qu'ran as a State Constitution, is adjusting well to the conditions of the 20th century while sustaining its distinctive Islamic Identity.

Star Wars,
Ed by E P Thompson,
Penguin, 1985, £2.95.
Arguments for and against Star Wars are assessed. The book then proceeds to make a powerful case against Star Wars. Expensive, unnecessary, a clear breach of the Anti-Ballistic Missile (ABM) treaty, provoking the USSR, probably not technically feasible and even if carried out will never form a nuclear umbrella over America that is missile-proof. This final concept reveals Reagan's determination to take the nuclear issue into space — a daunting and provocative idea!

Digging up the mountains,
By Neil Bissondath,
Andre Deutsch, 1986, £8.95.
The author focuses on contemporary themes of dislocation, revolution, and the shifting politics of the Third World. Neil Bissondath, born in Trinidad, writes about the stories of people in circumstances well beyond their control.

Women, Work and Ideology in the Third World,
Ed by Haleh Afshar,
Tavistock.
The authors in this volume discuss the 'invisibility' of women's work in Malaysia, Sudan, Iran, Bangladesh, Ghana, Tanzania, Java, Brazil, Morocco, and India. Although these countries differ politically, socially, and economically there is a great similarity in their ideologies which define female labour as the property of men.

Crossword

LAST WEEK'S SOLUTION

ACROSS: 1 Sudan, 4 Tutu, 7 Imo, 8 Dean, 9 EPG, 11 AD, 12 All, 13 Ease, 14 Up, 15 Raft, 17 Tram, 18 Roe, 20 Bias, 21 Fakir, 24 Tororo, 26 Ulema, 27 Rot, 28 CD, 29 NA, 31 Ibo, 32 ID, 34 Mar, 35 Kino, 37 Leo, 38 Sankara, 39 Maize.

DOWN: 1 Safari, 2 Dye, 3 Nigh, 4 Tone, 5 Udder, 6 Snip, 10 Patriot, 11 Astral 12 Umbra, 16 Peso, 19 Oar, 20 Brook, 21 Fuddle, 22 Ken, 23 Imam, 25 Orb, 30 Tribe, 31 Iris, 32 In, 33 Door, 36 Bi.

Theatre

Caribbean Focus Tour 1986

Muffet inna all a wi is the title of a new reggae musical performed by a collective of Jamaican women called Sistren. The play's director, Eugene Williams, writes that it "describes the test of tenacity and endurance faced by our women as they struggle to protect their integrity and give meaning to their lives against frightening odds as marginal dwellers of the city ghetto." Luckily for us, the language and songs of Sistren are much more direct.

Sistren's work is a rare example of the practice of orature in the west. The content of their work is gathered from the community. In workshops with all classes of women they "seek to bring out and find solutions to the problems women face in their communities, both in town and country." Workshops like this with additional research formed the basis for the musical.

The musical is "of the People." The narrator, a combination of the master of ceremonies Jamaican style and the popular spider man, Anansi, leads us through the stories of the traditional mother, the ambitious young woman and the women who work in the Free Zone Factory, bombarded by a wealth of useless products.

Sistren succeeds where others have failed in using popular forms of Jamaican and African culture to depict the lives of these women. The dialogue is awash with proverbs: *Ah so we fall, ah so we rise*, a refrain from the theme song *Muffet inna all a wi' T[h]ief from tief make God laugh* is another old favourite. Humour and audience participation are equally important aspects of the musical. The set is a series of sound boxes and tie-dye hangings, which are used in an ingenious way to create settings from dance hall to factory.

Live music, provided by Joy Erskine on the Congas and the band Works of Women, ranges from heavy dub to Etu or Maroon African drum rhythms. Dance plays an essential role, and the final scene is a celebration dance of African militancy. These features allow the work to be described as orature, since orature is defined as a: "Multi-process, multi-level fusion of the cultural and the political, of art forms and languages, grounded in the experience, tradition and aspirations of Black people."

I spoke to members of Sistren, Pauline Crawford, Laura Burrell-Haslam, Beverly Hanson and Susan Foster from WOW on the first day of their London tour.

Q: Do you still feel representative of working class women in Jamaica?

Sistren: Well, most of the working class, middle class and upper class women really look to us to pave the way for them. Because I mean, who is listening to them? We reach a level now where we can speak out through our plays, through our workshops, etc, so when we speak for ourselves, its not for us alone but for the women. It gives them the motivation that there is a voice out there. It gives us a feeling of nearness, because most of what we use in the production comes from them!

Q: Do you work with theatre groups from other Islands at all?

A: Oh yes, in terms of our workshops. Last summer we had the Caribbean Popular Theatre exchange. Everybody came from different cultural backgrounds. We had groups from Belize, Dominica, St Lucia, Trinidad and Tobago, St Vincent, Cuba in a workshop at the Jamaican School of Drama. (The groups produced a piece called *Ida in a Jonkunnu Style* which toured the island.)

Q: So how much time do you spend working in Jamaica?

A: We work all year round. The full year isn't spent on theatre. We deal with administration, textiles, workshops, research . . . We have a theatre season from March to May usually.

Q: Sistren first toured London in 1983. Is there anything you hope to achieve this time round?

A: We are launching our first book, *Lionheart Gal*. It's an autobiography of the nine years of our existence. It was a collective process. Our artistic director [Honor Ford Scott] played a large part. She asked us, for example, to draw a picture on how we relate to men, then we talked to her about this. So we went through different stages. The designs we have, which will be on display, depict something of each individual story.

Q: Do you think that the book and the film* Sweet Sugar Rage *will help you to reach more people?

A: Yes, because even in some countries like Belize some of the women were shocked to know that women worked under such conditions. A country that is developed, a country that they look forward to sending their children to to University. I feel the harshness of the reality is there [in the film] and it has its own message. *(Sweet Sugar Rage* is a dcomuentary produced by Sistren with sugar workers from Clarendon, Jamaica.)

Monique Ngozi Nri

Sistren tour 1-26 October at the Albany, Commonwealth Institute and the Shaw Theatre. An exhibition of textiles opened at the Black Art Gallery on 14 October. The film Sweet Sugar Rage *is available on 01-995 0269 (London).*

Music

Balancing the elements

Anyone who is familiar with *African Dawn* will have noticed a change in its presentation and performance. The change is not so much between the group's act in the past with what it is doing now, as with the equilibrium, simplicity and communication of its performances.

The *African Dawn* collective has now adopted orature — the unity, fusion and integration of art forms against elitist specialisation, (artificial division between say, poetry and music, drama and mime). The collective has now ensured that all the ingredients used in its multi-media work are given equal time and space to reach their full potential.

In a recent performance at the Africa Centre in Covent Garden, London, with teenage 'kora' prodigy Tunde Jegede, the audience left for home not only satisfied with the rhymes and rhythms of *African Dawn's* dramatised revolutionary poetry, but also the competence of the musicians. In addition, we were all more educated than before about the struggles of the Pan African Congress (PAC) against apartheid.

Introducing the evening's performance, poet/sculptor/writer Pitika Ntuli excited the audience with a couple of his stand-and-deliver poems, "Every stone throw is Azania rising up . . ." A video film on the imprisonment of Joseph Mlebo, a leader of the PAC, was shown. The film touched on the history, circumstances and role played by the PAC in the civil and military war being waged between the fascist apartheid regime and patriots of the African majority.

Tunde Jegede, showing no emotion on his face, but occasionally tilting his head a fraction to thumb a wicked note or two, played a number of rousing classical Mandigo tunes to applause from the audience.

Then, taking its own time to stir from the acoustics of a hollow gourd, Torera Mpedzisi, Zimbabwean member of *African Dawn*, played a traditional tune from his 'mbira' (thumb or finger piano).

Before the applause stopped, the song shot up, "Shoo-ooo-sholoosa, shosholosa . . ." *African Dawn* had arisen with a Zulu song of resistance! The accompanying poem to this famous African song, made more popular here in London over the years by *African Dawn*, "broke" with a power poem by Merle Collins, a Granadian member of the collective:

"I am a woman who looked for water with her bare feet . . . who from the beginning marched alongside her brothers . . ."

African Dawn sat and stood with two acoustic guitars, two 'dono' drums, two 'aprepensua' drums, one 'dawuro' (gong), a 'kabasa' (rattle), and dressed in an assortment of colourful African costumes.

With such musical weapons of resistance the poems flowed in heated antagonism to the manipulations of the internal strife in El Salvador. The internal contradictions brought upon that nation by the greed of the oligarchy (property-owning ruling classes), by Uncle Sam.

The heated struggle and resultant scandal of the Sharpeville massacre in Azania was also contested with words. In West Africa the poem, "Yer Bepim Do" — "We shall struggle on", leapt from the gun-muzzle lip of Kwesi Owusu, from Ghana, ". . . Ye mpanyinfo adzifodzi . . na woama ye rebre yi . . .", (It is the greed of our leaders which has resulted in our toil.)

Although, collectively each member of the group was at home with a musical instrument, it was not too difficult to discern the poets from the musicians. Torera particularly fascinated me with his confident vocal and instrumental support to the more adept poets, like Ahmed Sheikh whose powerful contribution in a memorable *African Dawn* conversational piece is unequalled:

"I am Azania
my name itself
a platform, a programme . . ."

Wala Danga, from Zimbabwe, played a consistent beat as background to most of the poems. Vico Mensah, from Ghana, was particularly marvellous exchanging good vibes with Torera, and Eduado, from Uruguay — I can still feel the rattling in my head.

The *African Dawn* collective was formed in 1980. It is committed to Pan-Africanism, popular culture and internationalism.

Kofi Hagan, Jr.

Books

A self-reliance strategy

The Challenge of Industrialisation in Nigeria — A Personal Insight,
By Chief Onwuka Kalu,
Basic Trust, Lagos

An economic recession, worse than that of the late thirties stalks across the globe with majestic sneers and for Africa it has been a mountain of woes. Even as the West defies the recession to break fresh grounds in agriculture, science and technology, African nations continue to sink further into economic doldrums.

Haunted by the spectre of stagnation, they have begun to seek ways to revamp their economies and break the colonial ties which have perpetuated this anomaly. But dishearteningly, our leaders and, indeed, intellectuals have talked too much and done too little. This lack of political will and the wide gap between theory and practice have remained the major handicaps of most African nations in the search for real development.

This appears to be the balance which a Nigerian entrepreneur, Chief Onwuka Kalu, attempts to strike in his inspiringly patriotic book *The Challenge of Industrialisation in Nigeria*. The book is an attempt at bourgeois radicalism. It is a far cry from the Smithean orthodox economic theories and principles that have formed the bible of our so-called experts: experts whose only claim to expertise lies not in their successful formulation and implementation of result-oriented economic policies but in the acquisition of degrees.

With very little time for preambles and any attempt at theoretical conceptualisation, Chief Kalu throws the first salvo in the first chapter titled "Why we couldn't industrialise" in which he blames the colonialists for our current travails. In a simple, down-to-earth manner, perhaps arising from the author's background as a practical, realistic industrialist, Chief Kalu rests the cause for Nigeria's underdevelopment on colonialism, which, he says, created a laissez-faire economy that "was purposively skewed against the native population so as to benefit the colonialist." He buttresses this assertion with the "evidence" that "no real infrastructure for industrial development existed except, of course, that which aided the production of exportable agricultural staples."

The pre-independence plans formulated by the colonialist, the author argues, were not development-oriented but geared towards creating transportation and communication facilities that would ease the evacuation of raw materials to mother Britain. The transnationals also come under hammer for the role they played in disorientating the Nigerian economy.

Chief Kalu moves from this historical perspective to assess the development plans that have been implemented to date. He postulates that these plans were not only fraught with contradictory policies and deficient in supporting the rural areas but also highlighted our "national foolishness to have relied only on oil." The author then proceeds to analyse the contemporary Nigerian economy which he dubs a "moral" one, because of the citizens proclivity for subsistence living instead of large-scale production that could trigger off more investment and, therefore, accelerate the industrialisation process of the country.

After this critical self-re-examination, Chief Kalu submits that the Nigerian economy suffers from extreme disorientation and contradictions. The Enterprises Promotion Programme, which the author believes would have reverted this trend, was subverted by unpatriotic Nigerian middlemen with their foreign collaborators. Consequently, "the noble economic scheme of enterprises promotion, in effect, promoted no enterprise afterall, but rather aided the siphoning of a greater part of our wealth out of the country."

In prescribing an economic blueprint for the country, Chief Kalu submits that copy engineering is the most critical challenge facing industrialisation in Nigeria. This submission stems from the author's admiration of the wonders copy engineering has performed in Japan. He cites small and medium scale industries as holding the key to the nation's development and therefore advocates for a research and development policy "that will put to work the natural resources of the country and meet the demands of higher standards of life and to translate productive skills into tangible products and services."

There is no such thing as transfer of technology, the author asserts, because "technology can hardly be transferred without judicious local research and development of indigenous products and organisations." Hence, he opts for exclusively made-in-Nigeria trade fairs that promote locally manufactured goods and attract necessary foreign inputs for the accelerated growth of domestic industries.

A dispassionate analysis of the work clearly marks it out as a transparently patriotic contribution to the nation's search for a self-reliance strategy. This is what one thinks Chief Kalu would want to be noted for and not just his millions. The observations, analysis, conclusions reached and suggestions proffered hold true for any Third World nation struggling to fight off the yoke of imperialism. It is no doubt a commendable effort by a hardworking, self-made millionaire who definitely has nothing to lose from a peripheral capitalist economy that tends more towards the imperialist west.

Jackson Ekwugum

Books Received

'Popular Islam' south of the Sahara,
Ed by J D Y Peel & C C Stewart,
Manchester, 1986, £8.50.

The Global Possible: Resources, development and the new century,
Ed by Robert Repetto,
Yale, 1986, £45 hb, £13pb.
Environmental experts offer a broad overview of the state of the world's threatened resources and, drawing from recent experiences in many countries, propose corrective measures.

Saudi Arabia: A case study in development
By Fouad Al-Farsy, KPI, 1986.
Dr Al-Farsy argues that Saudi Arabia, the only nation to use the Holy Qu'ran as a State Constitution, is adjusting well to the conditions of the 20th century while sustaining its distinctive Islamic Identity.

Star Wars,
Ed by E P Thompson,
Penguin, 1985, £2.95.
Arguments for and against Star Wars are assessed. The book then proceeds to make a powerful case against Star Wars. Expensive, unnecessary, a clear breach of the Anti-Ballistic Missile (ABM) treaty, provoking the USSR, probably not technically feasible and even if carried out will never form a nuclear umbrella over America that is missile-proof. This final concept reveals Reagan's determination to take the nuclear issue into space — a daunting and provocative idea!

Digging up the mountains,
By Neil Bissondath,
Andre Deutsch, 1986, £8.95.
The author focuses on contemporary themes of dislocation, revolution, and the shifting politics of the Third World. Neil Bissondath, born in Trinidad, writes about the stories of people in circumstances well beyond their control.

Women, Work and Ideology in the Third World,
Ed by Haleh Afshar,
Tavistock.
The authors in this volume discuss the 'invisibility' of women's work in Malaysia, Sudan, Iran, Bangladesh, Ghana, Tanzania, Java, Brazil, Morocco, and India. Although these countries differ politically, socially, and economically there is a great similarity in their ideologies which define female labour as the property of men.

Crossword

LAST WEEK'S SOLUTION

ACROSS: 1 Sudan, 4 Tutu, 7 Imo, 8 Dean, 9 EPG, 11 AD, 12 AH, 13 Ease, 14 Up, 15 Raft, 17 Tram, 18 Roe, 20 Bias, 21 Fakir, 24 Tororo, 26 Ulema, 27 Rot, 28 CD, 29 NA, 31 Ibo, 32 ID, 34 Mar, 35 Kino, 37 Leo, 38 Sankara, 39 Maize.

DOWN: 1 Safari, 2 Dye, 3 Nigh, 4 Tone, 5 Udder, 6 Snip, 10 Patriot, 11 Astral 12 Umbra, 16 Peso, 19 Oar, 20 Brook, 21 Fuddle, 22 Ken, 23 Imam, 25 Orb, 30 Tribe, 31 Iris, 32 In, 33 Door, 36 Bi.

African Concord Crossword Puzzle

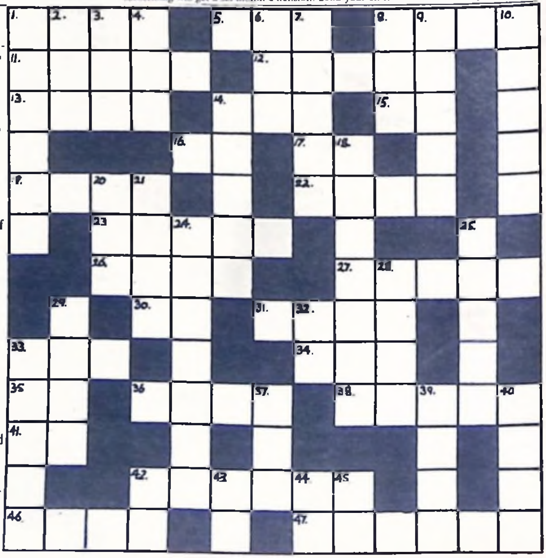
* NOTE. Every week, the first three winning entries received at our London Office will receive complimentary copies of *African Concord* for six months. Those already subscribing will get a six-month extension. Send your entries with our subscription form

ACROSS

1 Satellite of the earth
5 Bad
8 A boat
11 Bone of the ear
12 New
13 Hearty endeavour
14 A card
15 In a certain position
16 Alternating current
16 Accordingly
19 Bone of forearm
22 Sudan News Agency
23 Substance from elephant tusks
26 Size of letters in typewriting
27 Posho
30 District Commissioner
31 Security for release
33 Main
34 Always
35 Whenever
36 Lump of tobacco
38 Anger
41 Old Testament
42 Swollen state
46 Furnace
47 Dress

DOWN

1 Author of documentary "The Africans"
2 Single
3 Female cells
4 Nothing
6 Mandela's Congress
7 Deposit of dust
8 Leguminous plant
9 Extreme
10 Handle
14 Capital of Ghana
18 Currency of Mauritania
20 Bite
21 Greedy
24 Obstruct
25 Greek philospher
28 Narrow valley
29 Lift
32 Automobile Association
33 Structure in street
37 President of Liberia
39 Decree in divorce
40 Piece of timber used as support
42 Not off
43 District Administrator
44 A degree
45 African Trust



A troubled Cup of Nations

Strapped for cash, several countries may not participate in the soccer contest of African nations

ALTHOUGH, regarded as the most financially buoyant sporting body in the continent, the Confederation of African Football (CAF) seems to have its revenue base hit. For over two decades, the confederation has organised three competitions without any serious interruption. But the economic recession affecting most member countries could take its toll on the continental sports governing body.

Some countries are finding it increasingly difficult to pay affiliation fees, fines and enough money to participate in CAF's competition. Libya was recently banned from all CAF's competition for an indefinite period for failure to pay the annual affiliation fee and numerous fines. Said an apparently enraged Ydnewkatchew Tessema, the CAF boss, "you've got to hit hard, even if it does involve good African teams." Not less than three other teams have withdrawn from the preliminary rounds of the African Nations Cup, whose finals take place in Zambia in 1988.

Such withdrawals are hinged on financial problems. The Football Association of Tanzania, FAT, had initially budgeted about 65,000 US dollars to finance the training of the Taifa Stars of Tanzania. But the sports ministry pruned this down to about 20,000 dollars, which, FAT is claiming to be too small and is therefore contemplating withdrawing from the Cup of Nations.

Tanzanian case is not isolated. The Zambians are beginning to count the cost of their continued participation in the FIFA/Kodak World Cup and therefore may withdraw. With the curtain already raised on the 16th African Nations Cup competition, Mauritius, Lesotho and Mali have withdrawn, giving Madagascar, Tunisia and Rwanda sweatless berth into the first round proper. Madagascar, the Indian Ocean Island, who gained a walk over are now drawn against the Harambe Stars of Kenya in January. Mauritius, whose only appearance at the finals was in the 1974 Cairo championship where they lost all three group matches, are yet to decide on their participation in the qualifying matches of the fourth All Africa Games, where they are also billed to meet Madagascar in January 1987. Mauritius had eliminated Seychelles, 4-1 last month.

The uncertainty that surrounded Tanzania's participation was cleared when the team showed up in Addis Ababa for the first leg preliminary round encounter with Ethiopia. A withdrawal could have attracted penalty from CAF whose rule is against absenting on two consecutive times from any competition. Tanzania last year pulled out in the first round encounter with Nigeria on ground of financial shortages.

Teams in such bad economic state had in the past put up surprisingly marvellous display. Mozambique whose clubsides pulled out of continental competitions in 1984 because of financial crisis, were able to put together a strong national team.

After a meal of peanuts and cocacola,

Lawal, Nigeria's Sports Minister

the frontline country defeated Cameroun, at Maputo in an African Nations' Cup qualifying round in 1983. But Mozambique undid themselves with the defensive play two weeks later in Yaounde, and therefore lost 4-0.

The hurriedly assembled and ill prepared Taifa Stars of Tanzania almost put up the type of gut Mozambique displayed against Cameroon in Maputo. Under two minutes of the match with Ethiopia in Addis Ababa, Nasor Nwinyin had put Tanzania ahead. But the Ethiopians replied with four goals, while about 15 minutes to end the match, Zamoyoni Mogella scored a consolatory goal for Tanzania.

This weekend, Taifa Stars will attempt to pay the two goal deficit and probably move forward to meet Sudan in next January's first round. Ethiopia had been one of the early pace-setters in the continent's football scene, winning the Nations' C[illegible] in 1962 and appearing in seven other [illegible]ls.

But the country, whose national, Ydnewkatchew Tessema heads CAF, has been eclipsed. Apart from qualifying for the 1982 finals in Libya, the last time Ethiopia played and succeeded in the qualifying round was 1970. As hosts, and therefore automatic participant in 1976 championship, Ethiopia crumbled 2-1 and 1-1 to Guinea and Egypt but beat Uganda 2-0. That was not enough in a tournament that was played on league basis throughout.

Congo, another strong footballing nation in the 1970s, has experienced eclipse from the scene. But the Congolese appeared set to regain old glory when they beat Central African Republic 2-1 in Bangui. Cote D'Ivoire stands by for the outcome of the return match in Brazaville this week end.

Two other Central African countries, Angola and Gabon are engaged in another preliminary encounter. Angola won the first leg by a lone goal in Luanda. Both teams have never been to the finals. The winner would have an herculean task of eliminating Zaire in the first round. Zaire had a spell on the continent in the late 1960s and the early 70s, winning the trophy twice.

Sierra Leone Liberia encounters have more in common other than the striking similarities in national teams' appellation. Both the Sierra Leone's Stars and the Liberian Lone Stars had never moved beyond the qualifying encounters of the competition. Their duel has the same setting like that of Angola and Gabon. Score line was very close 2-1, at the first leg. The qualifier meets Ghana next January.

Somalia shares the same characteristic with Sierra Leone, Liberia, Gabon and Angola. The country is among the eighteen affiliates of CAF yet to qualify for the finals of the biennial competition. The Somalis were on the receiving end a fortnight ago in Kampala. They crumbled miserably, 5-0 to the Cranes of Uganda. Philop Omondi, the ebony black striker who topped goal chart at the Accra championship in 1978 spearheaded the Ugandan attack.

With the five goal margin, bookmakers easily tip Uganda as the first round qualifier. If the outcome of the return match squares with the prediction, Uganda, the only East African team to have ever reached the final, will meet the Indomitable Lions of Cameroun.

Nigeria enters the race in January against the winner of preliminary round encounter between Togo and Equatoria Guinea, Senegal are also on the standby for the outcome of the Guinea and Gambia's Scorpion preliminary round matches. Mozambique, the 24th nation to take part in the finals, are drawn against Zimbabwe.

— Kunle Solaja


Pix by Kole Ade Oduola

Adebayo and Ogunro

WHEN two captains man a ship, what happens — bedlam? But since 1981, **Johnson Adebayo**, and **Sesan Ogunro** set up Eminent Advertising in which they are joint managing directors, and things have gone well. Naturally, their favourite phrase is "three is a crowd". But three had not always been uncomfortable. In 1980, when they set up Insight Communications with four others, things went smoothly for 18 months. That was until they found that their points of view differed a lot. So, Ogunro, a copy writer and Adebayo, a printing specialist, left together. From then on, they have been calling public attention to products and services in their own kind of way simply, but laden with meaning. Their clients have included the Vanguard Yellow Pages, the launching of *Vanguard* newspapers, launching of *Prime People* magazine, and promoting Lavina perfume. They both still have a complaint about the well-established advertising agencies. "The big agencies should lay good examples," said Ogunro, "by sharing accounts (clients), rather than monopolising the big companies to themselves."

WHEN the 'poor theatre' was coined, he should have been made the godfather. For prolific playwright, actor and stage director **Bassey Effiong** operates on a similar theme. His Anansa Playhouse is a club for all to join, but the actor perform free of charge. Since they came together, they have performed such plays as Ola Rotimi's 'The Gods Are Not To Blame', Chinua Achebe's 'Things Fall Apart', and J P Clark's 'The Raft', among others. Last week, it was another of Ola Rotimi's plays (Kurunmi) that was performed at the National Theatre. But directing a cast that are not being payed is no easy task. So Effiong merged the dictatorial and improvisation approaches and emerged with the 'play-way', a new approach. This, he says, involves the psychological gauging of actors' moods. He still has time to write books, and also to prepare the actors for a new television serial, 'This Is For Real', a horror movie. "Ultimately," says Effiong, "I will go back to the University to lecture. For now, this is where the real challenge lies. After that, I will retire and write more books."


Effiong

YOU probably won't find another one quite like her. Just over a year after she formed the Black Heritage Dance Troupe, she left. She did not have any confidence in the directors, she said. Still, she supported them by directing clients to them. For example, she was instrumental to their performing at the Lagos State Trade Fair. Not long after that, she formed the African Heritage Dance Troupe. She performed the feat with the help of General (retired) Abisoye, now the chairman of the group, and Major (retired) Funso Ajayi, (the present vice chairman) whose assistance included the use of his house as the company's premises. Soon, 15 members of the Black Heritage Troup joined her new company. Since then, the 25 member troupe (African Heritage) have toured Nigeria extensively and have also travelled to Bulgaria. Recently she heard allegations of financial impropriety leveled against her by her former group. Says **Bhola Eberiga**, 27, whose late mother was South African born and her father a Nigerian. "It's ridiculous. If anyone owe anything, it is they who owe me my allowance. My present directors would not trust me if any of these were true." Some of the ex-members who joined her new group concluded: "at Black Heritage, it was a harrowing experience."

Ademola Oguntayo


Eberiga