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FOREWORD

This is the first issue of the Economic Bulletin for Africa. A preliminary version of this bulletin was issued as a document for the third Session of ECA (E/CN. 14/54 p. 24). This printed version differs from the preliminary one as it incorporates not only certain changes but also some last minute information.

The Secretariat of the Commission assumes full responsibility for the contents of the Bulletin.

EXPLANATORY NOTES

The designations employed and the presentation of the material in this Bulletin do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country or territory or of its authorities, or concerning the delimitation of the frontiers of any country or territory.

The following symbols have been used throughout this Bulletin:

... = not available or not pertinent;

— = nil or negligible;

* = estimate by the Secretariat of the Economic Commission for Africa.

In referring to combinations of years, the use of an oblique stroke — e.g. 1958/59 — signifies a twelve-month period (say from 1 July 1958 to 30 June 1959). The use of a hyphen — e.g. 1954 - 1958 — normally significes either an average of, or a total for, the full period of calendar years covered (including the end years indicated).

Unless the contrary is stated, the standard unit of weight used throughout is the metric ton. The definition of "billion" used throughout is one thousand million. Minor discrepancies in totals and percentages are due to rounding.

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PART A: CURRENT ECONOMIC TRENDS

Chapter A/I

WORLD ECONOMIC CONDITIONS

a) Current Trends in Industrial Countries

Compared with 1958, the year 1959 was a year of renewed expansion in economic activity in the industrial group of countries. After the mild setback of 1958 the expansion was resumed in all western European countries, although, of course at fairly different rates. The recovery that had started by the end of the second quarter of 1958 in the United States carried production and incomes to new high levels. The economic recession in Japan which had set in about the middle of 1957 also came to an end by mid-1958.

The rapid growth of economic activity in 1959 was primarily the result of an upswing in industrial production, since agriculture, with very few exceptions, brought no significant contribution to the rise in gross national products. Total industrial output in the United States was up more than one eighth from the recession-affected year 1958 and more than 4 per cent above 1957.[1] The industrial production index of the OEEC countries showed an annual increase of 6 per cent, compared with the 1.5 per cent rise between 1957 and 1958.[2] Even in the United Kingdom, the industrial production index — which had been practically at a standstill for several years — rose in 1959 by about 7 per cent. By the middle of 1960 the industrial expansion was still going on in most countries although some important industries in the United States, and particularly the steel industry, were giving rise to serious concern.

The revival and expansion of economic activity in the industrial group of countries was due in the main to internal factors — to a rapid rise in housing construction, public investment and consumer expenditure, particularly on durable goods. However, in the case of Japan and western Europe a significant rise in exports to North America contributed to the rise in aggregate demand. The revival in final demand and the improvement in business expectations gave rise to the process of inventory accumulation which, as in the two previous expansions, was especially marked in North America. Business expenditure on fixed investment did not generally play a major role in the process of expansion. This seems to be especially true of manufacturing, while the commercial and service sectors recorded a growth in fixed investment roughly in line with the growth of total product. Except for Japan and a few countries in western Europe, the volume of manufacturing investment either declined in 1959 or rose at a slower pace than the gross national product and total fixed investment. This behaviour of manufacturing investment points to the persistence of idle capacity not fully taken up by the rapid rise of industrial output. During the preceding industrial boom, which ended in 1957, there had been a general tendency for productive capacity in manufacturing to rise at a faster rate than demand and production. This tendency led to a progressive growth of excess capacity in industry which became a major factor in the 1957/1958 recession — particularly in the United States. By the second quarter of 1960 idle capacity tended to disappear only in a very small number of western European countries; but even there coal and shipbuilding industries were working well below capacity levels.

The wave of economic activity, although accompanied by a rising demand for labour, did not lead to a marked increase in wages and earnings. The rate of increase in wages in most countries tended to lag behind the growth of productivity in industry. This factor, together with a further decline in the prices of imported primary commodities, played a decisive role in the maintenance of price stability. For the same reasons, the share of profits in total income showed a rising tendency after the decline that had taken place in the previous year. Another significant feature of the expansion was the absence of serious strains in the balance of payments of western European countries, while the United States recorded a significant deficit.

The volume of foreign trade, which had been at a standstill between 1957 and 1958, recorded a vigorous expansion in 1959, more vigorous indeed than domestic production. The most impressive feature of the expansion that took place in foreign trade was the rapid growth of trade in manufactures. This was due primarily to a strong demand for durable consumer goods, but partly also to a recovery in consumption of textiles. The volume of imports of the industrial countries as a whole showed a 13 per cent increase in 1959 over 1958. The rate of growth was particularly high in North America where recessionary developments in 1957/1958 were much

[1] *Survey of Current Business*, January 1960, p. 4

[2] *OEEC Main Economic Indicators*, June 1960.

more accentuated than in western Europe and where, in all probability, a depletion of inventories of imported goods took place at a considerably earlier date. The volume of imports of North America in 1959 was 16 per cent above the 1958 level, while the corresponding increase in total western European imports amounted to some 10 per cent.[3]

The most significant features of the foreign trade expansion in Western Europe can be summarized as follows:

(a) an impressive rise in exports to North America which was not accompanied by a similar advance in imports from that area; however, in the first quarter of 1960 the rate of exports to the United States tended to slow down and imports from that area to increase;

(b) a rapid expansion in trade within western Europe both in 1959 and in the first quarter of 1960; but, with the exception of Turkey, this expansion did not affect very much the less industrialized countries of the area;

(c) an exceptional increase in the trade of the countries belonging to the European Economic Community which accounted for by far the biggest share of the rise in trade within western Europe.

As may be seen from the table below, the growing divergence between the rates of growth of production and of trade among the countries of the European Economic Community and those of the European Free Trade Association was one of the characteristic features of west-European trade in 1959.

This divergence is not an entirely new phenomenon, since it could be already observed in the 1952/1956 period; the change recorded in 1959 nevertheless appears a striking one. Intra-trade among the six EEC countries expanded three time faster than industrial production while between 1952 and 1956 it had risen less than twice as fast as industrial production. On the other hand, the relationship between the rates of growth of intra-trade and industrial production of the EFTA group was very much the same in 1959 and in the 1952/1956 period.

It is obvious, therefore, that the fast rise in the trade of the EEC countries, and particularly in their mutal trade compared with the trade of the EFTA group, cannot be explained by higher rates of economic expansion although the EEC achieved somewhat higher over-all rates of growth both in 1952/56 and in 1959. If the proximity of the EEC member countries were left out of account as a factor which has been permanently influencing their mutual trade, then the impressive rise in EEC intra-trade would in all probability be explained by the cumulative effects of the following factors: (a) the strong competitive position of the EEC countries in manufactures; (b) the increasing stream of United States capital into the area, and (c) the indirect effects of the first steps towards economic integration.

The growth in the trade of the EEC countries in 1959 and in the first months of 1960 cannot, indeed, be isolated from the fact that the recent expansion in intra-European trade, and to a great extent in world trade also, was primarily an expansion in trade in manufactures and, more particularly, in consumer durables. The strong competitive position of Western Germany and of some other members of the EEC in that field must therefore have led both to a more intensive exchange of manufactures and related intermediate products within the area and to higher exports to third markets. The richer inflow of United States long-term capital, which seems to be incrasingly attracted by the prospects of a large integrated market and by the competitive possibilities of a large-scale efficient industry in a highly developed area, was an additional stimulus to the expansion of trade within the EEC and, probably, an additional source of strength for some of the EEC business firms in third markets. Finally, it is fairly certain that intra-Community trade has been influenced to a certain extent by the first stages of integration, although of course mostly through anticipatory action by private business.[4] Foreseeing a growing competition in their domestic markets as a result of the integration process, some firms might have found it advisable to take appropriate steps to find or to enlarge markets in other EEC countries. The establishment of affiliated enterprises in this or that country of the EEC by firms belonging to other countries of the same group contributed considerably to the expansion of intra-trade in the Community both in 1959 and in early 1960.[5]

The commodity composition of industrial countries' imports was an important factor in determining their geographic distribution. The strong drive for manufactured goods in 1959 affected the imports of industrial countries from one another much more than their imports from primary producing countries, which were recovering slowly in the course of the year. The slow recovery in imports from primary producing countries, coupled with an increasing supply of commodities for export, could not bring about a general upturn in commodity prices, which had been already seriously hit by the 1957/58 recessionary movement in industrial coun-

[3] *World Economic Survey 1959*, p. 157.

[4] *Journal officiel des Communautés européennes*, 23 avril 1960, pp. 632/60.

[5] The first general tariff reduction of 10 per cent under the Rome Treaty, which took place on 1 January 1959 was extended to imports of industrial goods and non-liberalized agricultural products from all members of GATT. The two subsequent cuts of 10 per cent each scheduled for 1 July 1960 and 1 January 1961, may be extended to third countries on an *ad hoc* basis. (See *The Impact of Western European Integration on African Trade and Development*, E/CN. 14/72).

Table A.I.1

Production and foreign trade[a] in western European regional groups
— percentage changes at current values —

	1952 to 1956 Annual rate		1958 to 1959		First quarter 1959 to first quarter 1960	
	EEC	EFTA	EEC	EFTA	EEC	EFTA
Gross national product[b]	6.0	4.0	4.3	3.5[c]		
Industrial production[b]	8.9	4.9[d]	6.3	6.4[d]	12.1	10.6[d]
Intra-trade	15.0	6.0	19.1	7.6	38.7	23.6
EEC exports to the EFTA	9.3		9.6		29.5	
EFTA exports to the EEC	10.8		7.4		16.1	
Imports from the world[e]	8.5	4.8	0.7	6.0	28.7	21.2
Imports from third markets[f]	7.8	3.0	— 1.4	5.1	31.4	19.6
Imports from United States	9.0	6.1	— 5.3	3.1	52.9	43.2
Exports to the world[e]	7.7	6.0	7.5	4.2	30.9	15.2
Exports to third markets[g]	6.9	4.3	6.6	3.0	31.6	14.9
Exports to the United States	12.7	7.8	42.8	28.9	30.1	15.2

[a] Imports c.i.f. exports f.o.b.

[b] In volume terms.

[c] Excluding Portugal.

[d] Excludng Portugal and Switzerland.

[e] Excluding intra-trade of EEC and EFTA respectively.

[f] Total imports of the EEC, excluding intra-trade and imports from the EFTA, and total imports of the EFTA, excluding intra-trade and imports from EEC.

[g] Total exports of the EEC, excluding intra-trade and exports to the EFTA, and total exports of the EFTA, excluding intra-trade and exports to the EEC.

Source: *Economic Bulletin for Europe*, Vol. 12, No. 1, 1960, page 41.

tries. Although some firming took place in the currently quoted prices of a number of raw materials, the average import prices of industrial countries remained below the depressed 1958 level throughout 1959. Compared with 1955, the corresponding expansion year of the previous cycle, the industrial countries, as importers, fared better in the course of the 1959 expansion. While it is true that the fall in import prices was partly offset by a decline in the export unit value of industrial countries, the latter's terms of trade were still somewhat higher in 1959 than in 1955.

With minor exceptions only this general picture remained virtually unchanged in the first half of 1960. At the end of July 1960 the index of world commodity prices was not above the 1959 average, although the prices of some major categories, like fibres and metals, were well above their respective 1959 averages. The gains in these sectors were completely offset by a further decline in food prices. The terms of trade of underdeveloped countries have remained unchanged in the first half of 1960.

The trend in import prices and the evolution of terms of trade in 1959 were favourable to all industrial countries; but the balance of trade developments in all countries of this group were by no means uniform. The most striking difference in that respect was between the United States and western Europe.

The strong drive in western Europe's exports to North America resulted in a significant improvement of western Europe's balance with that area, which was not offset by the rise in its import surplus with the rest of the world, so that western Europe's total deficit declined by $ 800-900 million in 1959.[6] As a consequence, the accumulation of official gold and foreign reserves continued in western Europe, although at a sharptly reduced rate compared to 1958 owing to a considerable rise in the outflow of official capital, chiefly to the United States and to international institutions.

However, it should be noted that the declining tendency in West-European imports from the United States in 1959 was already reversed in the last months of the year. The vigorous pace of economic activity in western Europe in the first quarter of 1960 was followed by a rapid expansion of imports from the United States in both the EEC and EFTA countries (see table A.I.1 above).

In the United States, however, the upturn in economic activity was accompanied by an increase in the balance-of-payments deficit, due primarily to a sharp contraction in the merchandise trade surplus. As measured by the net outflow of gold and dollars, the overall deficit, which had amounted to over

[6] *OEEC, General Statistical Bulletin*, No. 4, 1960.

$ 3 billion in 1958, rose to more than $ 4 billion in 1959. The unusual expansion of imports was mainly concentrated on manufactures with passengers cars in the lead, but large increases were recorded in imports of crude and semi-finished materials.

Although it would be somewhat early to draw definite conclusions about balance-of-payments developments in the United States, it may be safely assumed that the change in that country's international trade during the last two years was due, disregarding the effect of the 116-day strike in steel, to the interplay of cyclical and long-term forces. The setback in economic activity in western Europe, Japan and Canada was a hard blow to certain traditional United States exports to those countries, while, on the other hand, economic recovery and expansion in the United States in the following year resulted in heavy imports from the rest of the world. The influence of these cyclical factors was reinforced, both in 1958 and 1959, by a growing competition from western Europe and by an increasing interest of American consumers in imported goods like, for instance, motor vehicles of West-European make, and, more recently, by outflows of short-term funds.

At the time of writing (September 1960), the expansion in economic activity in the main industrial areas appeared to be continuing. Official forecasts based on economic budgets and current trends in most countries seemed to reflect the conviction that the year 1960 would bring production and incomes to new high levels.

However, already by the first quarter of 1960 the behaviour of certain components of demand became a source of uncertainties as to the future course of economic activity in the United States. The boom in automobiles which had developed in the last months of 1958 and which was further strengthened during 1959 subsided at the end of the first quarter of 1960.[7] In the following few months a slackening in demand for various consumer durables became evident. The decline in demand for those goods, coupled with a decline in such sectors as farm equipment and construction, did not fail to affect steel, so that at the end of August this industry was working at probably less than 60 per cent capacity. The gross national product continued to progress in the first two quarters of the year but, as the second quarter was going on, the tendency towards a levelling-off became ever more evident. On the other hand, the general attitude of the Government as to the short-term prospects of the economy remained confident.

[7] Motor-car manufacturers seem to have reposed great hopes in the new 1961 models scheduled for the autumn of 1960. However, according to recent press reports the appearance of the first new models began to affect the second-hand market, on which unusually large stocks seem to exist already. It is also reported that more than a million new cars remain on inventory as the 1960 production year draws to a close.

Although no definite conclusion can be drawn from the fact that some sectors of the United States economy have been experiencing difficulties, it seems fairly certain that adequate growth in aggregate demand will be the decisive factor for the short-term prospects of economic activity. The short average duration of business cycles in the post-war period, linked with the fact that the present expansion phase has already lasted for more than two years, seems only to give more weight to the importance of the role of the government in maintaining a level of aggregate demand sufficient to avoid a recession in the near future. Then, of course, much may depend on the policies adopted by the newly elected administration.

In contrast to the somewhat vacillating pace of the United States economy, the rapid advance in industrial production in western Europe continued unabated during the first half of 1960. The figures relating to the first quarter clearly show industrial output in most countries of the area to be well above the peaks reached before the 1957 slow-down, and it may be fairly confidently assumed that new records were achieved in the second quarter of the year. The steel, metal-processing, engineering and textiles industries, which all recorded high rates of output during 1959, continued to expand in the first six months of 1960. The only sectors which did not participate in the general upsurge in economic activity were coal, shipping and ship-building.

Looking back at the past records of the two main industrial areas, it is easily seen that cyclical fluctuation in the post-war period were much less pronounced in western Europe than in the United States. The higher relative share of public investment, supplemented by other structural and institutional changes, seems to have produced greater stability in many western European economies.Many industries in the area have displayed an unusual dynamism in recent years, leading to important structural changes in the fields of production and exports. The strong drive for durable consumer goods brought about by rapidly rising incomes and changing consumption patterns is becoming increasingly evident in many countries. This is likely to continue in coming years, especially since consumption patterns in western Europe are still catching up with those in the United States. Finally, the intra-trade and the income-expanding effects of the two sub-regional groupings, in particular those of the integration of the EEC countries mentioned earlier, are also likely to continue for some time to come. Quite apart from their possible long-term influence, these may prove to be an additional temporary stimulus to economic activity in the area.

However, despite the generally favourable outlook there may be grounds for asking whether the present rates of expansion in western Europe will be maintained in the months to come. The question arises partly because of sectoral pressures which developed in a number of countries in the second quarter of the year, but partly also because of restrictive monetary and credit policies intended to prevent inflation or balance-of-payments difficulties. The effects of the latter cannot, of course, be discussed separately from the general business conditions in a given country; but it often happens that, once introduced, restrictive monetary and credit measures tend to outlive the original conditions that had rendered them necessary.[8] With increased emphasis on stable money and "sound" finance practically everywhere, the dangerous effects of such a tendency seem only the more likely to arise.

Finally, there are two additional points concerned with overseas exports which should not be omitted in discussing the short-term prospects of the highly industrialized countries in western Europe. Exports to the United States, which had played a considerable role in stimulating economic activity in western Europe in 1959, were developing at a reduced rate already in the first half of 1960; with the present rate of economic activity in the United States, the prospects for the second half of the year look even less promising. In contrast western European exports to primary producing countries in the first part of 1960 were higher than in the corresponding period of the preceding year. However, this rise in exports was mainly due to the time-lag between the increase in the exports of the primary exporting countries in 1959 and their imports, and is not likely to continue for long. As reported recently West-European exports to primary exporting countries had already levelled off in the second quarter on the high peak reached in the previous quarter of the year. In these circumstances, it seems only reasonable to assume that the rate of West-European exports to the primary exporting countries in the months to come will more and more depend on the amount of foreign aid, government lending and the various credit facilities which will be offered to those countries both on a multilateral and on a bilateral basis.

b) Impact on Primary Exporting Countries

The 1957/1958 recession and the subsequent recovery and expansion were characterized by the reappearance of tendencies typical of the inter-war period. The high responsiveness of primary commodity prices to industrial contractions, the relative insensitivity of the volume of exports from primary exporting countries and the rapid deterioration in their terms of trade were all part of the well-known pattern of behaviour in the downward phase of the cycle. In the expansion phase, however, the rise in the value of their exports usually tended to lag behind the rise in exports volume.

The volume of exports from primary exporting countries in 1958 remained practically unaffected by the recession, while the average export unit value showed a substantial decline. The combined effect of the unchanged volume of exports and of a lower unit value resulted in a decrease in the average level of proceeds of 5-6 per cent compared with the preceding year. On the other hand, since the import unit value of the primary exporting countries — reflecting a greater resistance of prices of manufactures to cyclical downswings — declined by a considerably smaller percentage, their terms of trade registered a deterioration of approximately 4 per cent.[8a]

The 1959 expansion, which affected the industrial countries' trade with one another more than their trade with primary exporting countries, nevertheless gave a strong impetus to the volumes of exports from the latter. A higher rate of current consumption of raw materials, coupled with a revival in demand for inventory purposes, resulted in a more intensive international flow of primary commodities. Between 1958 and 1959 the expansion of the quantum of exports from the primary exporting countries as a group reached a record figure of about 9 per cent, compared with an average annual rate of increase of slightly more than 4 per cent over the last decade. But this large quantum increase in exports did not bring the primary exporting countries a comparable gain in foreign exchange earnings. Supplies being ample in most production sectors, the rise in demand for primary commodities was quite inadequate to produce a general upturn in prices. Although in certain instances marked increases in prices were recorded (rubber, wool, tin and, to a certain extent, ferro-alloys and ores), current production supplemented by stocks which had accumulated during the recession was generally more than sufficient to offset the effect of the rise in demand. The average unit value of exports from primary producing countries, which had already declined by 4 per cent in the preceding year, showed a further decline of about 3 per cent between 1958 and 1959.

Consequently, despite the much greater rise in the volume of their exports, the rise in the value of exports from primary exporting countries did not amount to more than 5 per cent. This increase in value was roughly sufficient to offset the decline which had taken place a year earlier; but in order to restore the pre-recession level of proceeds the primary exporting countries had to export a considerably

[8] It should be mentioned, for instance, that recent reports from the United Kingdom point to a declining demand for automobiles and some other consumer durables, while, on the other hand, high discount rates and hire-purchase restrictions are still maintained.

[8a] *World Economic Survey for 1959;* these figures, calculated from data refering to a certain number of primary producing countries, differ significantly from those given in the *UN Monthly Bulletin of Statistics* under the heading of *Under Developed Areas.*

greater quantity of goods than in 1957. Their barter position, however, did not deteriorate significantly, because in unit value imports declined almost as much as exports.

The rise in imports of industrial countries from 1958 to 1959 showed a striking similarity in geographic distribution to that which had taken place in 1954/1955, the expansion phase of the previous cycle. The rise in their imports from primary exporting countries in each of the two periods amounted to $ 1 billion only while their imports from industrial countries increased by $ 3 and 3.6 billion respectively, representing a rate of increase roughly one-third higher for imports from other industrial countries than for those from primary exporting countries.

The repetition of this uneven geographic distribution in the rise of imports of industrial countries during the two consecutive cycles does not seem to be purely accidental, the more so since the last two cyclical expansions were considerably less influenced by various temporary or exogenous factors than the corresponding phases of the two earlier post-war cycles. It seems more likely, indeed, that the imports of industrial countries in the last two expansions conformed to a more "normal" behaviour pattern, reflecting to a greater extent the influence of long-term factors which account for a declining share of primary imports in the total imports of industrial countries.[9] These, if anything, are likely to gain in importance in the years to come.

As is shown in the *World Economic Survey for 1959,* the share of primary exporting countries in the total imports of industrial countries, which amounted to 43 per cent in 1950 fell to 36.9 per cent in 1955. According to the latest estimates, this share was only slightly above 34 per cent in the first half of 1959.

It may perhaps be said that the last two expansions in industrial countries were predominantly concentrated on sectors with relatively low import demand coefficients for commodities from primary exporting countries. But, in the absence of various exogenous factors, such as those which left their imprint on the upward phase of the Korean cycle, there is little likelihood of any change in the course of things in the future. It seems indeed that, given the long-term changes which have been taking place in import demand patterns in industrial countries, together with changing conditions in the overall supply of primary commodities, primary exporting countries should not rely too much on the stimulative effects of cyclical expansions in the future. But these same reasons lead of course to growing fears regarding the probable impact of future cyclical downswings.

As a general rule, the 1959 expansions of economic activity in industrial countries affected the exporters of raw materials much more than those of foodstuffs. By and large the exporters of industrial materials, having lost more in the downswing of prices during the recession, tended to gain more in the recovery. Higher demand, generated by larger industrial outputs, was reinforced by a revival in demand for inventory purposes — especially in North America, since, as in earlier cases, investment in inventories in the United States proved to be to a high degree cyclically sensitive. In western Europe as a whole, the change in the level of economic activity between 1958 and 1959 was considerably smaller and the relative impact on imports from primary exporting countries weaker than in the United States. However, as may be seen from the figures given below, the relative positions of the two main industrial areas in the trade of primary producing countries changed very little from 1958 to 1959.[10]

	United States		Western Europe	
	Percentage Share			
	1958	1959	1958	1959
Exports	35.8	35.2	64.2	64.8
Imports	32.4	32.7	67.6	67.3

The main beneficiary of the United States' demand for commodities from primary exporting countries was south-east Asia. Purchases from that region — consisting mainly of rubber, oil-seeds and hard fibres — were almost 25 per cent higher than in the previous year. In the first nine months of 1959, rubber alone showed an increase of $ 90 mil. over the corresponding period in 1958. In relative terms, the rise in imports from Oceania, concentrated on meat and to some extent wool, was even larger. On the other hand, Africa gained only moderately, while imports from the Middle East — owing to a reduction in petroleum purchases — were even lower than in 1958. The increase of somewhat more than 6 per cent in imports from Africa was mainly due to increased demand for rubber, iron ore, copper, cocoa and wool; but much of the increase in earnings from these comodities was offset by marked reductions in demand for coffee and non-ferrous metals other than copper. Imports from Africa at an annual figure of about $ 597 million were some $ 12 million above the 1957 level. Latin America gained very little from

[9] It has been frequently pointed out that the relative share of durable goods and services — sectors with generally low inputs of primary imports — in the total output of industrial countries has been constantly growing. Of no less importance has been the increasing economy in the use of raw materials due to improved methods of production and, in particular, to the manufacture of synthetic substitutes. Agrarian protectionism, both in western Europe and in the United States, coupled with efforts to develop domestic production at the expense of imported commodities, should also be taken into account.

[10] *Economic Bulletin for Europe,* Vol. 12, No. 1, 1960, p. 41.

the United States' increased demand. Higher purchases of wool, iron ore, meat and cattle were quite inadequate to offset the losses due to lower prices for coffee, sugar, cocoa and, in particular, for lead, ferro-alloys, zinc and petroleum. Only the expansion of trade in fruit, fish, nuts and certain other minor products offset a net reduction in earnings from the major commodities.

The modest rise in the value of imports into western Europe from the primary exporting countries brought the largest gain by far to Oceania. Latin America and the Middle East were in a position to increase their shipments by some 4 per cent, while exports from Africa and southern and south-eastern Asia were somewhat lower in value than in 1958. Imports from Africa, which had declined by $ 120 million between 1957 and 1958, were slightly lower in 1959 than in the previous year. However, in comparing the 1958 and 1959 totals allowance should be made for the effect of the devaluation of the French franc. Since France remains the biggest importer of African commodities, the reduced dollar value of French imports in 1959 from African countries belonging to the Franc Zone must have considerably influenced the total value of West-European imports from Africa. If France were left out of the picture, the total imports of the remaining West-European countries would show an increase of $ 288 million between 1958 and 1959. As can be seen from Table A.I.2 below, almost 60 per cent of this increase was accounted for by Belgium, Luxemburg, the Federal Republic of Germany, Italy and the Netherlands, while another 34 per cent came from the rise in United Kingdom imports.

Table A.I.2

Trade of Selected Countries with Africa

Exporting or Importing Country	Exports to Africa			Imports from Africa		
	1957	1958	1959	1957	1958	1959
United States[a]	657.2	609.8	647.2	584.2	561.3	596.8
Canada[a]	70.7	68.0	75.5	35.0	29.5	33.5
Total North America:	727.9	677.8	822.7	619.2	590.8	630.3
United Kingdom	1,357.2	1,393.1	1,285.3	1,172.0	1,071.3	1,170.0
Belgium - Luxemburg	257.1	236.5	186.2	316.3	277.8	329.1
France	1,732.1	1,871.4	1,769.7	1,524.2	1,525.1	1,230.9
Germany, Federal Republic of	449.1	455.2	498.6	480.4	467.4	525.4
Italy	202.7	207.6	202.1	246.2	231.5	268.4
Netherlands	168.8	181.9	181.0	151.0	177.0	202.9
Austria	39.8	25.7	30.9	29.4	36.6	24.6
Denmark	22.7	22.5	26.5	4.6	6.6	11.4
Finland	17.4	16.6	13.2	13.8	5.9	7.1
Norway	42.6	41.6	36.4	32.3	28.7	46.1
Portugal	100.9	102.7	100.7	72.7	82.8	81.6
Sweden	75.3	84.6	91.9	45.2	42.7	52.2
Switzerland	67.5	67.9	69.8	53.7	51.1	52.7
Spain	27.5	45.5	46.8[d]	30.7	42.7	39.2[d]
Yugoslavia	20.2	27.1	23.1	14.8	19.0	20.0
Greece	8.8	5.8	3.6	12.9	12.6	13.5
Turkey	3.9	1.2	3.2	2.2	3.5	1.0
Total western Europe:	4,593.6	4,786.9	4,569.0	4,202.4	4,082.3	4,076.1
India	116.6	87.9	91.0	109.4	105.0	113.5
Japan	498.1	415.1	409.8	103.0	83.7	128.4
Singapore	34.8[e]	17.3	22.0	10.6[e]	7.4	5.6
Hong Kong	41.8	36.6	36.3	24.9	22.4	27.3
Pakistan	16.3	15.9	26.9[b]	1.5	1.2	2.9[b]
Indonesia	6.0	1.8	2.1[b]	8.8	22.3	6.4[c]
Thailand	4.5	4.8	6.3[b]	0.4	0.2	0.5[b]
Australia[a]	27.5	25.7	34.5	31.8	36.6	38.7
Agentina	9.6	8.1	6.0[b]	8.9	17.2	8.2[b]
TOTAL[f]:	6,076.7	6,077.9	5,926.6	5,120.9	4,969.1	5,037.6

Source: 1) *Direction of International Trade,* Annual Report 1958.
2) *Direction of International Trade,* Monthly April and May 1960.

[a] Countries whose imports are F.O.B.
[b] Yearly figure on basis of 11 months.
[c] Yearly figure on basis of 10 months.
[d] Yearly figure on basis of 9 months.
[e] Data refer to Malaya and Singapore.
[f] Total is the sum of all countries listed.

2

Industrial recovery in Japan generated a high demand for commodities from primary exporting countries — especially for rubber, fibres, metals and metal ores. Imports from Africa increased by more than 50 per cent or, in absolute terms, by some $ 45 million. Imports from Oceania, southern and south-eastern Asia rose by about a fourth, while purchases from the Middle East marked an increase of about 9 per cent. A similar impressive rise, of almost 23 per cent, was recorded in the value of imports of centrally planned economies from primary exporting countries. While it is true that the annual figure of somewhat over $ 1.1 billion[11] did not amount to more than 5.3 per cent of the corresponding value of imports into industrial countries, the high year-to-year increases in imports into countries with centrally planned economies from primary producing countries points to a steeply rising trend in the trade relations between these two groups of countries. Trade among the primary producing countries themselves probably underwent no substantial change between 1958 and 1959 but it had already sharply declined in 1958.

While the value of primary producing countries' exports to industrial countries between 1958 and 1959 showed a moderate increase, their imports in 1959 were lower than in the previous year. The decline. of approximately 3 per cent, is attributable partly to the slow recovery in exports from primary producing countries in the second half of 1958 and first half of 1959, but partly also to the normal lag between any advance in the export earnings of primary producing countries and the corresponding expansion of their imports.[12] In many countries, more restrictive import policies, due to the 1957/1958 reductions in foreign exchange earnings, played an important role in determining import levels. With imports of luxuries already restricted, many countries had to impose cuts on other categories of goods, some of them vitally important to their economic development. Among manufactured goods, chemicals were the only major category to show an appreciable rise, while imports of machinery and vehicles on the average dropped more than imports of other manufactures.

The sharpest decline in imports of primary producing countries from industrial countries was registered in purchases from North America. Imports from western Europe were somewhat below the value recorded in 1958, while imports from Japan rose by almost 9 per cent. Competition from Japanese manufactures was most keenly felt in countries of southern and south-eastern Asia, where imports from the two main industrial areas showed a moderate decline; but imports from Japan into Latin America and Oceania were also considerably higher than in 1958.

The most noticeable reduction in imports from North America (some 13 per cent) occurred in Latin America where a decline in total imports of 9 per cent as compared with 1958, was registered. Imports from western Europe were reduced by many countries in various regions which had either to reinforce their import controls for reasons of internal stability or incurred serious losses during the 1957/1958 downswing in prices. African countries and territories involved were the Federation of Rhodesia and Nyasaland, Sudan, and the United Arab Republic (Egypt): but a complete list would include a number of countries in Latin America and in southern and south-easten Asia.

African imports from North America rose by about 7 per cent; but they were still somewhat below the 1957 level. Imports both from western Europe and from Japan were slightly below the 1958 level (see Table A.I.2).

With an increase in export receipts of about $ 1.7 billion and a reduction in expenditure on imports of approximately $ 1.2 billion, the primary producing countries were able to reduce their overall trade deficit by somewhat less than $ 3 billion. The trade gap in 1959 was the smallest since 1954; but more than 40 per cent of the improvement between 1958 and 1959 was accounted for by lower import levels. Since lower imports were generally achieved at the expense of capital and other goods essential to economic development, the improved balance-of trade position of the primary producing countries may be said to have largely resulted from a slowing down in the pace of economic development. As will be shown later, this is clearly the case with a number of African countries like Morocco, Sudan, the Congo (Leopoldville) and UAR (Egypt), whose imports suffered serious reductions between 1958 and 1959.

Two more considerations should be taken into account in appraising the external position of the primary exporting countries in 1959: first, that the amounts spent on repayments of debts incurred previously were considerably higher than in 1958 — in particular repayments to the International Monetary Fund, which almost doubled in comparison with the preceding year; secondly that the total inflow of capital from industrial countries, including drawings from international institutions like the IMF and IBRD, was smaller than in 1958.[13] Private long-term capital, especially that from the United States, showed a clear preference for investment opportunities offered in industrial areas, so that the revival in demand for primary commodities failed to attract investors from abroad on any significant scale. Of course, this situation was also a reflection of uncertainties about the future of most of the primary commodities and there is little hope of any change for the better in the next few years.

11 Preliminary estimate based on incomplete data, (cf. *World Economic Survey for 1959*, p. 188.)

12 As was shown above (p. 9), this lag tended to disappear in the first half of 1960.

13 However, there was a considerable increase in loans granted to African countries by the IBRD in 1959/60.

On the other hand, recent experience suggests that the primary producing countries are likely to obtain more backing in the form of either commercial credits or loans linked with exports of capital goods and with technical aid on specific projects. These forms of lending have already been widely practised by the Federal Republic of Germany, the USSR and other European countries. Many countries (e.g. Ghana, Pakistan, Ethiopia, Guinea, UAR Egypt), benefited in 1959 from credits and loans linked with exports of equipment, and frequently also with technical aid, from the Federal Republic of Germany, USSR and other countries. With growing competition in industrial areas and with the rapidly growing importance of the so-called "under-developed countries" in international affairs, this trend can but strengthen. Under certain conditions, these relatively new forms of lending, oriented as they are by their very nature towards economic development, may prove highly beneficial to primary producing countries, and particularly to African countries which are in dire need both of economic and of technical assistance.

Chapter A/II

RECENT TRENDS IN AFRICAN TRADE

a) General Developments

Between 1958 and 1959 total African exports and imports followed very closely the behaviour of exports and imports of primary exporting countries in general. Roughly in line with the overall increase in exports of the latter, African exports recorded an impressive rise in volume of somewhat over 10 per cent while the corresponding increase in value was less than 5 per cent. Imports, on the other hand, were below the 1958 level in both volume and value terms-2 per cent and 6 per cent respectively. The divergent movements of exports and imports brought about an improvement in the region's overall balance of trade. Exports, expressed as a percentage of imports, rose from 73.7 per cent in 1958 to almost 81 per cent in 1959. The average unit value of African exports, which had already declined between 1957 and 1958, showed a further decline of some 5 per cent; but, since the import unit value also fell by 4 per cent, the deterioration in African terms of trade between 1958 and 1959 was not greater than 1 per cent.

The figures for the first quarter of 1960 show a further increase in African exports but also — in sharp contrast to the 1959 developments—a substantial rise in imports, in both volume and value. This change in the movement of imports probably reflects the higher level of export proceeds achieved in 1959, with due regard to the usual time lag.

Table A.II.1

Global Indicators of African Trade
Index numbers: 1953 = 100

	Exports			Imports			Terms of Trade	Exports as Percentage of imports
	Value	Unit Value	Quantum	Value	Unit Value	Quantum		
1957	122	101	121	130	102	127	99	75.7
1958	119	98	121	131	102	131	98	73.7
1959	125	93	134	123	96	128	97	80.8
1960 (1st Quarter)	131	92	142	136	97	140	96	

Source: *UN Monthly Bulletin of Statistics*, October 1960.

The trends in total African exports and imports, however, conceal a great many divergencies in the development of trade in various groups of African countries and territories and even more, of course, in the trade of individual countries and territories. Various criteria may be used in grouping African countries and territories, none of them of more than a limited value.

The grouping in the table below, which is based on currency affiliations, discloses some interesting features relating primarily to countries belonging to the Franc Zone. Contrary to the behaviour of the two remaining groups, the relative trade position of the Franc Zone countries and territories does not seem to have been affected by fluctuations in demand for primary commodities either between 1957 and 1958 or between 1958 and 1959. The figures also show that these countries and territories account for a much larger part of the total trade deficit of Africa than it would be expected from the role they play in African trade. Their relative share in total African trade in 1959, for instance, did not reach 30 per cent; but their balance of trade deficit was responsible for approximately two-thirds of the overall African gap. On the other hand, it will be seen that the improvement in the balance of trade of the sterling group accounted for 90 per cent of the reduction in Africa's total deficit between 1958 and 1959. The devaluation of the French franc at the end of 1958 makes it difficult to follow the dynamics of the Franc Zone exports in dollar terms; but even allowing amply for the effect of that devaluation, it seems clear that the volume of exports of the group in1959 was not above the 1958 level.

Table A.II. 2

African Trade by Currency Areas
(in millions of US dollars)

	1957	1958	1959		1957	1958	1959
Total				Franc Zone[a]			
Exports	5,700	5,570	5,810	Exports	1,507	1,654	1,411
Imports	7,530	7,560	7,190	Imports	2,443	2,554	2,323
Balance	—1,830	—1,990	— 1,380	Balance	— 936	— 900	— 912
Sterling Area				Other Countries			
Exports	2,620	2,500	2,840	Exports	1,573	1,416	1,558
Imports	3,400	3,360	3,240	Imports	1,687	1,646	1,558
Balance	— 780	— 860	— 400	Balance	— 114	— 230	— 69

Source: Derived from *UN Monthly Bulletin of Statistics*, November 1960.
[a] Excluding the French Somali Coast, the Comores and Reunion; including Guinea.

Another grouping, on a sub-regional basis, would show that North Africa as a whole did not benefit at all by the revival in demand for primary commodities in 1959. Contrary to the upward movement of total African exports, North Africa experienced a decline in the value of exports between 1958 and 1959. On the other hand, the West African group recorded only a slight improvement, which shows clearly that the bulk of the increase in total African exports is to be attributed to the expansion in exports of the remaining group.

Table A.II.3

African Trade by Sub-Regions
(in millions of US dollars)

	North Africa[a]		West Africa[b]		South and East Africa	
	Exports	Imports	Exports	Impots	Exports	Imports
1957	1,663	2,532	1,206	1,505	2,831	3,493
1958	1,657	2,729	1,348	1,535	2,565	3,296
1957	1,558	2,628	1,387	1,530	2,865	3,032

Source: Derived from *UN Montlhy Bulletin of Statistics*, November 1960.
[a] Morocco, Tunisia, Libya, Algeria, UAR (Egypt), Sudan.
[b] Former French West African countries, former French Equatorial Africa, Cameroun, Togo, Liberia, Ghana, Nigeria, Sierra Leone, Gambia,

A grouping on the basis of the export patterns of individual African countries would show that, as in the case of primary producing countries in general, African exports of raw materials fared considerably better in 1959 than countries and territories which belong to the predominantly food exporting group. The impressive increase in exports from the Congo (Leopoldville), Sudan and the Federation of Rhodesia and Nyasaland, compared with the fall in exports from Algeria, Tunisia and Morocco may be mentioned as a convenient illustration. However, increased quantities of the products exported enabled a number of predominantly food exporting countries to achieve substantial increases by value in their exports, while in à few cases at least certain exceptional circumstances played an important role in determining the 1959 export levels. The following table, therefore, does not follow the export pattern criterion but simply lists the countries and territories covered in decreasing order of percentage change in the value of their exports between 1958 and 1959.

Out of the twenty-two countries and territories listed below fourteen recorded increases in their export value while the remaining eight were on the declining side. However, it should also be noted that six out of the fourteen countries and territories in the first group had lower import levels than in 1958 and that only three of them - Nigeria, former French Equatorial Africa and Ethiopia - achieved an improvement in their balance-of-trade position at considerably higher levels of both exports and imports.

2 *

Table A/II.4

Percentage Changes in the Trade of Selected African Countries and Territories between 1958 and 1959[a]

	Export	Impotrs
Sudan[b]	+53.8	— 4.0
Rhodesia and Nyasaland	+37.7	— 4.7
Togo[c]	+37.7	— 0.6
Guinea[d]	+33.7	+ 0.3
Congo and Ruanda-Urundi	+21.0	—14.4
Nigeria	+20.6	+ 7.5
Former French Equatorial Africa	+12.8	+ 6.3
Cameroun	+10.1	—10.2
Union of South Africa	+ 9.6	—12.0
Ethiopia[e]	+ 9.6	+ 5.6
Ghana	+ 8.7	+33.6
Ivory Coast	+ 7.4	+23.8
Kenya, Uganda, Tanganykia	+ 4.1	+ 0.05
Mauritius	+ 0.2	— 4.1
Dahomey, Niger[d]	—26.6	—12.0
Algeria	—12.0	+17.6
Malagasy Republic	— 7.9	+11.1
Tunisia	— 7.5	— 1.1
UAR (Egypt)	— 5.8	— 6.9
Angola	— 2.7	+ 0.9
Senegal, Mali[f] Mauritania	— 0.6	+ 0.6
Morocco	— 0.5	—13.6

Source: *UN Montlhy Bulletin of Statistics*, October 1960, unless otherwise specified.

[a] Based on values experessed in national currencies.

[b] *Republic of the Sudan, Foreign Trade and Internal Statistics.*

[c] *Togo* 1960, *Faits et Chiffres.*

[d] *Banque centrale des Etats de l'Afrique de l'ouest, Notes d'information et statistiques*, May 1960.

[e] *State Bank of Ethiopia, Report on Economic Conditions and Market Trends*, September 1960.

[f] *Bulletin Mensuel Statistique et Economique, Fédération du Mali*, April 1960.

The following table shows that out of the twenty-two countries and territories covered, fourteen improved their trade balances in 1959 while the remaining eight recorded larger deficits than in 1958. However, as already stated, only in a very few instances did the smaller deficits reflect a real improvement in the trade position of the countries and territories in question, i.e. a higher degree of equilibrium at a higher trade level. From a comparison of the table below with the preceding one it will be readily seen that in the case of Morocco and the UAR (Egypt) the improved balance-of-trade position in 1959 was due simply to the fact that these countries' imports suffered bigger reductions that their exports.

Table A.II.5

Exports of Selected African Countries and Territories Expressed as a Percentage of their Imports

	1958	1959
Sudan	73	117
Rhodesia and Nyasaland	86(90)	125(129)
Congo and Ruanda-Urundi	112(116)	159(162)
Togo	84	116
Union of South Africa	70(110)	88(139)
Cameroun	108	132
Guinea	37	48
Morocco	86	99
Nigeria	81	90
Mauritius	91	98
Former French Equatorial Africa	67	71
Ethiopia	77	80
Kenya, Uganda,	101(102)	105(105)
Tanganyika	101(102)	105(105)
UAR (Egypt)	71	72
Ivory Coast	156	115
Ghana	111(124)	91(101)
Algeria	43	32
Malagasy Republic	76	63
Dahomey, Niger	106	96
Tunisia	99	93
Mali, Senegal, Mauritania	66	65
Angola	98	95

Source: As Table A.II.4

Note: Figures in brackets include exports of gold.

It is also obvious that the impressive improvements in the trade balances of the Sudan, Congo and Ruanda-Urundi, Union of South Africa, Cameroon and the Federation of Rhodesia and Nyasaland were not the result exclusively of the remarkable increases in their exports but also partly of substantial declines in their imports. For countries whose economic development depends heavily on imported goods, balance-of-trade improvements so achieved cannot be regarded simply as a change for the better—especially when in most cases the decline in imports disproportionately affected imports of capital goods. This point will be discussed in more detail in the section dealing with African imports.

A few words should also be devoted to the geographical distribution of African trade, although—with the exception of Guinea—no spectacular changes in this field were recorded between 1958 and 1959.

The bulk of African trade is still conducted with present or former metropolitan countries, which means that, although slight shifts have been taking place in the distribution of African exports and imports, western Europe continues to dominate the trade of African countries. However, in the last few years, and in particular between 1958 and 1959, the six members of the European Economic Community have gained some ground at the expense of other west-European countries, particularly the United Kingdom. It is worthwhile mentioning, for instance, that the EEC group of countries bought 38 per cent of Ghana's total exports in 1959, compared with 33 per cent in 1958. A similar shift took place in the trade of Nigeria. The share of EEC in that country's total exports increased from 31 per cent in 1958 to 34 per cent in 1959. A rising trend in the relative share of the EEC can also be observed in the exports of the Federation of Rhodesia and Nyasaland—from 16.2 per cent in 1957 to 17 per cent in 1958 and 21.2 per cent in 1959.

With the exception of the UAR (Egypt) and more recently Guinea — of which more will be said in the following sections — trade with the USSR and eastern Europe remained small and does not appear to be undergoing spectacular changes. However, as indicated by the rising number of trade agreements concluded between these countries and African countries, trade with the USSR and eastern Europe is likely to become more important for Africa.

Table A.II.6

Trade Agreements signed by African Countries and Territories

Year	West European countries	USSR, eastern Europe China	Asia and the Far East	Other African countries
1957	5	2	—	—
1958	7	4	1	—
1959	13	24	4	4
1960 (January-September)	3	2	2	—

Source: *Board of Trade Journal*, January to October 1960. *GATT - International Trade News Bulletin*, Vol. 9, 1959.

The relative position of trade with the United States and Canada does not seem to have undergone any significant change over the last two years. This trade is rather important for a large number of African countries, although the structural changes in the production and exports of western Europe, as well as the re-introduction of convertibility, may have somewhat reduced the earlier attractiveness of the North American market.

Japan's re-entry into African import trade in the last few years has been particularly important in the field of textiles; but there are indications that Japan is now preparing to enter the capital equipment and investment fields as well. In 1959, however, Japan's relative share in the total imports of a number of African countries was roughly the same or somewhat below the 1958 level, while its relative share in exports disclosed a slightly rising tendency.

There was apparently a small increase in trade among African countries between 1958 and 1959; but this trade remains very low and probably does not amount to more than 10 per cent of their total recorded trade. However, intra-African trade is of a considerable importance for a few countries or territories. Thus, for instance, exports from the Union of South Africa to the rest of the region amounted in 1959 to more than 22 per cent of that country's total exports, while the share of imports from Africa — mostly from the Union — in the total imports of the Federation of Rhodesia and Nyasaland reached 37.5 per cent. The most serious obstacles to the development of intra-African trade arise from the proliferation of economic frontiers and even more from the serious lack of adequate intra-continental communications and transportation,[1] together with the low level of industrialization characteristic of most of the continent. There can be no doubt, however, that there are excellent prospects for expanding intra-African trade in line with the economic development of African countries, increasing mutual contacts and a growing awareness of common interests and objectives.

(b) African Exports

(i) *Major changes between* 1958 *and* 1959

Inasmuch as Africa's exports of primary commodities are largely dependent on the markets of the industrial countries, it is not surprising that they are closely affected by changes in economic activity in these countries. A 10 per cent increase in world industrial production between 1958 and 1959 was followed by an increase of similar magnitude in the volume of African exports. This was the biggest spurt in a single year since the Korean boom and in terms of volume exports in 1959 reached an all-time high, being 84 per cent higher than pre-war and almost 50 per cent above the level in the early fifties. The upward swing has been continuing during 1960.

The increase in volume, as stated earlier, has not resulted in a corresponding increase in foreign exchange earning, as the prices of African exports taken together fell by 3 per cent in 1958 and by a further 5 per cent in 1959. As a result, while the volume of exports in 1957 and 1958 was the same, total foreign exchange earnings of African countries in the latter year were nearly 2 per cent less. The average unit value of African exports during 1959 was the

1 See E/CN.14/63, *Transport Problems in Relation to Economic Development in West Africa*, Paragraphs 27-41.

lowest since the 1949-50 recession, so that in spite of an increase of over 10 per cent in volume since 1957 the increase in value was less than half that amount. As the value figures are computed in US dollars, allowance should be made for the impact of devaluation in the "Franc Zone" countries. The bulk of the trade of these countries being with France and other countries within the Franc Zone, devaluation did not seriously impair the real value of their export earning. The *dollar value* of exports from these countries, accounting for a quarter of current African exports, fell in 1959 by over 11 per cent as compared with 1958 and by nearly 4 per cent as compared with 1957. In terms of their national currencies the fall is much smaller, some countries (Togo, Guinea, former French Equatorial Africa, Cameroun, Ivory Coast) actually showing an increase in 1959 over 1958.[2]

Being mainly determined by conditions prevailing in various commodity markets, the external position of individual African countries in 1959 varied widely according to their respective export patterns. Countries with a large component of raw materials in their exports were generally able not only to achieve significant increases in the volume of their exports but also to gain through an improvement in their export unit values. On the other hand, with few exceptions only, the predominantly food-exporting countries were either, like Algeria, unable to maintain their 1958 levels of export proceeds or, if like for instance Ghana, they succeded in expanding the value of their exports, the advance was due to a more than proportionate rise in the quantity of products exported. In countries which have a multi-commodity export economy, e.g. Nigeria, the increase in the total value of exports was mainly due to high demand for their raw materials, although some food products also showed an appreciable rise. Prices of minerals in general were depressed, but metal ores, particularly copper, zinc and tin recorded appreciable gains, giving a sharp fillip to the exports of Congo (Léopoldville) and of the Federation of Rhodesia and Nyasaland.

2 See Table A.II.4

However, there were some exceptions to this general pattern. The U.A.R. (Egypt), more than 70 per cent of whose exports consists of a single raw material, recorded a substantial drop in 1959. On the other hand, owing to certain special circumstances, countries like Guinea and the Togo Republic which, in the main, belong to the predominantly food-exporting group, were able to achieve unusually high increases in the value of their exports. Major developments in the exports of a number of African countries and territories are outlined in a subsequent section.

(ii) *Commodity pattern*

African exports in general are dominated by agricultural products, which account for the great bulk of the export trade of most African countries and territories. The three main exceptions are Congo (Léopoldville), the Federation of Rhodesia and Nyasaland and the Union of South Africa - all of which have a large component of mineral exports..

Taking Africa as a whole, agricultural products account for nearly two-thirds of the total value of exports excluding gold. Minerals, including metals and metallic ores other than gold, come next with a share of over 20 per cent. The remainder of the exports comprise fish, timber, miscellaneous primary products (like gum-arabic in Sudan) and a small amount of manufactured articles like cotton textiles, leather goods and lately aluminium (from Cameroun). Gold exports which are currently running at an all-time peak amount to over 12 per cent of the total value of all other exports.

Table A/II.7

African Exports of Agricultural Products

Index Numbers. 1953-55 (Average) =100

	Volume (Gross Exports			Value			Unit Value		
	1957	1958	1959	1957	1958	1959	1957	1958	1959
All agricultural products	113	115	123	108	110	106	95	95	86
Grains	119	147	75	96	111	59	78	74	78
Vegetable oils and oil-seeds (edible)	111	125	126	113	114	117	103	91	93
Beverages and tobacco	125	114	129	105	117	108	84	102	83
Agricultural raw materials	97	103	125	104	92	104	107	89	84

Source: *FAO*; *Review of the Food and Agricultural Situation in Africa: E/CN.*14/62

In 1958 there was a sharp decline in the prices of most agricultural products, especially cotton and other raw materials; but the equally steep rise in cocoa prices offset losses in other sections so that the average export unit value for total African exports of agricultural commodities was maintained at the same level in 1958 as in 1957. In 1959, however, cocoa prices joined the general downward movement and the average unit value for agricultural exports as a group dropped by almost 9%. As a result, total agricultural export earnings fell by over 3% in spite of a substantial rise in the volume of exports.

The beverages and tobacco group (coffee, cocoa, tea, wine and tobacco) is the most important in the agricultural export trade of Africa, and accounts for about 40 per cent of the total value of its agricultural exports. The disproportionately heavy fall in the average unit value of this group in 1959 is accounted for by a deterioration in prices of cocoa, coffee and wine.

Agricultural raw materials are the second most important commodity group, representing nearly 30 per cent of the total value of agricultural exports. Most of the items in this group, particularly cotton, sisal, rubber and to some extent wool, fared better during 1959 than other commodity groups. Prices of all these products were severely affected in 1957 and 1958 by the recession in the industrialised countries, but most of them showed some signs of recovery in late 1959 and 1960. The total value of exports of this group increased by a little over 12 per cent in 1959 as compared with 1958.

Vegetable oils and oil-seeds account for a further 20 per cent of the total value of agricultural exports. The volume of exports in this group was slightly above the 1958 level, and owing to a slight improvement in the average export price the value of exports was also higher by just under 3 per cent. It is interesting to note that in some countries, especially Senegal and Nigeria, an increasingly large proportion of all groundnut exports is in the form of oil.

Grains and fruit, the remaining commodity group, play a relatively small part in the agricultural exports of Africa as a whole, but are of considerable importance in several individual countries, particularly North Africa. Exports of food grains declined sharply in volume in 1959 and despite a slight improvement in prices the total value of exports in 1959 was about half the 1958 level.

Gold, diamonds, non-ferrous metals and metal ores and minerals like phosphates and bauxite play an important role in the export pattern of a few African countries and territories, particularly Congo (Léopoldville), the Federation of Rhodesia and Nyasaland and the Union of South Africa. A considerable portion of the rise in the value of African exports in 1959 was contributed by increases in these items. Non-ferrous metals, particularly copper, showed a considerable price recovery in 1959 and, with some improvements in volume, pushed up the total value of exports by a substantial margin.

Table A.II.8

African Exports of Selected Minerals[a]
Index Numbers: 1952-55 = 100

	Quantum			Value		
	1957	1958	1959	1957	1958	1959
Gold	......	......	......	130	130	150
Copper	114	114	139	96	76	116
Phosphates	110	124	133	109	124	133
Diamonds	......	......	......	160	160	180
Zinc ore	98	100	101	162	116	139
Asbestos	132	122	127	170	156	159
Tin ore	107	66	68	98	63	69
Cobalt	97	72	96	87	67	87

a Based on exports of major exporting countries.

Table A/II.8 shows movements in the quantum and value exports of 9 major items in this group between 1957 and 1959. In contrast to the general deterioration in 1958, all the items listed recorded increases, varying from 1 to over 30 per cent, in volume in 1959 over the perceding year. As a result of a parallel rise in world prices of copper, zinc and tin ores, the increases in value were of a higher magnitude, varying from 2 to over 50 per cent.

Though manufacturing plays a significant role in the gross domestic product of some African countries and territories,[3] particularly the Union of South Africa, Morocco, the UAR (Egypt), Congo (Leopoldville), British East Africa and the Federation of Rhodesia and Nyasaland, the share of manufactured articles in the export trade of these countries, with the exception of the Union of South Africa, is still extremely small. Exports of processed goods (e.g. refined metals and oils) are, however, of real or potential importance to all of these and other African countries and territories.

(iii) *Exports by sub-regions and countries*
North Africa

The countries of North Africa can be roughly divided into two sub-groups: (1) the UAR (Egypt) and the Sudan, which depend largely on exports of a single commodity, cotton, though some measure of diversification may be said to be emerging through the development of textile manufactures in the former and sizeable exports of gum arabic and oil-seeds from the latter, and (2) Algeria, Morocco, Tunisia and perhaps also Libya, whose export trade is characterized by a relative preponderance of food items like wine, grains, citrus fruits, fish, fresh vegetables and olive oil, but which also export significant quantities of minerals and metallic ores, particularly phosphates. Minerals and metallic ores constitute a large percentage of the total exports of Morocco and Tunisia. In years to come both

[3] See Table A/II.13.

Algeria and Libya are expected to export increasing quantities of crude petroleum.

Except for Sudan, all countries in this region suffered a decline of varying magnitude in value of exports from 1958 to 1959. The spectacular rise in the value of exports of the *Republic of the Sudan* was entirely due to a favourable cotton crop, which, together with substantial carry-overs from the preceding year, was readily absorbed by overseas markets. Production, which had fallen sharply in the preceding year owing to adverse climatic conditions and insect and disease infestations, recovered substantially in 1958-1959 and was only 7 per cent below the peak production in 1956-57. Mention may also be made of the new sales policy introduced in January 1959, which helped to make Sudanese cotton more competitive with that of other growers. The demand for Sudanese cotton was still high in the first half of 1960, but the 1959 cotton crop had been disposed of more rapidly than usual. As a result, total exports of cotton in the first quarter of 1960 amounted to a bare 9,200 metric tons as against 27,200 metric tons in the corresponding period in the previous year. In the latter part of 1960 cotton was believed to be less buoyant and sales of the current crop were not so rapid. The total value of exports, which had shown a decline in the first quarter, seemed however to be picking up and the fall in the total foreign exchange earnings in 1960 may not be unduly heavy.

As already mentioned, the *UAR (Egypt)* was somewhat of an exception within the group of countries exporting mainly raw materials. The decline in Egyptian exports in 1959 contrasts sharply with the favourable developments in the Sudan although the export patterns of the two countries are very similar. The decrease in the value of exports of UAR (Egypt) is mainly attributable to a poor rice crop,

Table A.II.9

Index Numbers of Value of Exports of major African countries and territories and their share in total African exports[a]

	Index Numbers 1953-55=100				Percent of Total African exports	
	1956	1957	1958	1959	1953-55 (average)	1959
AFRICA, total[b]	112	114	111	117	100	100
North Africa						
Algeria	102	110	116	87	8	6
Morocco[c]	115	108	117	112	6	5
Sudan	148	114	96	148	3	3
Tunisia	98	126	134	125	2	2
UAR (Egypt)[d]	99	119	114	107	8	7
West Africa						
Cameroun	87	94	123	126	2	2
Former French Equatorial Africa	116	121	138	132	1	2
Former French West Africa[e]	114	109	119	99	6	5
Ghana	87	90	104	113	5	5
Nigeria	100	94	100	121	7	8
South and East Africa						
Angola	106	108	119	115	2	2
Congo & Ruanda Urundi	128	113	97	117	8	8
Ethiopia[f]	92	117	88	106	1	1
Kenya, Uganda & Tanganyika	120	119	123	128	5	6
Malagasy Republic	108	100	112	88	2	1
Mozambique	96	118	129	133	1	1
Rhodesia and Nyasaland	119	102	89	122	8	9
Union of South Africa[g]	124	136	118	129	18	20

a Based on values expressed in current U.S. dollars. Re-exports are generally included. Exports of gold and gold coin are excluded throughout.

b Includes countries and territories not listed separately.

c Prior to 1958, Former French zone only.

d Beginning 1958, excluding exports to Syria.

e Including Guinea throughout.

f Annual figures: 12 months ending 10 September of the year stated.

g Including South West Africa.

Source: Based on data derived from the *UN Monthly Bulletin of Statistics*.

which was not offset by the small increase in the value of cotton exports. The relative share of rice in total Egyptian exports dropped from 9 per cent in 1958 to less than 1 per cent in 1959. However, there was a considerable improvement in the export position in the first half of 1960. As a result of increased exports of cotton and other items, particularly textile manufactures, the total exports during this period were valued at £E.112 million, representing an increase of 36 per cent over the figures for the first half of the previous year. The improvement in the cotton exports was due to a revival in demand and to a reduction in the size of crops in other producing areas caused by generally unfavourable weather conditions. There was a marked increase in exports of processed cotton, both of cotton yarn as well as cotton piece-goods, which partly reflects the serious efforts being made by the Government to diversify the country's export pattern.

Of all major countries and territories in Africa; *Algeria* suffered the worst decline in total value of exports in 1959, from 205 billion francs in 1958 to 181 billion francs. Most of this decline by far is to be attributed to the sharp drop in prices of wine from the exceptionally high 1957/58 level; but most agricultural exports also recorded smaller figures than in the preceding year. From 113 billion francs in 1958, wine exports fell to 90 billion in 1959, the relative share of wine in total Algerian exports falling from over 54 per cent to a little under 50 per cent. Citrus fruit and fresh vegetables, which together accounted for nearly 14 per cent of total exports in 1958, also registered a fall from 28 billion francs to well below 25 billion francs. Crude minerals and fuels improved from 20 billion to 23 billion francs, partly because of an increase in exports of crude petroleum from a little below 7 billion to well over 8 billion francs. The outlook for 1960 was buoyant, mainly owing to a general increase in the production of minerals and expanding production and exports of petroleum. The total value of exports in the first six months of 1960 was 4 per cent higher than in the corresponding period in 1959.

The drop in the prices of wine was also among the main causes of the decline in the value of exports from *Tunisia* in 1959 - the first since 1955. While the quantity of wine exported decreased only insignificantly, the fall in value amounted to more than 43 per cent (from 13.1 million dinars in 1958 to 7.4 million dinars in 1959), bringing down the relative share of that product from 20 to 12.5 per cent. The fall in the value of wine exports was offset by a substantial rise in olive oil exports (from 9 to 15 million dinars). Since however, some other exports - like phosphates and fertilizers, iron ores, cereals, fruits and vegetables - also suffered minor reductions, the total value of exports was 7 per cent below the figure for 1958. The average export unit value, which reached its peak in 1958, declined by more than 14 per cent, bringing about a deterioration in the terms of trade of Tunisia, although there was also a substantial decline in the import unit value between 1958 and 1959. The downward swing in exports continued through the first half of 1960. Against 34.4 million dinars in the first half of 1959, exports in the first half of 1960 totalled 29.7 million, owing mainly to the poor olive harvest in 1959. However, as a result of an increase in mineral production, exports of iron ore increased from 340,000 tons to 590,000 tons. There was also a substantial increase in wheat exports.

The small decline in the value of exports from *Morocco* (from 1,451 million dirham in 1958 to 1,444 million in 1959) was accompanied by a rise in volume of at least 6 per cent. Food and beverages, which accounted for 46 per cent of the total value of exports, were the main cause of the divergent movements of exports in terms of volume and value. While the volume of this group recorded an advance of about 9 per cent, its value went down by 3 per cent. Exports of raw materials increased in both volume and value, but the rise in value lagged somewhat behind that in volume. Under the stimulus provided by a 20.44 per cent devaluation of the Moroccan currency in October 1959, exports in the first half of 1960 (in terms of national currency) were 28 per cent higher than in the corresponding period in 1959.

West Africa

West Africa as defined for this review comprises the eight countries of former French West Africa, four countries of former French Equatorial Africa, Gambia, Sierra Leone, Liberia, Ghana, Togo, Nigeria and Cameroun. The major exports of this region include cocoa, coffee, groundnuts and oil, palm kernels and oil, timber, raw cotton, bananas, natural rubber, gold, diamonds and small quantities of other minerals like petroleum, iron ore, bauxite, manganese and tin ore. The former French territories are still closely linked with the French market, in which they enjoy special treatment and in which, in the case of most products, they get prices well above those prevailing in the world markets.

Ghana, Nigeria and Liberia recorded substantial gains in the value of exports in 1959 over 1958, while, changes in countries which formerly belonged to the French Community were not altogether uniform. Guinea and Togo registered exceptionally high increases while the combined exports of Dahomey and Niger suffered a heavy decline.

Ghana, which belongs to the predominantly food-exporting group - with her economy depending largely on cocoa - recorded the second highest value of exports in her history. The 1959 level was only surpassed by that of 1954, when cocoa prices were at an all-time high. However, the apparent success of the Ghanaian economy was exclusively the result of a large increase in exports in quantum terms, which was not accompained by a corresponding rise in export proceeds. While the export volume index increased by almost 20 per cent - as a consequence of the 26.8 per cent rise in the volume of cocoa exported - the increase in value did not reach half that figure, owing to a 9.4 per cent fall in the export unit value. Exports in the first half of 1960 were well ahead of the corresponding figure in 1959.

Nigeria was among the few African countries which improved their balance-of-trade position with higher levels of both exports and imports. The multi-commodity export economy benefited largely from a high demand for most raw materials, like groundnuts, rubber, palm kernels, timber, and some minerals; but an increase in value of about 43 per cent was recorded in the exports of cocoa despite the drop in cocoa prices. The value of Nigerian exports during the first quarter of 1960 was £43.9 million, as compared with £48.6 million in the same period last year. The decline was accounted for by a marked drop in the volume and value of exports of cocoa beans, which fell to 42,000 tons, worth £9.6 million, as compared with 58,000 tons worth £15.4 million during the corresponding period of the previous year. However, higher shipments, due to a record crop and better prices, in later months might have helped to offset the early falls. Exports of rubber and tin are also expected to register substantial gains over 1959.

The large expansion in the value of exports of the *Togo Republic* was achieved through increased shipments of coffee and cocoa, some of which represented clandestine exports from Ghana. Following an unusually rich crop-which is not repeated in 1960 - the quantity of coffee exported more than doubled, so that the relative share of coffee in the total value of exports jumbed from 24 per cent in 1958 to 41 per cent in 1959. With all of this increase being absorbed by the French market - on which prices for coffee from the Franc Zone remained unchanged - Togolese exports of coffee fared better than those of some other African countries, which had to compete in declining world markets. In contrast to the developments in Togolese exports, exports of coffee from the *Ivory Coast* suffered a decline in volume of 7 per cent and in value of about 15 per cent. This was primarily due to a sharp fall in the production and export of higher grades of coffee in 1958-59. The value of exports of bananas also fell by 16 per cent in comparison with 1958, even though there was a marked increase of 17 per cent in volume. The 7 per cent rise in total exports between 1958 and 1959 was thus almost entirely the result of an increase of 65 and 21 per cent respectively in the value of cocoa and timber exported .In the first four months of 1960, however, the total exports of the Ivory Coast Republic were somewhat lower than in the corresponding period of the preceding year, with both cocoa and coffee on the declining side.

The combined exports of *Senegal, Mali and Mauritania* remained virtually unchanged between 1958 and 1959. As in the earlier years groundnuts and groundnut oil accounted for more than 82 per cent of total exports, which were absorbed up to 91 per cent by France. There was, however, a slight shift in favour of oil exports, accompanied by corresponding decline in the exports of groundnuts as such. This reflects the relative priority given to the local crushing industry in years of comparatively low output of groundnuts. The exports of the two remaining members of the West African customs union, Dahomey and Niger, recorded a drop of 26.6 per cent.

Guinea achieved a 33 per cent rise in the value of her exports in 1959 compared with the preceding year. Exports of coffee, which accounted for almost 32 per cent of total exports, rose by about 28 per cent in value; but the increase in the quantity of coffee exported was much larger (more than 40 per cent). By far the biggest increase was recorded in the exports of diamonds, which did not, however, reflect a corresponding increase in production but mainly a sharp drop in the traditional clandestine exports to neighbouring markets. The value of diamonds exported rose from 1958 million francs in 1958 to 1,279 million, bringing the relative share of this mineral from 3.2 per cent in 1958 to 18.1 per cent in 1959.

In the regional distribution of Guinean trade, some important changes took place between 1958 and 1959; first, a sharp drop in trade with the seven members of the West African Customs Union (Senegal, Sudan, Mauritania, Ivory Coast, Upper-Volta, Dahomey, Niger) and, secondly, a decline in the part played by the Franc Zone in Guinean exports, while the relative shares of Belgium and the east-European countries rose substantially. Exports to the seven members of the Customs Union dropped from 441 million CFA francs in 1958 to only 31 million.[4] The relative share of the Franc Zone fell from 75.8 per cent in 1958 to 51.4 per cent in 1959 - most of the decline being concentrated on France. On the other hand, the relative share of other OEEC countries (excluding the United Kingdom) rose from 4.9 to 19.5 per cent, mainly as a result of a rise in diamonds exported to Belgium. The share of total exports going to east-European countries and China rose from 3.2 to almost 17 per cent.

South and East Africa

The countries of central, south and east Africa form two major distinct groups: (1) The Congo and Ruanda-Urundi, the Federation of Rhodesia and Nyasaland and the Union of South Africa, whose export earnings are largely derived from minerals and metals; and (2) Ethiopia, Angola, British East Africa and the Malagasy Republic, which draw substantially on their coffee production. However, agricultural commodities, like raw cotton, sisal, tea, oil-seeds, hides and skins, figure prominently

[4] These figures do not include trade conducted by land.

in the exports of the countries of both groups. Of the remaining countries and territories, Somalia is dependent primarily on bananas and Mauritius and Reunion on sugar, while exports of Mozambique are more diversified, including raw cotton, sugar, cashew nuts, copra, tea and sisal roughly in that order.

The *Federation of Rhodesia and Nyasaland*, whose exports declined both in 1957 and 1958 owing mainly to the weakening of copper in the world markets, achieved the second biggest expansion among the major African countries and territories in 1959. The average export unit value of the Federation in 1958 was still somewhat below the 1957 level; but a sizeable improvement was recorded between 1958 and 1959. The figures for the first six months of 1960 show a further improvement in the exports of the Federation, being valued at £64 million, as against £59 million in the first half of 1959. The exceptionally good tobacco and tea crops are likely to push up exports even further in the latter part of the year, though this gain may be partly offset by the sharp decline in copper prices on the world market.

The position of the *Congo (Léopoldville)* was in some respects similar to that of the Federation, although the increase in the value of Congolese exports due not only to the improved position of copper and other minerals but also to an expansion in exports of agricultural products. The export unit value which had been steadily declining since 1955 went up by some 6 per cent between 1958 and 1959.

The value of exports from the *Union of South Africa* in 1959, excluding gold, rose by almost 10 per cent over the 1958 figure. Gold, which accounts for over one third of the total export earnings of the Union, registered an increase of 12.5 per cent. For the first seven months of 1960 the value of exports was running higher than during the corresponding period of 1959; but lately exports are believed to have been making less headway. The boycott of goods from South Africa may affect exports of some individual items. Canned fish, canned fruit and mining machinery are already being affected by boycotts introduced by Ghana and Malaya. The outlook for minerals is still reasonably good. Gold production continues rising to new record level and, along with diamonds, is helping to impart an element of buoyancy to the country's economy. As a result of the recent trade agreement with the Federation,[5] a substantial portion of the Union's exports to Rhodesia and Nyasaland might suffer a tariff disadvantage vis-a-vis similar products from the United Kingdom in that market. Wool prices have also been falling. As a net result of all these factors, it may be difficult to more than maintain the level of total exports during the rest of 1960.

With more than half of her exports consisting of coffee, *Ethiopia* was among those countries which did not benefit from the 1959 expansion in industrial areas. The unit value of exports declined by 7 per cent, owing to a fall in coffee prices; but as a result of a normal coffee crop - production in 1958 was much below the average due to a severe drought in the country - Ethiopia was able to export 22 per cent more by volume than in 1958. Coffee exports in the first half of 1960 are reported to have been higher than in the corresponding period of 1959, with prices showing some signs of recovery since May this year.

British East Africa experienced a modest increase of 4 per cent in value of exports, primarily accounted for by an improvement in exports of sisal and of hides and skins. The increases in these two main items were, however, partly offset by a decline in coffee and cotton exports. The total value of exports in the first six months was slightly above the corresponding figure for 1959. With an improvement in coffee and cotton exports, the year 1960 is likely to register a further increase in export earnings.

The decline in the value of exports from the *Malagasy Republic* was entirely due to the reduction in quantities exported following on crop failures caused by exceptionally bad weather. All the main products—like coffee, rice, maize and dried vegetables-recorded substantially lower exports in quantum terms than in the highly favourable preceding year. At this time of writing, prospects for the current year seemed still rather uncertain, since it has not yet been possible to obtain an accurate picture of the devastations caused by flood in the spring of 1959. Coffee, vanilla and some other agricultural products are likely to feel the consequences even in the current year, while, on the other hand, a large crop and increased exports seem to be expected in rice.

Angola registered a decline of 3 per cent in value of exports from 1958 in spite of a 5 per cent increase in volume. This was again due primarily to the general depression in world coffee prices in 1959. Minerals (mainly diamonds and iron ore) registered substantial gains in both volume and value. Angola also benefited slightly from a rise in sisal prices during 1959. But the losses in coffee, which accounts for over 40 per cent of Angola's total value of exports, more than offset these fringe benefits. Coffee exports in the first five months of 1960 were still lower than the corresponding figures for 1959 - a drop in volume of 7 per cent, in value of 15 per cent. The short-fall in earnings from coffee during these five months (from 635.7 million escudos in Jan-May 1959 to 538.4 million escudos for the same period in 1960) was largely offset by sizeable gains recorded for sisal, iron ore, sugar and palm oil. The total value of exports in the first five months of 1960 was still 43 million escudos higher than the corresponding period in 1959.

Unlike Angola and many other African coun-

[5] See Part, B, Chapter I

tries, *Mozambique* experienced an improvement in export prices in 1959. This was due to high prices received for copra and sisal, while the fall in other prices were relatively small. Though volume of exports dropped in respect of most commodities exported (raw cotton, sugar, copra, cashew nuts and sisal) the total value of exports was still 3 per cent above the 1958 figure. Tea was the only major commodity exported which showed an increase in both value and volume in 1959 as compared with 1958. The outlook for 1960 was rather buoyant and the total value of exports in the first four months stood 35 per cent higher than in the corresponding months of the previous year.

(c) African Imports

(i) General characteristics

Most African countries being in present circumstances committed to rapid economic development, the structure and growth of imports must play an important role in the strategy of that development. The implementation of development plans tends in fact to increase the import-propensity of African countries in both the public and the private sectors. This has involved many African countries in recurrent balance-of-payments difficulties which have only been contained by running down foreign exchange reserves. The tendency in these circumstances has often been for import restrictions and liberalization to see-saw in response to adverse and favourable balance-of-payments positions, with resultant interruptions to the rate of economic growth. The stringency with which any country has applied import controls and the extent to which these have been selective have been related to its capacity to import and to the stage and rate of economic development. Countries pledged to a policy of economic development but without adequate foreign exchange reserves have, on the whole, experienced a more marked shift towards imports of capital goods than have countries which could afford to increase their imports of both investment and consumer goods.

In some cases balance-of-payments problems have been alleviated with the aid of foreign investments and foreign aid. However, neither foreign investments nor foreign aid can be expected to be forthcoming in a volume commensurate with the objectives of current development plans, while import controls, unless designed on a long-term basis and properly administered, may have an adverse effect on the maturation of the development plans themselves. Consequently, if the tendency towards high-imports is not to frustrate the objectives of economic development, African countries need to pay more discriminating attention to the growth and, particularly, to the structure of their import packages. In present circumstances the exigencies of steady economic development would seem to suggest a more consistent long-term import policy geared to the needs of each country's development plan.

Table A.II.10

World[a] and African Imports
Index Numbers: 1953-55 (Average)=100

	Value[b]		Quantum		Unit value (Imports)	
Years	World	Africa	World	Africa	World	Africa
1956	120	112	118	110	101	101
1957	132	123	125	117	103	104
1958	123	124	123	121	100	102
1959	129	119	134	118	98	98

[a] Excluding the trade of USSR, eastern Europe, China and North Korea

[b] Based on value expressed in current US dollars

Source: *UN Monthly Bulletin of Statistics*, October 1960.

The upward trend in imports noticeable for most African countries since the beginning of the fifties, has been generally maintained with few interruptions, and indications are that this trend will probably continue. The increase in African imports by one-half between 1950 and 1958, in quantum as well as in value terms, is in consonance with the general growth of international trade after the war, but in some countries the rate of expansion is perhaps, more closely related to the vast investment projects started in the early fifties. It is interesting to note, however, that while total world imports registered an appreciable decline in 1958 as a result of the 1957-58 recession and then rose again in 1959, the impact of the world recession on African imports was not felt till the last quarter of 1958, owing essentially to the time lag between the decrease of export earnings and its repercussions on actual imports. As a result, the imports of African countries actually registered a slight increase in 1958 over 1957 and later fell during 1959. The recovery which began in the last quarter of 1959 appears to have gathered momentum during 1960 when imports for the whole year are expected to reach an all-time high.

Imports of individual African countries did not conform to this general pattern in all cases. Algeria, Angola, Ethiopia, Libya, Mozambique and Nigeria did not experience any setback to imports either in 1958 or in 1959. The uninterrupted rise in imports of these countries was partly associated with the stepping-up of oil prospecting operations and other investment activity. At the other end of the scale there were countries like Congo (Leopoldville), Rhodesia and Nyasaland, British East Africa, Sudan, Malagasy Republic, Morocco and Tunisia whose imports continued to fall through 1958 and 1959. This may have been due to a slowing down of investments resulting from political uncertainties regarding the future of the first three countries and territories, or to a deliberate restriction of imports following balance-of-payments difficulties, as in the case of Sudan and Tunisia. Ghana, alone among the African countries, followed the general world trend of a sharp decline in 1958 followed by an equally sharp recovery in 1959. This was associated with a cut in development expenditure in 1958 which was later restored for 1959—consequent on the decrease in export earnings in 1956-1957 followed by an increase in 1958-59.

Table A.II.11

Index Numbers of Value of Imports of Africa and major African countries and territories and their Share in total African imports[a]

	Index Numbers Average 1953-55=100				Percent of total African Imports	
	1956	1957	1958	1959	1953-55 (average)	1959
AFRICA, total[b]	112	123	124	119	100	100
North Africa:						
Algeria	123	164	180	180	10	16
Libya	138	232	285	335	1	2
Morocco[c]	94	84	82	68	8	5
Sudan	92	137	120	116	2	2
Tunisia	112	99	89	88	3	2
U.A.R. (Egypt)[d]	105	107	130	121	8	9
West Africa:						
Cameroun	103	107	111	89	2	1
Former French Equatorial Africa	123	148	147	134	2	2
Former French West Africa[e]	106	117	123	102	6	5
Ghana	115	125	109	146	4	4
Nigeria	128	128	140	150	6	7
South and East Africa:						
Angola	121	135	143	144	2	2
Congo & Ruanda-Urundi	112	118	97	83	6	4
Ethiopia[f]	100	114	125	133	1	1
Kenya, Uganda, Tanganyika	108	113	98	98	6	5
Malagasy Republic	102	109	98	92	2	2
Mozambique	112	122	135	144	1	2
Rhodesia and Nyasaland	125	140	124	118	6	6
Union of South Africa[g]	110	123	124	109	21	19

[a] Based on values expressed in current U.S. dollars.
[b] Including countries not separately listed.
[c] Prior to 1958 Former French Zone only.
[d] Beginning 1958, excludes imports from Syria.
[e] Includes Guinea throughout.
[f] Annual figures: 12 months ending 10 September of the year stated.
[g] Includes Basutoland, Bechuanaland, South West Africa and Swaziland, but excludes trade among them.
Source: Based on data derived from the *UN Monthly Bulletin of Statistics.*

(ii) Commodity pattern of imports

While the level of African imports has risen since the early fifties, the commodity pattern has been undergoing considerable changes. Traditionally important imports like textiles, which held a preponderant place in the import package of most African countries, have been losing ground relatively to categories such as capital equipment, basic materials and minerals fuels. The decline in the share of textile imports is due partly to increasing domestic production in many African countries and partly to some diversion to cheaper sources of supply. Textile imports are likely to decline still further when current plans for the development and expansion of local textile manufacturing materialize.[6] Although food imports have lost some ground to other categories in some African countries, they are still very

[6] Projected production of textiles in Nigeria and Ghana alone will amount to 33 million yards of cloth annually. Ghana's share of 15 million yards will represent 25% of its present total imports. Ethiopia, UAR (Egypt), Sudan and Morocco all have plans to establish or expand the production of textiles.

important in others, particularly the smaller countries. This will probably continue to be the case for a long time to come, since a rising middle class, together with the existence of large expatriate communities, creates a demand for quality foods which cannot be produced locally in the near future. Furthermore, food production in many African countries is at present not keeping pace with population growth and rising incomes.[7] This fact also reflects the increasing urban concentrations that are developing in many African countries.

Although Africa is an exporter of agricultural products, its imports of certain foodstuffs — wheat, flour, rice, and tea — are quite substantial. Imports also include sugar, potatoes, some vegetable oils, prepared and canned meats, butter and cheese. With the exception of rice, gross and net imports of most of these commodities have increased rapidly. Imports of wheat and wheat flour into the continent in 1959 were nine times[8] as high as in the pre-war period. This, together with the substantial increases in imports of potatoes, prepared and canned meats and dairly products, is an indication of the changes in diets that are developing with urbanization and rising incomes. Wheat imports into South Africa rose sharply in 1959 following two years when, as a result of two successive bumper harvests, no imports had been recorded. But by far the largest importer of wheat and wheat flour on the continent is the Egyptian Region of the UAR, although these imports fluctuated sharply from year to year. The increase in the imports of temperate-zone foodstuffs is spread over most of the continent, although a significant part of imports of prepared meat goes to Ghana. Imports of sugar are very large and at present stand at two and half times the pre-war figure. This very rapid increase is also a manifestation of urbanization and rising incomes, and is evenly distributed over the continent except where there there is substantial local production of the commodity. Imports into Morocco, however, were exceptionally high — about 30 per cent in volume of the total imports of sugar into Africa.[9]

Except the Union of South Africa, UAR (Egypt), Morocco, Tunisia, the Congo (Leopoldville), the Federation of Rhodesia and Nyasaland and Kenya, manufacturing in Africa is not so extensively or highly developed as to permit of any significant import substitution. However, given the higher productivity usually associated with it, manufacturing does contribute a not altogether insignificant part of the domestic product of some other African countries.

Table A.II.12

Manufacturing as a Percentage of Gross Domestic Product of Six African Countries, 1955-1958

Country	1955	1956	1957	1958
Union of South Africa	24	24	24	25
Morocco	15	15	17	16
Congo (Leopoldville)	10	12	13	13
Kenya	9	9	10	10
Federation of Rhodesia and Nyasaland	8	8	10	11
Tanganyika	6	6	7	7

Source: *UN Yearbook of National Accounts Statistics*, 1959.

Development plans in many African countries place great emphasis on industrialization, and it is reasonable to suppose that when these plans materialize, a number of African countries will be able to replace some imports by local manufactures. Some commodities which are already produced locally in part substitution for imports are textiles, cigarettes, beverages (mainly beer and soft drinks), meat products, some dairy products, edible oils and fats, flour, footwear, some chemicals, cement and building materials. Apart from the Union of South Africa and UAR (Egypt) — which recently began production of automobiles — no African country produces machinery or transport equipment, although in recent years the assembly of transport vehicles has become quite widespread.

Table A.II.13

Index Numbers of Industrial Production 1953—100

	1955	1956	1957	1957	1959
Algeria					
General[a b]	120	124	130	146	148
Manufacturing[a]	123	134	142	165	168
Congo (Leopoldville)					
General	126	140	151	140	138
Textiles	134	156	138	141	166
Ethiopia					
General[c]	100	105	117	121	130
Morocco					
General[d]	109	111	111	116	115
Manufacturing[d]	105	107	106	108	99
Tunisia					
Mining	120	113	110	114	104
UAR (Egypt)					
Manufacturing[e]	117	125	132	143	149

[a] Clothing and footwear, wood products, furniture, leather, rubber, petroleum and coal products are not included.

[b] The extraction of crude petroleum and natural gas is not covered.

[c] Excluding electricity; 1955=100

[d] Excluding building and public works.

[e] Cotton ginning and pressing, clothing and wood, rubber and metal products are not covered.

Source: *UN Monthly Bulletin of Statistics*

[7] "Review of Food and Agricultural Situation in Africa" (Doc. E/CN.14/62) P.l.

[8] "Review of Food and Agricultural Situation in Africa,, (Doc. E/CN.14/62).

[9] Virtually all these imports were of crude sugar. In terms of value Morocco's share in African imports of sugar is much less since most African countries import refined sugar.

(iii) Imports by sub-regions and countries
North African Countries

Although natural conditions make of North Africa a relatively homogenous economic region, this is not reflected in similar import patterns mainly because of the widely varying levels of economic development. The only common characteristic in the structure of imports is the relatively high share (around 20%) of food, beverages and tobacco. However it would seem that this high share is due, in some countries, more to the importance of sugar, coffee and tea imports than to that of staple foodstuffs, whereas in others the reverse is the case. As far as basic materials are concerned, their share varies from around 1% in the less industrialized countries to more than 10% in Egypt and more than 15% in Morocco. A similar pattern exists in the case of mineral fuels and chemicals. The divergence is also very marked for textiles where the range is between 4 and 17% the extremes being Egypt and Sudan respectively. Finally the share of machinery and transport equipment exceeds 20% in all countries with the exception of Sudan and Tunisia but, as will be seen later, the exceptionally high share recorded by Libya is exclusively due to oil prospecting and drilling.

The import patterns of the various countries are undergoing changes. The considerable variations in the food imports of several countries are linked to extreme fluctuations in domestic production; but there is an obvious trend, at least in UAR (Egypt) and Morocco, towards an increasing share of this group. Since import substitution in textiles has temporarily reached its limit in several countries, no decreasing trend appears in this category. There was however, a decline in UAR (Egypt)[10] and Sudan where import restrictions probably played an important role. Finally, the investment slump followed by some recovery explains the wide movements in imports of machinery and transport equipment in Morocco and Tunisia, whereas the fluctuations in UAR (Egypt) may reflect the combined effect of import substitution and balance-of-payments difficulties.

In general, it can be said that the import patterns of North African countries are extremely sensitive to changes in economic and climatic conditions, and this fact is to some extent linked to the absence of foreign exchange reserves which imposes day-to-day adjustments of considerable magnitude.[11]

Imports into *Morocco* rose steadily in volume (except for a small decline in 1954) from 1950 to 1955, when they were about 50% higher than the 1949 level. From 1956 imports began to decline and reached a low level in 1959. The greatest decline was experienced in imports of capital goods, which fell from a peak of U.S. $101.4 million in 1952 to $59.0 million in 1958. This drop was probably due to the fact that new foreign investments had almost ceased since 1956 while existing firms were slowing down their rate of investments. These developments together with some outflow of capital reflected political difficulties with France — the main source of foreign investments — after the independence of Morocco.

The share of imports of machinery and transport equipment in total imports declined considerably and in 1958 were only 19% of total imports. (in 1955 these had represented 27% of total imports). On the other hand, imports of consumer goods, including food products, have remained relatively high, although they have been declining slightly in absolute terms since 1955. Imports of food, beverages and tobacco, have been increasing since 1955, with the exception of a small drop in 1958. Textile imports are relatively small and did not exceed 8% of total imports between 1955 and 1958. Imports of basic materials experienced the most rapid development over the period 1955/58, representing 19% of total imports in 1958, as compared with 3% in 1955

[10] Which also exports textiles.

[11] This was a relatively new development for Morocco and Tunisia which could, until two years ago, rely on the mechanism of the "compte d'opérations" (see Part B, Chapter I).

Table A.II.14

Morocco : Imports by Category as Percentage of Total Value, 1955-1959[a]

Category	SITC Section/Division[b]	1955	1956	1957	1958	1959
Food, beverages and tobacco	0,1	19	19	28	25	......
Basic materials and minerals fuels	2,3,4	11	15	25	26	......
Chemicals	5	4	4	6	6	......
Textiles	65	6	8	6	7	......
Machinery and transport equipment	7	27	21	16	18	......
Other manufactures	6,8	12	12	16	15	......
Miscellaneous	9	21	21	3	2	......
Total Imports (Million US dollars)	0 - 9	497	459	402	401	332

[a] Based on values expressed in current US dollars.
[b] As published data are not based on SITC, classifications are approximate.
Sources: Based on data derived from *UN Yearbook of International Trade Statistics and national publications.*

3

The Moroccan economy was in a depressed state almost throughout the whole of 1959, although there seems to have been some revival during the first half of 1960. Imports of capital goods showed an increase in the early part of 1960, and it is likely that current attempts at industrialization will stimulate imports.

Imports into *Tunisia* have failed to grow since 1957, when they dropped below the 1956 level. Total imports in 1956 amounted to US. $194 million; they fell to 172 million in 1957, 155 million in 1958 and 153 million in 1959. Imports of machinery and transport equipment represented a relatively modest share of total imports and developed rather slowly over the period 1956/59. In 1956 this category of imports was only 14% total imports. This share rose to 18% in 1959. Food imports have constituted a high proportion of total imports since 1956 although they have followed a declining trend. The share of textile imports rose between 1956 and 1959 from 11 to 15 per cent.

The percentage share of basic materials and mineral fuels in total imports has been declining since 1956 but there was small rise in 1959. Total imports showed an increase in almost all items during the first three months of 1960, particularly with respect to capital goods which rose from US. $3.8 million to $6.9 million during that period. In the year 1959 as a whole, these imports had fallen from the 1958 level of $22.6 million to $22.1 million.

Table A.II.15

Tunisia: Imports by Selected Categories as Percentage of Total Value, 1955-59[a]

Category	SITC Section Division[b]	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	......	29	26	20	20
Basic Materials & Mineral Fuels	2,3,4	......	15	13	11	12
Textiles	65	......	11	14	14	15
Machinery and Transport Equipment	7	......	14	14	17	18
Total Imports (Million US dollars)	0 - 9	181	194	172	153	153

[a] Based on values expressed in current US dollars
[b] As data are not based on SITC, classifications are approximate.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

Of almost all the African countries *Libya* has experienced the most dramatic development of imports in recent years. With the continuing expansion of oil prospecting, imports in 1959 amounted to US $114 million as against 40 million in 1955. Imports of machinery and transport equipment nave experienced the most spectacular growth, resulting from increasing activity in oil prospecting and drilling. Probably for the same reason imports from the United Kingdom were higher than those from Italy, which had until then been Libya's most important supplier. Imports from the UK totalled U.S. $24.6 million while those from Italy amounted to $24.4 million. Imports from the United States were also important, amounting to $23.5 million. The most notable feature of Libyan trade in 1959 was the emergence of Egypt as Libya's best customer. The UAR (Egypt) took $4.7 million ($2.0 million in 1958) of Libyan exports against Italy's $3.2 million ($4.5 million in 1958). Indications are that Libyan imports are likely to continue their upward trend as long as the outlook for oil exploitation remains good and that machinery and transport equipment will continue to figure prominently in the import pattern.

Table A.II.16

Libya: Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	32	29	22	15	......
Basic Materials & Mineral Fuels	2,3,4	14	12	10	7	......
Chemicals	5	5	6	6	8	......
Textiles	65	10	9	8	7	......
Machinery and Transport Equipment	7	15	18	20	38	......
Other Manufactures	6,8	24	26	24	25	......
Total Imports (Million US dollars)	0 - 9	40	47	79	97	114

[a] Based on value expressed in current US dollars.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national publications.*

The striking feature of Sudan's foreign trade between 1956 and 1959 was the laggardly response of imports to changes in the level of the country's exports in a situation characterized by the absence of sizeable foreign exchange reserves. A year of high exports — and consequently a favourable balance of trade — has generally been followed by a more liberal import policy and a resultant increase in imports in the following year and vice versa. The year 1956 was one of import restrictions, tightening of credit and considerable reductions in existing stocks of imported commodities. The end of that year saw a decline in the value of imports accompanied by a significant rise in the value of exports. A favourable balance ensued, import restrictions were relaxed and accordingly imports rose sharply in 1957 from U.S. $130 million to 194 million. Since exports also fell during the same period (from 192 million dollars to 148 million) import restrictions were re-imposed in April 1958 and by the end of the year imports had declined appreciably; but the year still ended with a deficit.

Table A.II.17

Sudan: Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division[b]	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	27	27	25	19	25
Basic Materials & Mineral Fuels	2,3,4	8	9	9	10	9
Chemicals	5	6	6	6	6	6
Textiles	65	18	19	17	13	18
Machinery and Transport Equipment	7	17	15	18	23	18
Other Manufactures	6.8	24	24	25	29	24
Total Imports (Million US dollars)	0—9	140	130	194	171	164

[a] Based on values expressed in current US dollars.
[b] As published data are not based on SITC, classifications are approximate.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

Imports continued to decline slightly in 1959 and at the end of the year this movement, combined with increased receipts from exports, turned the previous deficit into a surplus. Once again the government's trade policy was altered, and import restrictions were relaxed in July 1959. The resultant influx of imported goods was so great that imports in the last quarter of 1959 were over 60 per cent higher than in the corresponding quarter of 1958. This trend continued through the first quarter of 1960, when the level of imports was again almost 60 per cent higher than in the same period in 1959.

The dependence of the Sudan on food imports and other consumer goods is quite marked, and food imports remained at a high level from 1955 to 1959. Domestic production is limited and is unlikely to develop substantially enough in the near future to make possible any significant degree of import substitution, although there are marked efforts at economic diversification and manufacturing. Machinery imports developed relatively slowly at a level much below that of food imports — an average for the period 1955/59 of 18.3% of total imports as against 24.2% for food imports.

Imports into *UAR (Egypt)* grew at an annual rate of about 4.5% from 1956 to 1958, but there was a drop of about 7% in 1959. The most important increase was in wheat and flour imports, which rose from US.$23.3 million in 1956 to $85.6 million in 1959. Imports of producer goods also increased throughout the period, a though at a less pronounced rate from $302.4 million to $387.7 million, and slightly above this figure in 1959. In 1956 wheat and wheat flour represented a mere 4.3% of total imports; by 1958 they had risen to 10.2% and in 1959, together with maize, amounted to 14% of total imports. The sharp rise in grain and flour imports was due partly to the increased consumption requirements of a growing population and partly to the displacement of some food crops by cotton in a situation in which the total areas under food crops did not increase. The share of food imports in total imports has increased steadily since 1955 although there was a drop in 1958 when they represented 21.7% of total imports. As a result of increased domestic production, imports of crude oil and petroleum products fel from $88.7 million in 1958 to $61.5 million in 1959.

On the other hand, imports of capital goods increased slightly over the 1958 level. Estimates of the probable evolution of UAR imports indicate that they will continue to increase or, at any rate, to maintain their current levels. This is due to the fact that current development plans will generate a high degree of imports, and also to the fact that it will not be possible to replace the considerable imports of food and other consumer goods by domestic production until the full gestation of current investment projects.[12]

[12] *National Bank of Egypt, Economic Bulletin, Vol. XII No.* 3 1959.

Table A.II.18

U.A.R. (Egypt): Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	14	18	26	22	......
Basic Materials & Mineral Fuels	2,3,4	20	21	25	22	......
Chemicals	5	12	10	14	14	......
Textiles	65	6	4	3	3	......
Machinery and Transport Equipment	7	25	24	15	23	......
Other Manufactures	6,8	22	22	16	15	......
Miscellaneous	9	1	1	1	1	......
Total Imports (Million US dollars)	0—9	538	535	547	662	616

[a] Based on values expressed in current US dollars
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

Remarkable shifts are noticeable in the geographical distribution of UAR (Egypt) trade after 1956, particularly with regard to the United Kingdom — an aftermath of the "Suez Crisis" of 1956 and political difficulties with the west European countries generally. The most dramatic change is the growing importance of eastern Europe — particularly the USSR — to the almost complete exclusion of the United Kingdom. In 1955 imports from eastern Europe amounted to only 6.5% of total imports. In the following year this figure increased by nearly 100%, reaching 12.3% ($65.7 million). By the end of 1959 these imports stood at $159.7 million or 25% of total imports, after reaching a peak of $194.4 million or 28.4% in 1958. A similar significant development is noticeable for exports to eastern Europe and the USSR, which rose from $81.6 million (19.6%) in 1955 to $194.1 million (44%) in 1959.

Most seriously affected by these shifts was the United Kingdom whose exports to the UAR (Egypt) fell from $63.0 million (12.0%) in 1955 to $7.9 million or 1.5% in 1957. Subsequently, there was a slight improvement and UAR (Egypt) imports from the UK rose to 7.3% of total imports in 1959. Egyptian exports to the United Kingdom also fell sharply from 5.6% of total exports in 1955 to 2.8% in 1959. Trade with the EEC countries also declined sharply and imports from these countries regressed from 32.8% to 14.7% of total imports. Imports from the United States and Canada, which are substantial, recovered after a serious setback in 1954 and continued to grow, with some interruptions, until they stood at 14% of total Egyptian imports in 1959 (2.4% in 1952).Trade with African countries also experienced a decline and imports fell from 5.4% of total imports ($29.1 million) in 1956 to 2.5% in 1959. Similarly, exports to the rest of Africa declined from $32 million (8.0%) in 1956 to $18.5 million (4.2%) in 1959.

[13] A considerable production of cotton exports to the USSR was re-exported, and the UAR has recently taken measures to prevent this recurring.

West African countries

During the whole post — war period the pattern of imports into most West African countries showed a remarkable similarity, due to almost indentical structures of production and habits of consumption. Because of the quasi absence of production of temperate-zone agricultural products the share of food, beverages and tobacco was consistently high, approaching or even exceeding 20% of total imports. The relatively low level of industrial development was reflected in the small share of basic materials — nowhere exceeding 2 per cent. Mineral fuels and chemicals varied from 6 to 7 and from 4 to 7 per cent respectively, whereas textiles in general accounted for one-fifth of total imports. The share of machinery and transport equipment in total imports ranged from 15 to 25 per cent; this share was definitely lower in West Africa than in the more industrialized countries of Central and North Africa. It should be added that the commodity classifications used in West African trade statistics, as well as the varying shares of unrecorded trade, limit considerably the significance of comparisons from one country to another. For instance, the relatively low share of food in Nigerian imports can be attributed to the fact that livestock imports from the north are not included in trade statistics. whereas such imports are recorded in Ghana.

With these generally similar of import patterns some changes have occurred in the last few years, affecting different countries in varying degrees. There was an almost general decrease in the share of textile imports in the trade of most of the countries of the area, which, as stated earlier, was linked to growing domestic production, although the decline or stagnation in the earning of the producers of cash crops may also have had an effect on these imports. The increase in imports of machinery and transport equipment was less noticeable; changes can be distinguished only in Nigeria, Ghana (in fact essentially in 1959) and Sierra Leone. Finally, in some countries the share of food in total imports has tended to increase;

but, as mentioned above, the figures have to be interpreted with some caution.

In general, it is difficult to establish clear-cut trends in the import patterns of West African countries in relation to major structural changes. In fact some tendencies would emerge much more clearly if the behaviour of individual items, as against groups of commodities, could be analysed.

Former French West African imports are difficult to deal with at the present time, since data are no longer available for the area as a whole and the new independent nations which emerged after the break-up of the former administrative unit have not yet begun to publish comparable data on the structure of their imports. The data which form the substance of this section are thus based on the reports of the *Banque Centrale des Etats de L'Afrique de L'Oueest,* and may not contain all the latest information.

The evolution of former French West African imports has followed the general trend of imports into West Africa. Imports of machinery and transport equipment are growing faster than any other category, and the area also continues to show a marked dependence on food imports. In 1958 these two categories accounted for 19.9 and 23.2% respectively of total imports In 1959 they rose to 22.2 and 25.7% respectively. Imports of other consumer goods from a high proportion of imports (36.8% in 1958, 32.7% in 1959). On the other hand, fuel imports have remained constant and raw materials and semi-manufactures have declined slightly over the twelve-month period.

The distribution of imports among the countries of the area during the period 1957 to 1959 indicates a steady rise in the share of imports into Guinea, the Ivory Coast and Upper Volta. The slow rise of imports into Senegal, the Mali Republic and Mauretania, taken together may be due to the fact that, with the dissolution of former political ties between the members of the former French West African Federation, Senegal has lost its role as an entrepot for the distribution of imports to the area.

Table A.II.19

Per cent share of major categories in total imports of Former French West Africa, 1959

Country		Food, beverages and tobacco	Other consumer goods	Primary products semi-finished goods	Capital goods	Fuels
Senegal, Mali and Mauritania		34	34	12	15	5
Guinea		17	20	19	40	4
Ivory Coast & Upper Volta		18	38	13	25	6
Dahomey		25	26	20	18	11
Niger		32	39	9	15	5
Total, Former French West Africa:	1959	26	33	14	22	5
	1958	23	37	15	20	5

Source: *Note d'Information de la Banque Centrale des Etats de l'Afrique de l'Ouest,* July 1950.

The evolution of Ghana's imports in recent years has been the result of (a) the accumulation of foreign exchange reserves during most of the post-war period, (b) extensive development plans which came into operation in the early fifties, and (c) the relatively slow increase in production for the domestic market. The nominal value of Ghana's overseas balances which stood at U.S. $ 231,3 million in 1949 rose to a peak of $ 582.7 million in 1955 and were $ 531.4 million 1956. Thus the capacity of Ghana to import was quite substantial on its attainment of independence in 1957. The significant fact was that, while increasing government expenditure was generating new incomes, domestic production of consumer goods was unable to keep pace with rising incomes or population growth.[14]

Although imports dropped considerably during the 1957/58 recession, recovery was quite sharp and imports in 1959 rose by almost 34 per cent in value over the previous year, machinery imports rising in the same proportion as the increase in total imports. Transport equipment increased by 87% this rise probably reflected the import of 26 locomotives in 1959. More than 15% of the increase in import value was accounted for by an increase of 13.3 million US dollars in food imports. Imports in the first five months of 1960 amounted to 165 million US dollars and were 34 million US dollars ahead of exports, and a little less than 48 million US dollars above the level of imports for the same period in 1959. The marked increase in imports for this period of the year was due to the import of railway equipment (US$14 million) in May 1960. The provisional figures for January to May seem to indicate that imports have

[14] Ghana Economic Survey, 1957, pp. 3&7. In 1959 this situation is still one of Ghana's major preoccupations (Ghana Economic Survey, 1957, p.99).

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Table A.II.20

Ghana : Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	20	21	22	22	21
Basic Materials & Mineral Fuels	2,3,4	7	6	8	8	6
Chemicals	5	6	7	7	8	8
Textiles	65	22	20	21	17	16
Machinery and Transport Equipment	7	17	19	17	18	23
Other Manufactures	6,8	26	25	23	25	25
Miscellaneous	9	2	2	2	2	1
Total Imports (Million US dollars)	0—9	246	249	271	237	317

[a] Based on values expressed in current US dollars.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

been running at an annual average rate 20-30 per cent higher than in 1959.

In 1955 the most important import categories in terms of value and percentage share in the import package were textiles; food, beverages and tobacco; machinery transport equipment and other manufactures. Together these categories accounted for nearly 85 per cent of total imports. At the end of 1959 the overall picture was still the same except that the share of machinery and transport equipment in total imports had increased from 17 per cent in 1955 to just under 23 per cent and textiles had fallen from 22 to a little below 16 per cent. These shifts are consistent with the country's economic development in recent years, with its emphasis on industrialization. The high share of food imports (around 1/5th of total imports throughout the years 1955-59) underlines one of the most crucial problems which will confront the country in the sixties — the development of local production to keep pace with population growth and the rising standard of living.

Table A.II.21

Nigeria : Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	13	14	16	14	15
Basic Materials & mineral Fuels	2,3,4	6	6	7	7	7
Chemicals	5	5	5	5	5	6
Textiles	65	25	24	21	21	......
Machinery and Transport Equipment	7	21	21	21	24	25
Other Manufactures	6,8	28	28	29	28	......
Miscellaneous	9	2	2	1	1	1
Total Imports (Million US dollars)	0—9	381	428	427	467	502

[a] Based on values expressed in current US dollars.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

The development of *Nigerian* imports in recent years has been influenced by the fact that prior to 1955 governments — both federal and regional — had been spending less than they received, while statutory bodies also continued to pile up reserves. Furthermore, the steady growth in commercial bank deposits was not matched by a corresponding increase in lending.[15] However, from 1955 onwards, increasing expenditures on the part of governments and the statutory bodies, together with the banks' more liberal credit policy, tended to stimulate imports. This tendency was emphasized by the increase in foreign investments and by a liberal import policy. In 1958 and 1959 the general import licences which had been introduced to permit the import of all kinds of goods from the United Kingdom and the British overseas territories were extended, with certain major exceptions, to cover imports from Japan and the Dollar Area. By the second half of 1959 most imports were allowed without restriction, excepting non-essential imports from countries of the Soviet bloc.[16]

[15] Economic Survey of Nigeria 1959, p.97.

[16] *Op.cit.* p.94.

As regards the commodity pattern of imports, Nigerian trade statistics over the past five years show the same tendencies as in Ghana, except that imports of food, beverages and tobacco, though around 14 per cent of total imports through this period, are not quite as high a component of the import package. Machinery and transport equipment, textiles and other manufactures together accounted for over 70 per cent of total imports both in 1955 and in 1958. But, as in Ghana, the relative share of textiles has been falling gradually and there has been a corresponding rise in the share of machinery and transport equipment. Mineral fuels have also been edging up steadily in response to increasing demand for both industrial and domestic power and to the needs of a growing transport system.

Current development plans and bright prospects for foreign investments would seem to suggest that Nigerian imports will continue to grow at a much faster rate than in the previous five years. It is expected that these growing imports will be financed from past savings, overseas loans and foreign private capital.[17]

Table A.II.22

Republic of Guinea :
Geographical Distribution of Imports
Expressed as Percentage of Total Value of Imports

Areas/Countries of Origin	1957	1958	1959
Franc Zone	74.6	76.9	73.7
(France)	(65.6)	(72.0)	(70.0)
Sterling Area	5.0	4.9	1.4
Dollar Area	9.4	6.6	7.6
(U.S.A.)	(8.0)	(5.9)	(6.3)
O.E.E.C. Countries[a]	9.3	10.9	7.8
West Germany)	(3.3)	(3.0)	(2.6)
Centrally Planned Economies[b]	—	—	9.3
(Czechoslovakia)	(—)	(—)	(3.3)
(East Germany)	(—)	(—)	(2.6)
Others	1.7	0.7	0.2

[a] Other than France
[b] Aggregate of East Germany, Hungary, Poland, Czechoslovakia, U.S.S.R. and Mainland China.
Source: *Note d'Information de la Banque Centrale des Etats de l'Afrique de l'Ouest* No. 58, May 1960.

Guinean imports outside former French West Africa, valued in current US dollars, reached a record level in 1958 and 1959 (60 million US dollars) registering an increase of 50 per cent over the corresponding figure in 1956. Imports of machinery and transport equipment — most of which was required for the construction of the F.R.I.A. aluminium factory and the extension of port facilities at Conakry — amounted to 40% in value of total imports. Contrary to general West African trends, there has been a steady decline of imports of transport equipment since 1957; imports of passenger vehicles declined by 44% over the period. Although food imports as a whole fell sharply, imports of wheat flour increased from 2,800 tons in 1958 to 17.600 tons in 1959. Rice imports also increased considerably, but the most remarkable increase was in sugar imports which more than doubled over the period 1957-1959. Over 50% of the increase in rice and flour imports came from eastern Europe and Mainland China while the total increse in sugar imports came from eastern Europe. Sugar imports rose from 4.591 tons in 1958 to 17,144 tons in 1959. Of this total about 11,400 tons came from the east-European countries. The high level of sugar, flour and rice imports from the socialist countries is the result of barter agreements and does not necessarily reflect an increase in the consumption of these commodities,[18] although this may subsequently follow.

In spite of the considerable shift in Guinean imports the countries of the Franc Zone continued to supply the bulk of them in 1959. Franc Zone exports to Guinea represented 74% of total imports of which France alone supplied 70%.[19] Imports from the Sterling Area declined by 68% in 1959, while dollar imports increasedby 31%, bringing the percentage share of dollar imports to 8% of total imports. The share of the OEEC countries (excluding Franc Zone countries) fell from 11% to 8%. However, the most important change in the geographical distribution of Guinean imports between 1958 and 1959 was the sharp rise in imports from the centrally planned economies in eastern Europe and Mainland China from practically nil in 1957 to 9.3% of total imports in 1959. The same trend was evident in the export figures where the total share of east European countries increased from 3.2 to 16.2 per cent.

An interesting feature in the development of Guinean trade in 1959 was the sharp decline in the separately recorded maritime trade with the seven members (Senegal, the Mali Republic, Ivory Coast, Dahomey, Niger, Mauritania and the Volta Republic) of the West African Customs Union. Imports from the Customs Union countries declined from U.S. $9.0 million in 1958 to $1.9 million in 1959 while exports fell from $1.9 million to $0.1 million. The most significant decline was in the trade with Senegal, which until that time was Guinea's most important trading partner in West Africa.

[17] *Op. cit.* pp99 100.

[18] There appears to have been a shortage of sugar because the low retail price in Guinea encouraged clandestine exports to neighbouring countries (see *Marchés Tropicaux*, 15 October 1960).

[19] However, during the first nine months of 1960 imports from France amounted to only one-third of total imports from the same source for the corresponding period of 1959 — a result mainly of the cessation of imports of machinery and equipment for the FRIA project (see *Banque des Etats de l'Afrique de l'Ouest — Statistiques* No.64, November 1960). Thus in 1960 Guinean imports began to show a similar shift away from the French market as was noticeable for exports in 1959 (see Chapter II Section b (iii).)

Imports into the former *French Equatorial Africa* have shown a rising trend since 1955, although there was a considerable drop in 1959. Machinery and transport equipment constituted the most important import category and represented about 30% of total imports from 1956 to 1958. Textile imports have been fluctuating since 1955 but reached a peak in 1858. Basic materials and mineral fuels are developing significantly and may be a pointer to increasing industrial development. If the proposal to invest $89 million in the extraction of manganese ore comes into effect, the stimulus to imports should be quite marked, first, on account of the machinery and materials required for the construction and operation of the mines and, secondly as a result of increased foreign exchange earnings and the rise in domestic incomes.

Table A.II.23

Former French Equatorial Africa: Imports by Selected Categories as Percentage of Total Value 1955-59[a]

Category	SITC Section/Division[b]	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	20	19	16	19	......
Basic Materials & Mineral Fuels	2,3,4	8	9	8	8	......
Textiles	65	12	7	7	10	......
Machinery and Transport Equipment	7	26	30	32	30	......
Total Imports (Million US dollars)	0—9	105	117	141	140	127

[a] Based on values expressed in curent US dollars.
[b] As published data are not based on SITC, classifications are approximate.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

South and East Africa

The *Republic of the Congo* is among the few African countries which have been experiencing a steady decline in imports, both in value and volume, since 1957. From 1955 total imports had been growing until they were checked by the 1957/58 world recession. Thereafter total imports, which had amounted to 436 million dollars in 1957, declined progressively to 308 million dollars in 1959. During the same period the quantum index of imports (1953=100) fell from 118 to 86. Although the decline was spread over all categories of imports, machinery and transport equipment experienced the greatest regression. However, it should be noted that imports of capital goods into the Congo have been at a relatively high level—over 30% of total imports since 1956—and, although their decline in absolute terms after 1957 was considerable, their relative share in the total import package was fairly well maintained.

Textiles and food, beverages and tobacco have since 1955 accounted for a relatively modest share of total imports, no doubt owing to the existence of local manufacturing capacity, which has enabled a significant degree of import substitution to be achieved. The production of certain consumer goods (textiles, food products, beverages and footwear among others) has been growing since 1950 and imports of these items, particularly those destined for African consumption, have been declining. The production of footwear, for instance, has developed considerably. In 1953 local industry produced over half a million pairs of footwear; this figure rose to 2 million in 1956 and to 3 million 1959.

Table A.II.24

Congo (Leopoldville) ; Quantity Index of Imports, 1953-1959[a]

(1953=100)

Category	1955	1956	1957	1958	1959
Consumer goods incl.	122	138	145	117	116
Food productions, textiles, footwear	132	150	149	133	135
Raw materials and semi-finished goods	133	145	150	127	120
Capital goods	83	88	85	66	50
Total Imports	107	117	118	96	86

[a] Figures include Ruanda Urundi
Source: *La Situation Economique du Congo Belge et du Ruanda Urundi* (1958 p.187; 1959 p.226).

Table A.II.25

Indices of Food and Textiles Production in the Congo, 1955-1959[a]

(1947/49=100)

	Food, Beverages and Tobacco (Processing)	Textiles (Manufacturing)
1953	186	446
1954	212	446
1955	237	524
1956	272	601
1957	296	697
1958	283	618
1959	314	741

[a] Figures include Ruanda Urundi
Source: *La Situation Economique du Congo Belge et du Ruanda Urundi*, 1959, p.212.

Imports into *Angola* have been growing since 1955 and reached a record level in 1958. Imports of capital goods appear to have become quite important; this points to a certain degree of economic development in the territory. However, among producer goods cement imports declined from 110,000 tons in 1954 to 2,000 tons in 1959. This is due to the fact that local production, which has been growing rapidly in recent years, is increasingly replacing imports. Imports countinued to rise during the first half of 1959, but the value of total imports for the whole year showed a smaller increase than the tendency in the earlier part of the year had suggested. Figures for the first two months of 1960 pointed to the continued growth of imports, particularly of capital goods, but the shortage of foreign exchange had already begun to check the growth of imports by the end of the first half of the year. The effect of import restrictions imposed in May will no doubt have a further adverse effect on imports.

Although direct information on *Mozambique's* imports are rather scanty, evidence from other sources seems to suggest a continued expansion of imports in the last three years. During the first eight months of 1958 imports were 20% higher than in the corresponding period of either 1956 or 1957. In contrast to the general increase, imports of the main consumer items like cotton and silk fabrics and wines declined somewhat. On the other hand there was a marked rise in imports of capital goods, reflecting the growth in investment expenditures. Although imports of rolling stock fell, those of agricultural machinery, together with iron and steel products and railway equipment (other than rolling stock) rose 40% above the 1957 level.

Table A.II.26

Rhodesia and Nyasaland: Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	10	8	1	10	10
Basic Materials & Mineral Fuels	2,3,4	9	9	9	11	10
Chemicals	5	7	7	8	8	8
Textiles	65	9	9	8	7	......
Machinery and Transport Equipment	7	34	36	36	34	35
Other Manufactures	6,8	31	31	30	29	......
Miscellaneous	9	—	—	—	—	1
Total Imports (Million US dollars)	0—9	388	446	497	441	420

[a] Based on values expressed in current US dollars.
Sources: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

Like the Republic of the Congo, the *Federation of Rhodesia and Nyasaland* has been experiencing a decline in imports since 1957. The growth of imports into the Federation, as in the case of many other African countries, has been related to the growth of export earnings and investment. Unitil the begining of 1956 copper exports had been rising and the growth of foreign exchange earnings had been reflected in a corresponding rise in imports. Furthermore an investment boom in the early fifties gave a stimulus to the growth of imports, particularly of capital goods. However, in 1958 imports began to decline, partly as a result of the world economic recession, and thereafter the downward movement of imports continued through 1959, no doubt fed by the falling off in foreign investments arising from the continuing uncertainties regarding the political future of the territory. It is likely that investments will remain sluggish until the future of the area becomes more certain.

Future change in imports will at all events be materially influenced by the completion of major investment projects. Thus, the commissioning of the Kariba dam is bound to result both in a decrease of imports of machinery and transport equipment and in a reduction of imports of electricity from the Congo.

The establishment or projected establishment of motor vehicle assembly plants by several big companies will be reflected first in higher imports of machinery, and subsequently in a shift in imports from complete vehicles to vehicle parts. The tyre factory which is alreadyin operation will bring about a similar shift in respect of rubber manufactures.

Imports of capital goods have been at a very high level since 1955 and have maintained their relative share of the import package. In 1957 capital goods were 35.8 per cent of total imports, and in 1959 their relative share was still 35 per cent. Because of a high level of local prodution, textile imports have constituted a rather small percentage of total imports, and were never above 9% for the period 1955 to 1959. Similarly food imports form a small percentage of total imports.

Since 1955, when imports were at the high level of 417 million US dollars, *British East African* imports have not shown any signs of growth; instead, they took two sharp downward movements in 1956 and

Table A.II.27

Kenya, Uganda and Tanganyika: Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	6	7	7	7	8
Basic Materials & Mineral Fuels	2,3,4	10	12	13	13	12
Chemicals	5	5	5	6	7	7
Textiles	65	13	13	15	14	14
Machinery and Transport Equipment	7	31	30	26	25	27
Other Manufactures	6,8	28	27	28	28	27
Miscellaneous	9	7	6	5	6	5
Total Imports (Million US dollars)	C—9	417	375	292	339	340

a Based on values expressed in current US dollars.
Source: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

1958. Since 1957 economic activity in the territories of British East African has been "hesitant" probably as a result of political uncertainties surrounding the future of the territories of Kenya and Uganda, which may have influenced foreign investors to hold back.

Imports of machinery and transport equipment have been at a fairly high level, although they have been fluctuating around a declining trend. From 31 per cent in 1955 their share in total imports fell to 25 per cent in 1958 and was slightly up at 27 per cent in 1959. The share of food imports is much lower than in may African countries and, although it has been rising since 1955, was only 8% of total imports in 1959. This is due to the fact that food production and food processing are fairly well advanced ar ..e territory is a net exporter of certain food products. Although it is difficult to asses the future prospects at this time, there is little doubt that the projected construction of the Shell Oil refinery at Mombasa, the packaging plant in Nairobi, the Michelin Tyre factory and the 12 million — yard cotton mill in Tanganyika, and the Aluminium Rolling Mill at Dar-es-Salaam will all countribute to some extent to a further stimulation of imports of capital goods.

Table A.II.28

Ethiopia: Imports by Category as Percentage of Total Value, 1955-59[a]

Category	SITC Section/Division	1955	1956	1957	1958	1959
Food, Beverages and Tobacco	0,1	8	9	6	8	10
Basic Materials & Mineral Fuels	2,3,4	14	13	15	13	13
Chemicals	5	4	5	6	5	5
Textiles	65	27	31	30	24	21
Machinery and Transport Equipment	7	23	20	20	26	29
Other Manufactures	6,8	24	22	23	24	22
Miscellaneous	9	—	—	—	—	—
Total Imports (Million US dollars)	0—9	68	63	72	79	84

a Based on values expressed in current US dollars.
b As published data are not based on SITC, classifications are approximate.
Source: Data derived from *UN Yearbook of International Trade Statistics and national trade publications.*

Although *Ethiopian* imports which had been growing steadily from 1953 declined slightly in 1956, they recovered rapidly and actually increased throughout the recession. During the period 1956 to 1959 imports rose by about 6% annually and except during 1957 were throughout ahead of exports. Up to 1958 imports of food, beverages and tobacco averaged 7% of total imports, but increased sharply to 11% in 1959 mainly as the result of poor harvests in 1958. Nevertheless food imports are relatively moderate compared with many African countries. Following the sharp rise in imports in 1959, some measures were taken to restrict imports, particularly of luxury consumer goods.The remarkable feature of Ethiopian imports was the high level of textile imports—29% in 1955, 30% in 1957 and 21% in 1959. The decline in the relative share of the group is linked with expanding domestic production. A growing domestic textile industry is expected, in due course, to result in further reduction of textile imports; it is proposed to double production capacity within the next three years. Machinery imports have shown a slightly fluctuating but upward trend, and in the year 1958/59[20] investment goods amounted to 26.4% of total imports. During the four years beginning 1955/56 there was a slight but noticeable shift toward imports of investment goods.[21] However, the level of consumer goods is, in absolute terms, still quite high and has increased much more than that of investment goods.

South African imports have developed at a rather high level from 1950 on, but they fell sharply in 1959 (U.S. $851.2 million in 1950, $1555.1 million in 1958, and $1368.4 million in 1959.) However, food, beverages and tobacco and other consumer goods have declined in relative importance, being replaced by domestic production.

Forty per cent of the decline represented a decline in imports for the public sector, due partly to the world economic recession and partly to the slowing down of economic activity in South Africa. The decline in economic activity may be largely due to the drying up of foreign investments and the gradual but steady depletion of foreign exchange reserves occasioned by flights of capital from the Union. Capital flights were intensified in 1960 as political and racial tension mounted, particularly after the "Sharpeville" incidents in March 1960. From that time the country's foreign exchange reserves declined to reach a low level of $320.9 million by the end of June 1960.[22] Although economic activity had not revived in any significant way, imports rose in the early part of 1960 and from April to July were averaging over $135.8 million per month. Consumer goods appear to account for most of this increase, the only capital goods in greater demand being agricultural machinery, mining equipment and machinery for local consumer industries. Imports of general industrial and electrical machinery have, in contrast, fallen sharply. On the other hand, exports have not been very active; this together with the decline in reserves, may lead to balance-of-payments difficulties.

South African trade may experience considerable difficulty if a Republic of South Africa is not admitted into the Commonwealth. In such an eventuality South Africa may lose considerably in Commonwealth preference, and its competitive position vis-a-vis certain Commonwealth countries may be quite seriously affected. However, as illustrated by the case of Eire, the Ottawa agreements on Commonwealth preferences do not appear to be directly dependent on Commonwealth membership.

[20] Gregorian Calendar

[21] Ethiopian Economic Review, June 1960 p.45

[22] Reserves fell from $424.5 million in March to $364.8 million in April. South African shares also dropped in value by about $1.4 billion.

Chapter A/III

NOTES ON SELECTED EXPORT COMMODITIES OF THE AFRICAN REGION

a) Introduction

The export commodities which have been selected for examination in the following paragraphs exhibit one or other of the most interesting aspects of African export commodities or accounted for a considerable share of African exports. Five of them, gold, copper, cotton, coffee and cocoa together accounted in 1957 and 1958 for over 45 per cent of the region's exports. Three are associated with a persistent downward trend in prices over the last few years. Gold is unique, in that its price has remained fixed in terms of U.S. dollars since 1934, although this appears, broadly speaking, to have had a less restrictive effect on investment in gold mining and on exports than might have been expected from discussions of its price. Copper is outstanding for the extreme sensitivity of production and exports to sharp but relatively short term changes generated on the demand side and, in general, effectively countered on the supply side. It has also the distinction of inspiring great confidence in its future. Although diamonds can also claim to command confidence in their future, they are unique in a different way from gold in that their production and marketing are largely in the hands of a world wide cartel. Coffee and tea share the common feature of having successfully penetrated international markets in spite of the lower quality of the varieties grown in the region. They, however, stand in contrast to each other in regard to marketing arrangements, for whereas tea has in recent years been marketed without the support of international marketing arrangements, coffee has been subject not only to preferences in the Commonwealth countries and to both preferences and quota arrangements in the Franc Zone, but also to an international coffee agreement and there is now a proposal for the setting up of an African coffee producers' association. Coffee shares with cotton, natural rubber and diamonds the threat of or actual competition from synthetic substitutes. The singular aspect presented by vegetable oils and oil seeds and cereals is that they face simultaneously agricultural protection policies in Western Europe and increasing competition from exports from other regions,[1] especially North America.

[1] The same applies to sugar.

In the case of the twelve commodities considered below, the African region occupies a dominant position in world exports of diamonds, gold, cocoa, certain oilseeds and sisal and accounted in 1958 for about 24 per cent of total exports of cotton and coffee, 16 per cent of copper ore, but only of between 5 and 8 per cent of tea, natural rubber and sugar.[2] A distinction needs to be drawn at this point between the region's position in world exports and its position in world production, which is usually much lower. In the case, for example, of oil palm and groundnut products, the region owes its present position as an exporter partly to the decline of exports from Asia and Latin America, and partly to the economic ties between African countries and territories and the metropolitan countries in Western Europe with which they have been closely associated. The above mentioned shares in world exports, however, by no means measure the importance of a particular commodity to the region as a whole or to individual producers in the region. Gold, the most important by value of the region's exports, is significant in the exports of only the Union of South Africa. Cotton, next by value, is important as an export product to only four countries and territories: the UAR (Egypt), the Republic of the Sudan, Uganda and Chad. Copper, tea, rubber and sisal are all likewise of importance to only a few countries, which in turn usually account for the bulk of production and exports — a situation that reflects the high geographical concentration of production of many of the region's important export commodities. Lastly, it is worth noting that a significant proportion of the region's exports consists of non-annual crops (more than 30 per cent by value) as compared with annual crops (less than 15 per cent by value[3]). For many of the non-annual crops the response to changes in demand is relatively inelastic and can be effective at best after a considerable time-lag. Where tree crops are not organized as plantations run on scientific lines, the reorganization of the industry, and especially the substituation of improved strains, requires a great deal of time and expenditure.

[2] See: *International Action for Commodity Stabilization and the Role of Africa* (E/CN.14/68).

[3] These figures are not exact data, but are intended only to indicate a broad order magnitude.

The rapidity with which a new variety of groundnut or cotton can be introduced may here be contrasted with the difficulties of transforming, for example, the natural stands of oil palms which are the main source of oil palm oil products in Nigeria.

The commodities discussed below are arranged in three groups. The first is comprised of food products, i. e., grains, beverages and sugar. The second is made up of agricultural raw materials — cotton, oilseeds, oils and cake, natural rubber and sisal and the third of minerals — copper, gold and diamonds. Within each group commodities are arranged in descending order of importance by value of exports in 1958. Not all the commodities are treated at the same length, as some display many more interesting facets than others.

b) Grains, Sugar and Beverages

(i) Coffee

World coffee production continued to rise between 1956/57 and 1959/60. The two most outstanding characteristics of world production have been the very large increases in output in Brazil and in the African region as a whole. Only slight changes in regional supply have taken place, with South America gaining at the expense of other producers (See Table A.III.1)

Table A.III.1

Production of Coffee, 1950/51 - 1959/60.

Designation	Average 1950/51 1954/55	1957/58	1958/59	1959/60
A. Indices				
World Production:	100	134	150	190
African Production:	100	160	186	205
B. Percentages:				
Africa	14.4	17.0	17.6	15.3
Former French West Africa	3.3	3.4	4.1	3.5
Congo and Ruanda Urundi	1.5	2.2	2.5	2.3
Uganda	1.8	2.6	2.5	2.5
South America	64.8	62.8	65.8	68.9
Brazil	46.2	45.4	50.4	56.4
Asia	4.2	4.4	3.7	3.7
Indonesia	2.4	2.4	1.8	1.8
India	0.9	1.3	1.3	1.0
Rest of the World	16.6	15.8	12.9	12.1

Source: Foreign Crops and Markets (U.S. Department of Agriculture) September, 29th 1960.

In Africa, former French West Africa, the Congo and Ruanda-Urundi, Uganda and the Republic of Cameroun accounted for just under 75 per cent of the increase in production. Two factors helped the expansion of coffee in the region in the past, and these continued to play their part during the period considered. The first is the existence of the protected market offered by the Franc Zone marketing system and, in the case of the Commonwealth countries, of the preferences afforded by the Commonwealth preferential tariff system. The second factor is the relatively low costs of production, although in some cases labour costs have been rising in recent years and labour shortage appears to be increasingly affecting output in some producing countries.

Throughout the period African producing countries continued to derive advantage from a growing volume of coffee research and extension activities; even so these are still considered to be inadequate in all but a very few areas. In some of the former French overseas territories coffee expansion was further assisted by the provision of agricultural credits or grants for the establishment of new plantations or rehabilitation of old ones. Finally, African production of robustas has been stimulated by increased consumption, mainly in the United States, of instant coffee for which they are considered particularly suitable. The prospects are of a continuing increase in the coffee output of the region. partly as a result of the coming into full bearing of young plantations in many of the producing countries. These prospects may, however, be affected on the one hand by rising production costs and on the other by the trend of coffee prices, especially of robusta prices.

Exports

Table A III 2 shows that there have been some shifts in the shares of total exports of the main African exporting countries, and territories, but that only in the case of Angola, Ethiopia and Uganda have these shifts been substantial.

Table A.III.2

Exports of Coffee, 1953-58

Designation	1953	1954	1955	1956	1957	1958
A. Indices						
Africa	100	106	131	153	156	162
B. Percentages						
Angola	21.7	12.7	13.4	16.7	14.0	14.4
Former French West Africa	17.1	27.2	19.9	23.8	19.9	21.1
Ethiopia	13.1	10.7	9.7	6.1	9.8	7.3
Uganda	11.0	10.1	17.5	12.4	16.6	15.0
Malagasy Republic	11.0	11.9	11.0	10.4	9.4	8.9
Congo (Leopoldville)	10.2	10.1	10.1	10.1	12.8	13.0
Tanganyika	4.7	5.6	4.4	4.4	3.7	4.2
Kenya	4.5	3.1	4.6	5.4	4.4	4.7
Other countries	6.7	8.6	9.4	10.7	9.4	11.4

Sources: *FAO Trade Yearbooks* 1955, 1959.

Of the three major beverages included in these notes coffee has shown the most persistent downward tendency in price since 1954. By 1959 the spot US bulk price for Santos No. 4 and for Angola were both less than half of the spot price in 1954, and in both cases about two-thirds of the 1952 prices. (See Table A.III.3).

Table A.III.3

International Market Prices of Coffee, 1952-1960

Year	U.S. Santos No. 4	U.S. Angola	Le Havre Cameroun
	(¢ per lb.)	(¢ per lb.)	(frs. per kg.)
1952	54	46.2	390
1954	78.7	63.0	443
1956	58.1	38.4	304
1957	56.9	40.2	341
1958	48.4	40.3	389
1959	37.0	30.6	358
January	41.2	31.4	381
April	37.4	32.9	355
July	36.7	31.5	351
October	35.3	28.3	361
1960			
January	36.3	24.7	359
April	37.0	26.8	337
July	37.0	25.9	339

Source: *U.N. Monthly Bulletin of Statistics,* August and October 1960.

During the period considered the Le Havre spot price moved fairly independently of the other two. It rose by only 14 per cent between 1952 and 1954 compared with the 46 and 37 per cent rise in US Santos and US Angola prices respectively and by 28 per cent between 1956 and 1958 whilst US Santos dropped 17 per cent and US Angola remained stable. Between 1958 and 1959 all prices dropped, US Santos and Angola by 25 per cent and Le Havre by only 8 per cent. The fall in robusta prices continued into 1960 although in mid-1960 the Le Havre price was still well above the US price. Finally, it is worth noting that the difference between the spot price for Santos and for Angola in 1959 had narrowed to about half the difference in 1954, thus indicating that Latin American arabicas tended to become more competitive with African robustas.

The importance of declining coffee prices for different African producing countries may be judged from Table A. III. 4.

Among various measures designed to strengthen the competitive position of African exporting countries may be mentioned the policy in Uganda directed towards the discouragement of new plantings of robustas and of increased plantings of arabica.[4] In Angola, Madagascar and Uganda, increasing emphasis is placed on improved cultivation and processing methods, while in Madagascar encouragement is being given to the replacement of coffee by cocoa, pepper or vanilla in areas considered to be of marginal suitability for coffee.

Price developments since 1954 formed the background to the efforts made by the Latin American

[4] *Financial Times,* June 14, 1960, p.2.

Table A.III.4

Percentage Share of Coffee in Total Exports of Selected African Countries, 1955 - 1959

Countries	1955	1958	1959
Ethiopia	58[a]	65.6	56.2
Uganda	48.1	45.9	44.4
Malagasy Republic	43[a]	39.4	...
Kenya	34.7	35.5	31.8
Angola	45.5	41.7	...
Former French West Africa	25.4	28.1	24.3
Tanganyika	19.1	18.2	12.7
Republic of Cameroun	17[a]	22.4	22.1

Sources: *The World Coffee Economy*, Rome November 1959; *UN Yearbook of International Trade Statistics*, 1959 and National Publications.

[a] Average for 1955/57.

producing countries in 1957 under the Mexico Agreement and in 1958 under the Latin American Coffee Agreement, to support coffee prices by agreeing to withhold certain percentages of their total exportable surplus from export markets. The 1958 Agreement, which included 15 Latin American exporting countries as against 7 in the 1957 Agreement, succeeded in arresting the price decline in Latin American arabicas. The price of robustas continued to fall. The next step was the International Coffee Agreement of 1959 which included French West Africa and Portuguese African exporting countries but not Ethiopia, the Congo (Leopoldville), Ruanda-Urundi and the British East African territories (which, with the Congo and Ruanda-Urundi, nevertheless agreed to abide by the export quotas fixed for them under the Agreement). This Agreement has been renewed for another year beginning september 1960, but has still failed to include Ethiopia, the Congo (Leopoldville), Ruanda-Urundi and, ni Asia, India and Indonesia.[5]

The International Coffee Agreements differ from the Latin American agreements in that *inter alia*, they provide for restrictions in the form of export quotas,[6] as well as in the form of percentages of production to be withheld from exports.

The most striking aspect of the second International Coffee Agreement is that it has raised the number of countries considered as new markets (i.e., countries to which exports may be freely made) from 18 to 33. Of the fifteen additional new countries eight are in Africa, thus suggesting the market development possibilities in the region. While the tenure of the first International Coffee Agreement was in force, two other developments emerged, reflecting differences of policies and interest between African exporters on the one hand and Latin American exporters on the other, as well as divergencies in interests between British East African and former French West African exporting countries. In the first case Brazil's reported success in making substantial sales of mixed old and new crops of medium arabicas at prices below those current on the world market, particularly for the production in the United States of instant coffees in competition with African robustas, has apparently provoked strong feelings among African producing countries. In the second case, divergencies of interests between African producing countries provoked a series of severe price cutting measures which came to an end by mid- 1960.[7]

The importance of the United States market for British and French African coffee may be judged from the following table:

Table A.III.5

U.S. Imports of Coffee from Selected African Countries and Territories, 1950 - 1959. (thousand tons)

	1950-52	1955	1956	1957	1958	1959
British East Africa	12.9	32.3	27.6	46.0	50.6	47.6
Former French Africa	1.5	16.5	31.3	30.8	28.1	23.4

Sources: Figures for 1958 and 1959 from, OEEC: *Foreign Trade* (Imports) 1959 and *Foreign Trade* - USA, 1958.All other figures from FAO: *The World Coffee Economy*,1959.

The existence of the International Coffee Agreement does not, however, appear to have disposed of problems considered important by the African coffee exporting countries, such as the short-term nature of coffee agreements and the question of how to stabilize robusta coffee prices and to finance stocks. In consequence, African exporting countries are said to be contemplating the setting up of an African coffee producers' organization which will presumably deal with these and other related questions. The plenary meeting of the organization is scheduled to be held at Tananarive on 5 December, 1960.

5 Developments Leading to the International Coffee Agreement of 1959 - *World Agriculture*, Vol.IX, No.1, January, 1960.

6 This has, in contrast with the alternative, some restraining effect on production policies and is more directly related to market conditions. Since however each country is free to choose between these alternatives, the restraining effect of the first alternative may prove to be of little practical value.

7 *Financial Times*, July 26, 1960.

(ii) *Cocoa*

The index of world production of cocoa shows a continuous rise (apart from a sharp drop in 1957-58) amounting to nearly one third between 1953-54 and 1959-60. Table A.III.6 also shows that the two major producing regions maintained some stability in their percentage shares in total output during the period under review although the African region appears to have increased its share.

No major changes in the shares of producing countries occurred within the region in the period under review (See Table A. III. 7). It should be noted here that changes in the percentage shares of Ghana and the Ivory Coast may be vitiated to some extent by movements of cocoa beans across their common frontier.

Table A.III.6

Production of Cocoa, 1953/54 - 1959/60

Designation	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61*
A. Indices								
World Production	100	104.4	109.1	116.9	101.5	117.3	131.1	125.7
B. Percentages								
Africa	61.0	61.3	61.6	64.8	58.8	62.7	64.8	67.1
South America	28.3	27.3	28.8	25.4	29.2	26.8	25.8	22.0
Brazil	20.1	18.8	20.4	17.9	20.8	19.3	18.5	15.5
Rest of the World	10.7	11.4	9.6	9.8	12.0	10.5	10.7	10.9

Source: *FAO Cocoa Statistics* vol. 4, 1960.

In regard to future production, there are possibilities of greater output in South America and Africa and, to a less extent, in the Caribbean, in all of which there are large virgin areas suitable for cocoa plantations.

In Ghana and Nigeria, government plans for increased production include planting in areas formerly infested with swollen shoot disease, the methods of controlling which are now said to make this a reasonable proposition, reduction of loss by extensive anti-capsid spraying, establishment of plantations in new areas and rehabiliation of old plantations involving large scale multiplication and distribution of high-yielding and early-maturing seedings and extensive application of fertilizers. In Ghana it is hoped that the measures now taken in hand will enable output to reach the level of the mid-1930s.[8] Subsides are also being offered to assist in replanting as well as in the purchase of fungicides and insecticides and of equipment for their application.

International trade in cocoa since 1954 has been undergoing some important changes. The first is the continued decline in United States imports and per caput consumption in spite of the growth of income in that country. The average of imports of cocoa beans into the United States, the biggest single importer, for 1952/56 was 11 per cent lower than the average for the years 1947/51 and the average for 1957/59 about 16 per cent lower than that for

[8] Estimates by Gill and Duffus put the 1960/61 Ghana crop at 340,000 long tons compared with the record of 300,000 tons in the 1930's.

Table A.III.7

African Production of Cocoa, 1953/54 - 1959/60.

Designation	1953-54	1954-55	1955-56	1956-57	1957-58	1958-59	1959-60	1960-61*
A. Indices								
African Production	100	104.9	110.2	124.2	97.7	120.5	139.3	137.2
B. Percentages								
Ghana	47.9	48.6	45.1	45.9	45.8	45.9	49.3	48.2
Nigeria and British Cameroons	21.0	18.6	22.4	23.5	19.6	25.2	23.6	23.3
Republic of Cameroun	11.5	11.4	10.5	10.3	14.2	10.7	9.5	10.9
Ivory Coast	11.2	13.4	13.7	12.3	9.9	9.8	8.9	8.9
Spanish Guinea	3.8	4.4	3.8	4.0	4.6	3.7	4.2	4.0
Other countries	4.6	3.6	4.5	4.0	5.9	4.7	4.5	4.7

Source: *FAO Cocoa Statistics*, October 1960.

* Estimates.

1954/56. Although this fall is to some extent mitigated by larger imports of cocoa products (chiefly of cocoa powder and chocolate and chocolate products) *per caput* consumption fell in the United States from an average of 4.71 lbs. in 1936/40 to 3.55 lbs. in 1955/58.[9] In Western Europe, on the other hand, average imports for the years 1956 to 1959 were some 10 per cent above average imports for the years 1952/55. A notable change in the pattern of Western Europe's imports was the sharp decline in imports of beans into the United Kingdom after 1955, matched by equally striking increases in imports into Western Germany after 1956 and into the Netherlands after 1954. The decline in United Kingdom imports appears to derive partly from a decline in *per caput* consumption of cocoa products.

A third development has been the increase in imports into Asia, which were in 1959 nearly three times larger than in 1952. This appears to be mainly due to rising Japanese consumption. Imports into Australia and New Zealand have shown a very slow increase over the average for 1947/51 but new contacts being established between Australia and West Africa in particular may contribute to the increase of West African exports of cocoa to that country.

Imports into Eastern Europe and the USSR, mostly from Africa, which had risen almost continuously from 28,000 metric tons in 1953 to 68,000 metric tons in 1957 dropped sharply to about 48,000 metric tons in 1958. The current development plans of the Soviet Union and Eastern European countries provide for increased imports of cocoa. Thus in Eastern Germany, which appears to have imported little or no cocoa between 1954 and 1957, per caput consumption of cocoa products is expected to be more than doubled between 1958 and 1965. The intention, however, seems to be that Eastern Germany should obtain her cocoa supplies mainly from Cuba.[10]

Price trends in the international cocoa trade are illustrated in the following table:

Table A.III.8

International Cocoa Bean Prices, 1956 - 1959

Year	New York Spot Accra (US ¢ per lb.)	London Spot Accra (Shgs. per cwt.)	Le Havre Ivory Coast c.i.f. (Frs. per kg.)
1956	27.3	221/7	207
1957	30.6	247/2	255
1958	44.3	352/5	427
1959	36.6	285/6	426

Source: *FAO Cocoa Statistics*, April 1960.

It will be observed that all prices, including the Franc Zone price, have moved in the same way: a climb from the trough of 1956 (to which the New York price had fallen by some 53 per cent from 1954) to 1958 followed by another sharp fall in 1959. The 1959 figures conceal the steepness of the downward trend, which has continued into 1960. The U.S. spot price for Accra dropped from 36.6 cents per lb. in October 1959 to 27.3 cents in March 1960 but has remained remarkably stable at 28 to 29 cents between April and August of 1960. The significance of the downward trend in cocoa prices for individual African countries may be gauged from Table A.II.9

Table A.III.9

Percentage Share of Cocoa in Total Exports of Selected African Countries, 1955-59

Country	1955	1956	1957	1958	1959
Ghana	68.9	59.4	55.9	60.0	61.0
Republic of Cameroun	49.1	34.5	38.4	43.5	41.4
Togo	...	20.7	16.5	39.1	34.3
Nigeria	20.2	18.1	21.0	20.2	23.2
Sierra Leone	7.5	4.8	2.6	5.3	...
Ivory Coast	...	32.0	26.0	20.3	31.3

Sources: National publications.

Judging from plans for increased cocoa output in Africa, and from the emergence for the first time since the Second World War of a surplus (estimated at 100,000 tons) in the 1959/60 season the prospects are that world production will rise faster than consumption, especially when the large number of young trees and seedlings recently planted begin to come into production. The effect of these developments may be reinforced if the imposition of a 9 per cent preferential tariff by the European Economic Community should result in greater plantings and higher cocoa production in the associated countries (in most of which there are possibilities of much greater output than at present). These trends appear to constitute the background to consultations during 1960 between Brazilian and

[9] *U.N. Commodity Survey*, 1959 - p.81.

[10] Economic Bulletin for Europe, Vol. 12, No. 1,1960 - p.21.

Ghanaian cocoa authorities and between the Nigerian and Ghanaian Marketing Board and to the discussions expected to take place in 1961 on cocoa price stabilization.

The course of production and of world market prices are likely to call for increased flexibility in the producer price and the sales policies of the Ghanaian and Nigerian marketing boards. This will be particularly important in relation to such matters as the location and development of new markets, the point at which world market prices level off, the degree of dependence of governments on funds derived from cocoa exports, problems of stock accumulation, the trend of cocoa production costs and so on. It is interesting to note here that the Government of Ghana has provided funds to finance an investigation of cocoa production costs.

(iii) *Grains*

In contrast to the rest of the world, total grain production in Africa appears to have been consistently below the level of 1956/57. Preliminary estimates for 1959/60 indicate a fall of about 30 per cent in barly production and of about 2 per cent in maize production from the level of 1956/57 compared with a fall of over 10 per cent in wheat and about 6 per cent in rice paddy (1957/58). Not only is African grain production a small part of total world grain production but with the exception of Algeria, Morocco, Tunisia and the Union of South Africa, production of grain in African countries is almost entirely for domestic consumption (including exports to neighbouring countries) and is supplemented by by an increasing volume of net imports of wheat.[11]

Exports of wheat and coarse grains from Algeria, Morocco and Tunisia and of rice from Madagascar are made mainly to France under the special arrangements of the Franc Zone. It is worth noting, however, that between 1958 and 1960 Morocco made arrangements to export coarse grains to Yugoslavia, the Federal Republic of Germany and Bulgaria and wheat to Portugal, whilst it is reported that Madagascar is now exporting some of her lower quality rice to West Africa. One of the very few trade agreements between countries in Africa and in Asia, that between the U.A.R. and Indonesia, included rice exports from the former. Barley too, is an item in a trade agreement between the U.A.R. and Cuba. In all of these grain exporting countries development policies include some expansion of grain output; but increases in population are likely to cause widely divergent trends between production and exports. Prospects of demand in western Europe for coarse grains for the cattle and dairy industry are estimated to be moderately good, as domestic supply there apparently cannot meet demand. However, the dominance of the United States as producer and exporter of grain makes African exports to this market partly dependent on that country's grain export policy as well as on west European agricultural protection policies. It must be added that in any case world coarse grain stocks outside the USSR, Eastern Europe and Mainland China have been increasing and are expected to accumulate further.

(iv) *Sugar*

Sugar is distinguished from most of the other export commodities dealt with in these notes by a number of characteristics, the most outstanding of which is that, as in most other exporting regions, very little of the sugar exported is sold on the free market, the bulk coming under special international marketing arrangements linking African exporting countries and territories with countries in Western Europe. Although exports from the region accounted for about 50 per cent of production in 1958, they were approximately balanced by imports. An interesting aspect of the marketing arrangements referred to is that almost all sugar exports are directed (mainly as raw sugar) to countries outside the region and almost all sugar imported comes from outside the region. From Table A.III.10 the rapid growth in African production of sugar as compared with world production can be seen.

[11] It should be noted that *per caput* production of cereals in the tropical areas of Africa is lower than in any other cereal growing region of the world and that it is falling.

Table A.III.10

Production of Sugar, 1954/55 - 1959/60

Designation	1954/55	1955/56	1956/57	1957/58	1958/59	1959/60
A. Indices						
World production	100	103.1	108.8	116.1	129.6	130.4
African production	100	114.3	115.8	125.1	130.6	133.3
B. Percentages of African Production:						
Union of South Africa	35.9	38.0	33.9	35.5	39.9	36.2
Mauritius	25.8	23.8	25.2	22.9	20.5	22.2
UAR (Egyptian Region)	15.0	13.9	13.2	12.5	12.8	12.2
Réunion	8.8	7.9	8.5	8.5	6.4	7.6
Mozambique	4.6	5.5	6.1	6.7	6.0	6.1
Other Countries	9.9	10.9	13.1	13.9	14.4	15.7

Source: FAO.

Production is likely to be substantially augmented in the coming year as a result of plans for expansion in most African sugar production countries and for the establishment of sugar plantations and factories now under consideration in others including Ghana, Nigeria, the Republic of the Sudan and Senegal. The trend towards production in an increasing number of African countries and territories is already evident in the increasing share of "Other countries" in Table A.III.10. The development of production, wherever the technical conditions for it exist, appears to result partly from the desire to advance industrialization, and partly also from balance of payments considerations. It is well known that the consumption of sugar tends to rise fairly rapidly as low incomes rise in under-developed countries and may thus contribute towards the characteristic balance of payments problems which such countries experience. In the African region, for example, *per caput* consumption of sugar rose by about 40 per cent between 1949 and 1958,[12] and in Ghana and Nigeria (two of the countries in which consideration is being given to sugar production) imports rose by some 50 per cent and 25 per cent respectively between 1950 and 1959.

Although sugar is, at present, produced in an increasing number of countries, only about seven of these export sugar in appreciable quantities and only in the case of three of these is sugar of significance in total exports. It is interesting to note that these three countries, which together accounted for 82 per cent in 1953 and 69 per cent in 1958 of total exports of the region, produced no more than 41.8 and 34.8 per cent of the region's output in the same two years.

Table A.III.11

Percentage Share of Sugar in Total Export Trade of Selected African Countries, 1938-58.

Countries	1938	1950	1955	1956	1957	1958
Mauritius	...	95.1	98.3	97.6	97.3	...
Réunion	75.7	...	84.4	82.7	80.3	80.9
Mozambique	30.5	7.2	13.9	16.4	16.9	16.6

Sources: National Publications.

The main feature of the marketing systems under which exports are made from these countries is that, by providing assured markets and a guarantee of relatively stable and high prices (as compared with the free market) for most or all of their exportable sugar, they make possible a steady, though slow, expansion of production without disastrous consequences for their economies. Furthermore, since sugar cane is a crop with a short production cycle, centralized marketing arrangements make it possible to adjust output and exports much more easily than can be done in the case, for example, of coffee or cocoa. In the Union of South Africa, where output exceeded a million metric tons in 1958 and 1959 and where expansion was likely to continue if no check was applied, the South African Sugar Association has established a production target for 1960-61 which is 10 per cent below the output of sugar in 1959-60. The existence of preferential marketing schemes does not in every case free the sugar exporting countries from all difficulties.

In the case, for example, of the Commonwealth Sugar Agreement, exporters in countries in the region which are members have to take account of at least 4 different prices: the price negotiated annually under the Agreement for sugar sales to the United Kingdom, the free market price plus preference, the free market without preference and the price of sugar sold in their home markets. The negotiated price and the home market price take account of production costs and provide for some remuneration to efficient producers whilst prices in the free market frequently bear no relation to production costs. The average price per unit sold, which must not only cover production costs but also provide an adequate return to investors, therefore depends on the volume sold at, and the movements in, the free market price, and thus on the effective functioning of the International Sugar Agreement.

(v) *T e a*

Since 1953 there has been a remarkable expansion of tea production in Africa as compared with the rest of the world - (See Table A. III. 12). The African output consists virtually only of plain teas and the relatively lower production costs in the region compared with production costs of plain teas elsewhere has enabled African products to penetrate successfully the world market for tea.

[12] *Trends and Prospects of World Sugar Consumption*; FAO Monthly Bulletin of Agricultural Economics and Statistics, January 1960.

Table A.III.12

Production of Tea[a], 1953 - 58.

Designation	1953	1954	1955	1956	1957	1958
A. Indices						
African Production	100	136.5	151.3	174.1	173.1	206.1
World Production	100	108.8	113.9	114.4	117.6	124.0
B. Percentages						
Asia	96.4	95.5	95.0	94.6	94.6	93.9
of which: India	45.5	44.3	44.1	44.0	43.1	42.7
Ceylon	25.4	24.9	24.7	24.3	25.0	24.7
Africa	3.2	4.0	4.3	4.9	4.7	5.4
Rest of the World	0.4	0.5	0.7	0.5	0.7	0.7

Source: FAO Commodity Bulletin Series No. 30: TEA - Trends and Prospects.
[a] Excludes USSR and Mainland China.

According to the Food and Agriculture Organization, world tea production is expected to continue to increase in Africa, where a preliminary estimate indicates a 50 per cent rise in production by 1965 over the 1956/58 level.[13] What effect the expected rise of tea output will have on export markets and prices is uncertain, but some assumpations may be made. In the first place the balance which has been maintained between production and consumption is in danger of being upset, especially since plans for increased output of tea in the USSR, if successful, may lead to larger exports from Mainland China to third markets. In the second place the expection is that increased output of tea will consist of a growing proportion of plain teas. Larger supplies of plain teas are, therefore, likely to increase pressure on the price of plain teas in the future. From the regional point of view greater competition is to be expected from exports of plain teas from India and Ceylon as a result of fiscal reliefs and other forms of aid being granted to the plain tea sections of the tea industries in these countries.

Some relief may be obtained by the reduction or removal of obstacles to tea imports into some Western European countries in the form of high import duties, turnover taxes and other fiscal charges which are known to amount in six West European countries to between 52 per cent and 112 per cent of the import price of tea. In none of the countries to which reference is made is the revenue from tea as much as 0.2 per cent of total government revenue. Since most of these taxes are specific the burden on tea imports is likely to grow in proportion to a fall in price.[14]

Tea exports are only of importance, as percentages of total exports, in Kenya and Mozambique, constituting 11 per cent and 7 per cent respectively of these in 1958. For these two territories and for the Federation of Rhodesia and Nyasaland, Tanganyika and Uganda, where tea production is also significant, the downward trend of tea prices is a matter of importance. (See Table A. III.13).

Table A.III.13

Indices of Volume and Value of Tea Exports from Kenya, the Federation of Rhodesia and Nyasaland. (1955 - 1959) (1954 = 100)

	Kenya		Fed of Rhod. & Nyasaland	
Years	Volume	Value	Volume	Value
1955	119.4	134.0	98.8	114.0
1956	143.7	127.0	115.8	108.1
1957	148.6	139.0	117.0	127.0
1958	168.1	156.0	121.6	107.4
1959	194.7	146.0	131.0	103.3

Sources: National publications.

The downturn in the value index as compared with the continued rise in the volume index in 1958 and 1959 for the Federation of Rhodesia and Nyasaland and in 1959 for Kenya emphasises how little increasing volumes of tea exports have availed to offset the decline in prices.

The African region is believed to be capable of great development also as a tea market, and it is noteworthy that the Indian Government has included in its sales promotion programme the location of a public relations unit in Cairo specifically to advance the sale of teas. Total exports from two of the main tea-exporting countries in the region (Kenya and Uganda) to other African countries amounted to only about 3 per cent of total tea exports in 1957 and about 4 per cent in 1958.

[13] See *FAO Monthly Bulletin of Agricultural Economics and Statistics*, July/August 1960, p.6.

[14] The taxes to be levied by the European Economic Community are on an ad valorem basis.

c) Agricultural Raw Materials

(i) Raw Cotton

Raw cotton is the second most important commodity exported from the region in recent years, although it figures significantly in the exports of only some six African countries and territories (See Table A. III.17) The region's share of world exports, which was 23.7 per cent in 1958 (much higher than its 13.8 per cent share of world production in the same year), conceals the predominance of the region in the production of long and extra-long staple cotton. In 1953/54 the region accounted for 49.8 per cent and, according to crop estimates, in 1959/60 for 46.8 per cent of world production of long-staple cotton. In the same two crop years it accounted also for 60.6 per cent and 87.5 per cent respectively of extra-long staple cotton. This means in effect that, since the prices of long-staple and extra-long staple cotton are in general much higher than the prices of other staples of cotton, the region's shares by value in world exports of cotton are higher than is indicated above.

As will be seen below, cotton shares with natural rubber and diamonds the unhappy distinction of increasing competition from synthetic substitutes, although there appears to be no doubt of the considerable potential consumption of cotton, particularly in countries outside North America and western Europe. In all producing countries varying proportions of production of raw cotton (generally restricted to short or medium staples) go into domestic consumption, and in some of them an increasing proportion is now subject to domestic processing since cotton characteristically presents, in countries where it is produced, one of the earliest opportunities for industrialization.[15] In the region, for example, cotton yarn production increased by about 48 per cent between 1953 and 1957, and current plans for the expansion or institution of cotton textile industries within the region suggest that this rate of increase of domestic processing is likely to be accelerated.

As can be seen from Table A.III.14 the trend in world production of cotton (excluding the USSR and Mainland China) was relatively stable between 1953/54 and 1958/59. The decline in the share of the USA in world production reflects the effects of official US cotton policy, and would be even more marked if the official figures of USSR and Mainland China were added to those shown in the table.

African production has exhibited a rapid growth during the period under review, the bulk of the increase being accounted for by output from the UAR (Egypt) and the Republic of the Sudan. The table

[15] See also Part A, Chapter II, Section C.

Table A.III.14

Production of Cotton[a], 1953-59

Designation	1953	1954	1955	1956	1957	1958	1959
A. Indices							
World Production	100	98	101	98	92	96	105
African Production	100	106	106	111	115	133	138
B. Percentages of World Production:							
Africa[b]	9.9	10.7	10.3	11.1	12.3	13.8	13.0
America	68.1	62.9	65.5	61.9	59.6	58.8	62.7
U.S.A.	53.4	45.5	47.1	44.2	38.7	39.2	45.8
Asia	20.7	24.7	22.6	24.4	26.8	25.0	21.5
India	10.6	11.5	10.5	12.8	13.7	13.1	...
Rest of the World	1.3	1.7	1.6	2.6	1.3	2.4	2.8
C. Percentages of African Production:							
U.A.R. (Egypt)	48.2	49.7	47.7	44.5	53.3	50.7	50.0
Sudan	13.6	12.6	13.6	17.5	6.6	14.5	14.5
Uganda	11.1	7.7	9.3	9.5	9.1	8.3	6.4
Congo (Leopoldville)	6.8	6.9	7.0	7.1	6.1	5.5	5.9
Other countries	20.3	23.1	22.4	21.4	24.9	21.0	23.2

Sources: National Publications.

[a] Excluding USSR & Mainland China.

[b] See first paragraph for data on Africa's share in world production of long and extra long staples.

4 *

does not bring out the shifts in supply of long and extra-long staples during the period. In the production of extra-long staple cotton, the UAR (Egypt) increased its share of the combined output of the UAR (Egypt) and the Republic of the Sudan from 58.1 per cent in 1953/54 to 63.3 per cent in 1959/60. Similarly, the Egyptian share of the combined output of long-staple cotton of that country and Uganda rose from 76.1 per cent in 1953/54 to 84.6 per cent in 1959/60.

Some of the most recent developments in the field of production are increases in cotton acreage in Mexico, relaxations in controls and concentration of new acreage in high-yielding areas in the United States, the failure of output in India and China to achieve plan targets. In Africa a noteworthy development during the period under review has been the reformulation of Egyptian cotton policy, including acreage restriction,[6] and greater emphasis on quality improvement. This involved the restriction of varieties to areas considered ecologically most suitable for them, multiplication and protection from contamination of seed varieties, and the introduction of superior varieties.[17] These measures are complemented by others relating to export policy. In the Sudan, increases in acreage and output proceed not only in the Managil Extension but also on private estates. Between 1956/57 and 1959/60 the acreage under cultivation in the Sudan increased by 23 per cent; but output in 1959/60 was just under 91 per cent of output in 1956/58, a peak production year.[18] The growing importance of trends in supply of and demand for extra-long staple cotton to Egypt and the Sudan may be judged from the following table:

[16] *The Egyptian Cotton Gazette*, January 1960, p.9-10.

[17] *The Egyptian Cotton Gazette*, January 1959, p.7 *et seq.*

[18] Republic of the Sudan: *Foreign Trade and Internal Statistics*, June 1960.

Table A.III.15

Percentage Share of Extra Long Staple Cotton in Total Cotton Production of UAR (Egypt) and the Sudan, 1953/54 and 1958/59.

Countries	Crop years 1953/54	1958/59
Sudan	86.7	91.8
UAR (Egypt)	34.5	57.6

Source: Cotton - World Statistics, September. 1960.

The recovery in the textile industry, which developed in North America in the third quarter of 1958 and which spread to Western Europe, Latin America and South - eastern Asia by the first quarter of 1959, has continued. In 1959 exports from all regions rose, with the exception of North America, where United States exports declined sharply. In the UAR (Egypt), higher exports in the 1958/59 crop year were partly due to price adjustment. Export taxes on cotton were cut by more than a third and finally abolished (except for Ashmouni cotton). In Mozambique, the 12 per cent export tax on cotton was suspended for the crop harvested during the 1959 season. In the Republic of the Sudan, the hand-to-mouth purchase policy of overseas buyers, together with a rapidly deteriorating financial and balance-of-payments position forced a reduction in cotton prices in 1958. The recovery in the cotton export trade is reflected in increased consumption during 1959 in most cotton-consuming countries, resulting in an estimated rise in total world consumption of 2.5 million bales in 1959. Stocks (outside the USSR, Mainland China and eastern Europe) continued to to decline and reached 17.5 million bales at the begining of the 1959/60 season, as compared with 22.3 million bales at the beginning of the 1956/57 season. Between 1 March and 1 June 1960 stocks declined from 13.1 million bales to 9.5 million bales in the United States and from 924.000 bales to 526,000 bales in the UAR (Egypt).

The decline in and recovery of cotton prices in international markets is illustrated in the following table.

Table A.III.16

Cotton Prices C.I.F. Liverpool 1956 - 60

		Sudan G 3 S	Egyptian Ashmouni	Egyptian Karnak	United States Middling
		Pence per lb.	US Cents per lb.		
1956		54.0	51.7	73.3	29.2
1957		57.5	44.7	62.4	28.9
1958		40.7	36.7	42.6	28.5
1959		33.7	33.3	36.2	24.8
Average of monthly quotations:					
1959	January - June	...	30.9	34.1	25.4
	July - December	...	33.9	38.1	24.2
1960	January - June	...	47.1	49.4	26.7

Sources: *UN Monthly Bulletin of Statistics*,October 1960.
FAO Monthly Bulletin of Agricultural Economics and Statistics, May 1960; Gezira Board.

It will be observed that between 1956 and 1959 there was a fall of 42 per cent in the price of Sudan G3S, of 36 per cent in that of Ashmouni and 50 per cent in that of Karnak. Between mid-1959 and mid-1960 the price of these three varieties recovered significantly. The price of US Middling shows, on the contrary, little sign of recovery in 1959. The effect of these movements in the price of cotton is, as can be gauged from Table A. III.17 of great importance to several African countries.

Table A.III.17

Percentage Share of Raw Cotton in Total Value of Exports of Selected African Countries, 1957-59

	1957	1958	1959
UAR (Egypt)	72	67	74[a]
Sudan	47	56	60
Uganda	38	40	37
Former French Equatorial Africa	29	30	...
Mozambique	27	27	28
Tanganyika	16	17	15

[a] Excludes exports to Syrian Region.

Sources: National publications.

A noticeable change in the direction of African exports of cotton is the increase in the share directed to the centrally planned economies in Europe and to certain countries in Asia including Mainland China. These exports, however, represent marginal requirements of the countries concerned, which have during the past few years, devoted considerable resources to increasing their domestic output of cotton. Exports of cotton in various forms have, moreover, to contend increasingly with the rising output and consumption of man-made fibres in Western Europe, North America, Eastern Europe and the USSR, in all of which there are plans for considerable expansion of output of synthetic fibres. This trend favouring man-made fibres is most outstanding in the case of the USSR and Eastern Europe, where, under the current 7-year plans, the total output of man-made fibres is expected to increase four times between 1958 and 1960 and to lead, together with planned increases in raw cotton production, to a considerable reduction in the dependence of the area on imports of textile fibres. In North America and Western Europe, the broad picture is of a steady instrusion of the newer synthetic fibres into the field of industrial (i.e. non-apparel) textile production. In the field of apparel production, however, cotton, especially the long and extra-long staple varieties of which the region is the leading producer, is expected to hold its share of the world markets.

(ii) Vegetable oils and oil-seeds

Taken as a group, vegetable oils and oil-seeds stand third by value in recent years of all commodities exported from the region and within the group groundnuts and groundnut oil come first followed by oil palm products. Vegetable oils and oil-seeds exported from the region display, perhaps, the most varied features of African export products. Firstly, the exportable surplus varies in relation not only to changes in output but also to changes in domestic consumption, as a substantial portion of the output of oils and oil-seeds is domestically consumed. Secondly, the African region has a preponderant share of the world export trade in groundnuts, groundnut oil, palm oil, palm kernels and palm-kernel oil, and accounted in 1958 for over 45 per cent of olive-oil exports but for only small percentages of world exports of copra, coconut oil, linseed, etc.[19] Thirdly, whereas oil palm products are clearly tropical and olive oil Mediterranean in origin, groundnuts are grown from as far north as the UAR (Egypt) to as far south as the Union of South Africa and equally span the continent from east to west. In the fourth place, exports of vegetable oils and oil-seeds from the region are subject not only to increasing competitive pressure from exports of animal and vegetable fats and oils from the United States (mainly soya beans and soya-bean oil, cotton seed and cotton-seed oil and lard) but also to a wide range of restrictive measures in Western European countries. In the fifth place, since oil-seeds yield both oil and cake, the price of oil-seeds is affected to some extent by the different movements in the demand for these two products. Finally, technological developments have made possible a high degree of substitution between different kinds of fats and oils in the manufacture of end-products, mainly margarine, and, in the field of industrial uses, have led to the increasing substitution of synthetics derived from petroleum in the manufacture of soaps, although less so in paints and varnishes, etc. At the same time the demand in Western Europe for vegetable oils and fats for consumption as food is affected by variations in the supply and price of butter.

In examining the position of the region in world exports of fats and oils, it should be noted that Africa's large share of some vegetable oils and oil-seeds is partly the result of the withdrawal of Asia[20] and to some extent of Latin America from world exports in favour of domestic consumption. Thus Africa's position as exporter is much more significant than its position as producer.

[19] See *International Action for Commodity Stabilization and the Role of Africa*, E/CN.14/68.

[20] In India exports in the post-war period were subject to restrictions and in bad harvest years suspended. Thus in early 1960 the Indian Government banned the export of groundnuts and other edible oils. (*FAO Monthly Bulletin of Agricultural Economics and Statistics*, February 1960, p.18.)

Secondly, although vegetable oils and oil-seeds constitute a high percentage of the total exports of a number of African countries, chiefly Nigeria, former French West Africa, and Gambia, and are significant in the exports of a number of other countries (see Table A. III. 18), the region as a whole accounts for approximately only one-fifth of world exports of fats and oils.

Table A.III.18

Percentage Share of Oils and Oil-seeds in Exports of Selected African Countries, 1957-58.

Countries	1957	1958
Gambia	95	92
Dahomey	89	86
Senegal, Mauritania and Mali	89	72
Nigeria	46	48
Mozambique	25	24
Sudan	26	18
Tunisia	16	14
Congo (Leopoldville)	7	7

Sources: National publications.

Lastly, the broad trend in the high-income countries of North America and Western Europe appears to be a levelling-off of *per caput* consumption of fats and oils, and further increases in consumption must therefore mainly depend on the course of population growth. It is only in the USSR, and in less developed areas, including some countries in Southern and Eastern Europe, that *per caput* consumption appears to be rising rapidly and that markets for expanding outputs are likely to be fund. In the case of the USSR, Eastern Europe and Mainland China however their trade relations with each other and the rest of the world and the actual and planned increases in output of vegetable and animal oils and fats suggest that, taken together, their external requirements are unlikely to be more than marginal.

FAO estimates that, whereas, on the basis of 1952-53=100, the index of the volume of exports of edible vegetable oils and oil-seeds from the region rose from 106 in 1953 to 142[21] in 1959, the unit value index of these products declined from 97 in 1953 to 87 in 1955, rose to 94 in 1957 and receded to 84 in 1958, with a slight rally to 86 in 1959. The net effect of the contrasting movements in unit value and volume of exports has been, over the period, a steady rise in total value index from 103 in 1953 to 121 in 1959, with the exception of a fall in 1955. Quite clearly, increasing quantities of exports of oils and oil-seeds have been required to compensate for a lower level of prices. The following brief notes on the principal commodities are to be read against this background.

[21] Preliminary estimates.

Groundnuts and groundnut oil

Processing of groundnuts for exports expanded considerably in Africa during the war and in the early post-war years. This development has thereafter continued at a much slower rate. It will be seen from Table A.II.19 that after a sharp increase between 1955 and 1956 exports of groundnut oil have declined slightly. The more rapid rise in exports of groundnuts as compared with oil in the 1953-58 period seems to reflect to some extent the easier entry of the crude product into the western European market.

Table A.III.19

Indices of Exports of Groundnuts and Groundnut Oil from Africa, 1953 - 1958.

1953 = 100

Groundnuts	1954	1955	1956	1957	1958
(Shelled Basis)	124	116	150	142	182
Groundnut Oil	104	100	120	118	117

Sources: *FAO Trade Yearbooks* 1955, 1958 and 1959.

The rise in groundnut oil exports reflects, although not fully, the growth of processing within the region as part of industrial development measures in several countries. Besides immediate consumption, groundnut oil is used in the manufacture of margarine, table and cooking oils etc. In each of these uses it competes with a wide range of alternatives, including chiefly soya beans and soya-bean oil, cotton seed and cotton-seed oil, lard, whale oil, rape seed, etc. From Table A.III.25 it will be seen that groundnut oil was between 1955 and 1959 more expensive than soya-bean oil, cotton-seed oil and whale oil and that, whereas the price of cotton-seed oil remained stable in the first quarter of 1960 and that of soya-bean oil continued to decline, the price of groundnut oil has turned upwards. These price relationships have led to some substitution of whale oil and of soya beans and oil for groundnut and oil in margarine and compound fat manufacture. For example, soya bean imports into six Western European countries[22] rose by over 140 per cent between 1954 and 1958 (during the same period US exports of soya beans rose by just under 100 per cent). moreover soya beans have the additional advantage, because of their higher meal content, of meeting Western Europe's expanding demand for animal feeding stuffs. Some substitution is also reported, of cotton-seed oil for groundnut oil in margarine manufacture. The effect of the high degree of substitution between oils is to keep prices of the different oil-seeds in some balance, but the prospects of further expansion of output of soya beans and cotton seed in the major producing countries suggest that groundnut prices will, irrespective of short-term movements, tend to move downward in the long run.

[22] The U.K., Holland, Federal Republic of Germany, Belgium, Denmark, and France. *See Annual Review for 1958 of Oilseeds, etc.*, Frank Fehr & Co. Ltd.,

Palm oil

Palm oil's chief competitor in the manufacture of margarine is whale oil, the supply of which was affected until recently by the international regulation of whale fishing .In the manufacture of soap its position, like that of other saponical oils, is affected by competition from synthetic detergent soaps. It will be observed from Table A. III. 25 that its price and that of whale oil have been lower than the prices of most other oils except tallow. The prospects of whale-oil supply and prices are uncertain, but since supplies are unlikely, at least in the long run, to be increased substantially, palm oil can be expected to continue to hold its own.

Table A.III.20

Exports of Palm Oil, 1953-58.

Designation	1953	1954	1955	1956	1957	1958
A. Indices						
World Exports	100	107	98	101	98	105
African Exports	100	104	99	102	96	99
B. Percentages of World Exports:						
Africa	65	63	66	65	63	62
Asia	32	31	31	32	34	36
Indonesia	23	23	21	22	23	22
Rest of the World	3	6	3	3	3	2
C. Percentages of African Exports:						
Nigeria	55	55	50	50	48	47
Congo (Leopoldville)	36	35	41	40	43	44
Other countries	9	10	9	10	9	9

Sources: *FAO Trade Yearbooks,* 1955 and 1959.

Although palm oil exports from the region have remained constant there has on the whole been considerable improvement in their quality. It will be observed here that Nigeria accounts for very nearly half of total exports. Since the bulk of her production comes from natural stands, it seems clear that any large increase in the exportable surplus depends on the success with which the large sprawling palm belt is replanted with high-yielding and early-maturing strains. The present tendency appears to be to establish new plantations on a scientific basis whilst research is pursued on ways of improving the natural stands. As can be seen from the table, exports from the more efficient plantations of the Congo (Leopoldville) are now an increasing share of total exports from the region.

Palm kernels and palm-kernel oil

Palm-kernel oil competes in its most important use, i.e., the manufacture of soap, with tallow and coconut oil, and in its next most important use, i.e., the manufacture of table and cooking oils, with olive oil, sesame and sunflower. World exports of palm kernels, of which Africa accounts for about 90 per cent, remained at about the same level during the period 1953-1958, except for a small increase in 1954 and a sharp decline in 1957 (See Table A.III.21).

Table A.III.21

Exports of Palm Kernels, 1953-58.

Designation	1953	1954	1955	1956	1957	1958
A. Indices						
World Exports	100	104	99	99	89	98
African Exports	100	104	98	97	87	97
B. Percentages of African Exports:						
Nigeria	56	62	62	65	65	64
Former French West Africa	12	11	12	12	12	14
Congo (Leopoldville)	12	9	9	5	5	5
Other African Countries	20	18	17	18	18	17

Sources: *U.N. Statistical Yearbook,* 1959 *and FAO Monthly Bulletin of Agricultural Economics and Statistics,* April, 1960.

As long as the gathering, cracking and sale of nuts depend mainly on availabilities of female labour, exports from Nigeria and from the region as a whole are bound to be erratic.

Table A.III.22

Exports of Palm-Kernel Oil (Indices), 1955-1958.
(1953 = 100)

Designation	1954	1955	1956	1957	1958
World	118	118	109	137	147
Africa	147	212	263	326	341

Sources: *FAO Trade Yearbooks*, 1955 and 1959.

Table A. III. 22 brings out the rapid growth in exports of palm-kernel oil which comes almost entirely from the Congo (Leopoldville). This development is also reflected in the decline in Congo's share in palm kernel exports.

Oilve Oil

Olive oil is singular among vegetable oils and oilseeds exported from the region in that it is the only commodity in this group which has, because of its well known 2-3 years cycle of high and low production, reflected in sharp periodic changes in supplies and stocks, become the subject of international commodity arrangements in the form of the International Olive Oil Council.[23] The wide variations in supplies which it will be the Council's main function to even out, are well brought out in Table A. III.23.

As may be noted from Table A. III. 24 the general trend of olive oil prices has been downwards, reflecting to some extent the levelling of demand for fats and oils for consumption as food

[23] *International Action for Commodity Stabilization and the Role of Africa*, E/CN. 14/68

Table A.III.23

Exports of Olive Oil (Indices), 1953-1958.
(1953 = 100)

Designation	1954	1955	1956	1957	1958
World	145	116	121	154	107
Africa	154	111	90	191	140

Sources: *FAO Trade Yearbooks* 1955, 1958 and 1959.

in Western Europe, and the availability of substitutes such as sunflower seeds, sesame and lard. The International Olive Oil Agreement which entered into force on 26 June 1959, therefore provided for the exploration of ways of expanding consumption.

A final point which is worth making in regard to oil-seeds is that the process of substitution to which reference was made in the first paragraph is dependent on price and cost relationships; in other words, where there would seem to be a long-term tendency for substantial price disparities to exist between substitutes, the necessary technological adaptation tends to follow. In this situation, the stake of the producers of tropical oilseeds and oils is to maintain an abundant supply at relatively stable and not too high prices. It is only in this way that they are likely to be able to prevent a gradual shift to temperate-zone oil-seeds produced on a large scale and by frequently more efficient methods in North America, Mainland China and perhaps also the USSR.

Table A.III.24

Olive Oil Prices (European Ports), 1956-1959.
(US Cents per kg.)

1956	1957	1958	1959
107.4	77.0	65.0	62.4

Source: *FAO Monthly Bulletin of Agricultural Economics and Statistics*, April 1960.

Table A.III.25

Prices of Selected Vegetable and Animal Fats and Oils, 1955-1960.
(in US cents per kg.)

Year	Palm oil	Palm-Kernel oil	Ground-nut oil	Soyabean oil	Tallow	Cotton-seed oil	Lard	Whale oil
1955	26.6	25.4	28.8	29.4	18.5	28.5	33.1	24.4
1956	25.6	26.0	36.9	33.9	17.8	36.6	34.8	25.4
1957	25.4	25.7	36.0	30.6	19.2	35.1	37.1	24.5
1958	22.8	28.6	27.6	—	19.1	—	35.9	21.8
1959	23.8	34.3	30.0	23.1	16.2	25.0	25.9	21.9
1959 January	22.9	32.8	26.7	24.2	17.6	26.1	27.9	21.5
February	22.9	38.8	28.2	24.1	17.2	25.9	27.3	21.0
March	23.2	34.6	30.1	24.0	17.5	25.6	26.8	21.2
1960 January	23.3	34.5	33.3	28.2	14.0	24.9	24.3	25.8
February	22.9	34.5	34.1	19.8	13.8	24.9	—	21.6

Source: *FAO Monthly Bulletin of Agricultural Economics and Statistics*, April 1960, *(iii) Natural Rubber*

Although, as can be seen from Table A. III. 26 below, world natural rubber output rose by 25 per cent between 1953 and 1959, total consumption of all kinds of rubber increased by nearly 52 per cent over the same period.[24] The gap between rubber consumption and the relatively inelastic supply of natural rubber was filled in by the expansion in synthetic rubber output, which increased by about 75 per cent during the period under review. The Table also shows that, while the region's share in the world total of natural rubber production is still very small, African production has been increasing much faster than world production. This trend can be explained by the lower production costs and less disturbed conditions in Africa than in other producing areas.

Table A.III.26

Production of Natural Rubber, 1953-1959.

Designation	1953	1954	1955	1956	1957	1958	1959
A. Indices							
World Production	100	105	111	110	110	111	125
African Production	100	106	125	144	144	156	175
B. Percentages of World Production:							
Africa	4.6	4.6	5.2	6.0	6.0	6.4	6.4
Asia	93.7	94.0	93.3	92.2	92.2	92.3	88.5
Indonesia	40.3	41.0	38.4	36.3	36.0	34.8	33.6
Federation of Malaya	33.3	32.4	33.5	33.1	33.6	34.6	32.5
Rest of the World	1.7	1.4	1.5	1.8	1.8	1.3	5.1
C. Percentages of African Production:							
Liberia	43.6	45.2	38.8	33.9	33.7	34.4	30.8
Nigeria	27.0	24.9	30.9	33.7	35.0	33.4	37.5
Congo (Leopolville)	22.6	26.5	26.1	28.3	29.8	28.1	28.6
Rest of Africa	6.8	3.4	4.2	4.1	1.5	4.1	3.[illegible]

Sources: *FAO Production Yearbooks*, 1955, 1956 and 1959; *FAO Monthly Bulletin of Agricultural Economics and Statistics*, May, 1960.

The only significant change within the region has been the replacement of Liberia by Nigeria as the leading rubber-producing country and the increase in the share of the Congo (Leopoldville) at the expense of Liberia and other countries.

The prospects are good for a continuing increase in production. In Liberia, apart from replanting within the Firestone Rubber Company's plantations, the Government has been energetically encouraging rubber planting by African smallholders with such success that the Firestone Rubber Company has announced its intention of investing in the extension of its processing facilities to handle the African smallholders output.[25] In addition, several new plantations are in the process of being established by American, Dutch and German interests. In Nigeria, expansion includes the planting of the Dunlop Nigeria Plantation Company's 21,000 acre estate and of new plantations established by the Western Region Government's Development Corporation, which expects to have a total of 17,500 acres under rubber, by 1965, as compared with just over 10,000 acres in 1959-60.[26] Other measures in Western Nigeria include the replacement of unproductive stands with new high-yielding material, the training of African smallholders in improved methods of cultivation and management and the institution of basic scientific research in rubber. Co-operative processing facilities are also being increased. The Government of Ghana has included in its second Development Plan (1959-64) the provision of £G. 400,000 to subsidize the development of rubber plantations in a part of Ghana which is said to have enough land to sustain a rubber industry of an annual value as great as that of the cocoa industry. This Plan provides for the utilization of high-yielding imported clones and for an intensive educational programme.

Table A.III.27

Quantum Indices of World and African Natural Rubber Exports, 1954-1958.
(1953 = 100)

Designation	1954	1955	1956	1957	1958
World	107	111	118	117	124
Africa	109	128	149	153	167

Sources: *FAO Trade Yearbooks*, 1955 and 1959.

[24] Economist Intelligence Unit *Rubber Trends No.* 7, Sept. 1960.
[25] *West Africa*, August, 1950.
[26] *Western Region Development Plan*, 1960-65 - p.42.

It will be noted that the region's natural rubber exports expanded much faster than total world exports, and increased even between 1956 and 1958 in spite of a slight downturn in world exports associated with the industrial recession of 1957-58. Rubber prices resisted the recession better than those of many other industrial raw materials.

Table A.III.28

Prices of Natural Rubber, 1955-1960.

Year	New York Spot No. 1 RSS	U.K. cif. No. 1 RSS
	(Cents per lb.)	(Pence per lb.)
1955	39.1	32.9
1956	34.2	28.1
1957	31.2	25.9
1958	28.1	23.4
1959	36.6	29.4
1960		
January	41.1	33.3
April	40.3	34.8

Source: *UN Monthly Bulletin of Statistics*, August 1960.

Although natural rubber prices had been falling since 1955, it will be seen that the fall was gradual and not very steep and that there was a strong recovery in 1959 which continued into the first quarter of 1960. By mid-May of 1960 natural rubber prices reached their highest point in five years;[27] but they have since been falling back. This decline, to which Government stockpile releases appear to have contributed[28], may reduce the gap between natural and synthetic rubber prices and thus make the former more competitive with the latter.

(iv) Sisal

Sisal, the only important hard fibre exported from the region, is capable of considerable interchange with henequen and, to a less extent, manilla. This interchange, which rests mainly on price considerations, is to some extent restricted by strong industrial preferences for certain uses. Because substitution is possible shortages of one variety of hard fibre may be offset by increases in supplies of another and a certain amount of balance is thereby maintained between the prices of the different varieties. During the 1950s hard fibres underwent three phases: a considerable expansion of output stimulated by the Korean crisis and supported for a time by demand for stockpiling purposes, a decline in demand and prices for a period of some five years up to 1958, and a remarkable recovery in 1959. Production developments in hard fibres are shown in the following table:

Table A.III.29

Indices of World Production of the Principle Hard Fibres, 1954-1959.
(1953 = 100)

	1954	1955	1956	1957	1958	1959
Sisal	113	124	132	138	146	154
Henequen	100	120	130	122	130	130
Abaca (Manilla)	93	96	107	103	81	86

Sources: *FAO Production Yearbooks, 1955, 1956, and 1959* and *FAO Bulletin of Agricultural Economics and Statistics*, June 1960.

In the African region sisal production rose by about 25 per cent between 1954 and 1959, but production in Brazil, Venezuela and Haiti rose much more, namely, by 71 per cent, with a consequent drop in the African share of total world production from 69 per cent in 1955 to 64 per cent in 1959.

Of the region's increase Tanganyika alone accounted for 34 per cent and Kenya, Uganda and Angola for 45 per cent .The most spectacular rise was in Angola, whose output rose by 61 per cent. In Mozambique output rose steadily until 1958, but declined in 1959. Forecasts for 1960 suggest a moderate increase in the region's production. The remarkable development of the sisal industry in Tanganyika the most important producer, may, however, be drawing to a close. According to a recent study of the industry, it appears that little suitable land is available for further extension of plantings while there seems to be no reason to believe that the application of fertilizers will lead to increased output. On the other hand it is claimed that a recently developed hybrid will make possible intensive cultivation of sisal, thus reducing the large acreage required at the present time. This new variety is also said to be capable of a much higher and quicker yield of leaves; but some doubts have been expressed as to its suitability for cultivation over the wide range of conditions in which the present varieties are grown.

27 Economist Intelligence Unit, *Rubber Trends*, No. 7. September 1960.
28 Ibid.

Table A.III.30

Exports of Sisal and Henequen, 1953-1959.

Designation	1953	1954	1955	1956	1957	1958	1959
A. Indices							
World exports of							
Henequen	100	85	61	18	28	64	118
Sisal	100	114	132	144	145	153	157
B. Percentages in World exports of Sisal							
Africa	80	72	67	64	67	68	69
Brazil	7	15	18	22	21	19	22
Haiti	6	7	7	8	7	7	6
Indonesia	7	6	8	7	6	6	4

Source: Economist Intelligence Unit *Hard Fibres Quarterly Review*, September 1960,

In absolute terms exports of sisal and henequen did not keep pace with production and this resulted in an accumulation of stocks. Changes in stocks, set out in Table A.III.31 below, therefore bring out more clearly than export figures the recovery in trade in hard fibres. It will be noted from Table A. III. 31 and A. III.32 that manila was far less affected throughout than sisal and henequen.

The course of hard fibre prices is set out in the following table:

Table A.III.31

Stocks of Hard Fibres at the end of each year, 1957-59 (thousand tons)

Years	Manilla	Sisal	Henequen
1957	5	15	47
1958	5	20	37
1959	2	7	3

Source: Economist Intelligence Unit, *Hard Fibres Quarterly Review*, March 1959 and September 1960.

Table A.III.32

Hard Fibre Prices, 1951-1960.

	B.E.A. No. 1 c.i.f. European Ports (£ per ton)	B.E.A. No. 1 landed New York (cents per lb.)	Mexican Henequen A landed N. Y. (cents per lb.)	Philippine Manilla 1 (Davao) landed N. Y (cents per lb.)
1951	229.8	29.7	24.5	32.1
1954	86.8	11.1	8.0	18.6
1955	80.3	10.4	7.6	19.2
1956	78.5	10.2	8.2	22.1
1957	71.8	9.4	7.8	27.0
1958	72.2	9.5	7.4	25.7
1959	89.3	11.6	8.4	30.6
1960 January	98.0	12.8	10.5	32.8
" February	103.0	13.1	10.5	34.0
" March	103.0	13.1	10.7	33.5

Source: Economist intelligence Unit, *Hard Fibres Quarterly Review*, September 1960.

It will be observed that by 1954 the price of sisal was about two-fifths of its price in 1951. Between the second half of 1957 and the first half of 1958 the price of sisal had sunk to a level at which it was said that even the most efficient producers in British East Africa could not cover production costs.[29] In Angola in late 1957 the Government removed all production and export taxes on sisal, and is said to have promised the remission of company tax on producers. In Brazil price adjustments were effected through changes in the exchange rate, and other measures,[30] the effect of which was to give

[29] Economist Intelligence Unit. *Hard Fibres Quarterly Review*.

[30] *UN Commodity Survey*, 1958.

Brazil a considerable advantage over British East African exporters. Market conditions were such, however, that proposals were put forward for discussions between African and Brazilian sisal producers. The urgency of these proposals appears to have abated to some extent as a result of the recovery since 1958 which was chiefly due to the large grain harvests and the recovery of the motor vehicle industry in Western Europe and North America during the last two years. A third favourable factor is the increasing practice of hay and straw baling. The demand for farm twine (for which sisal and henequen compete) continues, however, to be affected by two contrasting developments. On the one hand, the mechanization of small farms involving the use of mechanical binders expands the market; on the other a higher degree of farm mechanization with the combine harvester tends to reduce consumption of sisal and henequen in farm twines. The overall picture, now that the large stocks which helped to depress prices have disappeared, is of a continuation of growth in demand and increases in production although at a lower rate than in recent years.

Some noteworthy changes have taken place recently in trade in hard fibres. The first is the decline in demand for raw sisal from the USA, against which should be set the increase in demand for sisal and sisal products in Western Europe, Eastern Europe, the Mediterranean countries, Mainland China and Japan. A second is the growth, though not a spectacular one, in domestic demand in the producing countries themselves. A third is that Japanese imports of sisal, which were negligible in 1952, exceeded imports of manilla for the first time in 1959. Unlike sisal and henequen prices, the price of manilla fell less between 1951 and 1954 and has been recovering steadily since then except in 1958. From the regional point of view, note must be taken of two factors affecting sisal exports: competition from Brazilian sisal and, on the United States market, from Mexican raw henequen and henequen cordage exported at lower prices than raw sisal from Africa or sisal manufactures from Western Europe. However, successful exports, though not on a large scale, of Kenya sisal to Ireland, Hong Kong, Yugoslavia and Argentina suggest that vigorous efforts are being made to enlarge the region's markets. To this must be added the introduction of sisal into the plastics industry as a reinforcing agent.

b) Minerals

(i) Gold

Gold is by far the most important mineral as well as the most important single commodity exported from the region. In 1957 and 1958 it accounted for approximately 14 per cent of total African exports, and in the same two years for about 38 per cent and 41 per cent respectively of total mineral exports. The share of the region's output in world production rose from 39 per cent in 1951 to 41 per cent in 1953 and 46 per cent in 1956.[31]

Present programmes for the expansion of gold output in the Union of South Africa, Tanganyika and Ghana suggest that the region's share is likely to continue to increase. Since the end of the Second World War it is estimated that some £SA. 470 millions have been invested in new capital works in the Union of South Africa and that new mines established since then already contribute about 51 per cent of the Union's output. Between 1957 and 1960 three new mines, of unusual richness, came into production. Other measures for increasing the Union's output include research into methods of mining gold at greater depths than have hitherto been considered practicable and into more efficient gold-refining techniques.[32]

One effect of fixing the price of gold in US dollars has been to discourage, in a number of cases, new investment in gold mining and even continued production of gold where rising costs have made mining unprofitable. Therefore a change in the price which makes mining attractive to marginal and sub-marginal producers would lead to an immediate increase in production.

In Ghana, in spite of rising costs and labour troubles, the average production of gold for the three years 1957, 1958 and 1959 was 21 per cent higher than the average for the preceding three years. Gold mining companies are understood to be planning, with government financial assistance, investments leading to higher production.[33] Gold exports from Tanganyika and Nyasaland are rising steadily, but much more quickly in the former. In former French Equatoral Africa and the Republic of Cameroun both production and exports are quite small, whilst in the Congo and Ruanda-Urundi exports declined slightly between 1957 and 1959. The only two of all these countries where gold accounts for a significant proporation of exports are the Union of South Africa (35 per cent in 1955 and 38 per cent in 1958) and Ghana (approximatly 10 per cent in 1957-59). The intensification of geological research and mineralogical investigations now going on in many African countries may uncover new and valuable deposits and lead to increased production.[34]

[31] American Metal Market's *Metal Statistics*, 1959.
[32] *Optima*, March and June 1960.

[33] *West Africa*, 23 January 1960, p.105.
[34] See E/CN. 14/30: Review of Geology and Mineral Investigation in Africa 10 December 1959.

(ii) Copper

Copper is, by value, the second most important mineral at present exported from the region and stood fifth (after gold, cotton, oilseeds and oils and coffee) in total exports of the region in 1957 and sixth (after cocoa) in 1958. Nevertheless, two countries in the region account for about 90 per cent of total production, as can be seen from the table below.

Table A.III.33

Production of Copper Ore[a], (Cu. Content) 1953-1958.

Designation	1953	1954	1955	1956	1957	1958
A. Indices						
World production	100	101	111	123	125	120
African production[b]	100	106	103	114	118	111
B. Percentages of World production:						
Africa	25.7	26.9	23.8	23.9	24.2	23.8
America						
U.S.A.	34.1	30.6	33.2	33.	32.0	30.0
Canada	9.1	11.1	10.8	10.7	10.6	10.7
Chile	14.7	14.7	15.9	16.2	15.8	15.8
Western Europe	4.6	4.6	4.0	3.9	4.2	3.4
Rest of the world	11.8	12.1	12.3	12.1	13.2	16.3
C. Percentages of African production:						
Federation of Rhodesia & Nyasaland	58.3	57.7	53.6	54.3	57.1	55.2
Congo (Leopoldville)	33.9	33.8	36.2	34.7	32.6	33.8
Union of South Africa	5.5	6.1	6.6	6.4	6.2	7.0
Other Countries[c]	2.3	2.4	3.6	4.6	4.1	4.0

Source: *UN Statistical Yearbook*, 1959.
[a] Including USSR.
[b] Total for African Countries shown in thistable.
[c] South West Africa, Angola and Tanganyika.

This table brings out the high rate of increase in copper ore production[35] between 1953 and 1957 made possible by large investments stimulated by the Korean crisis. As can be seen, the African region has maintained its share of world production. The United States, on the other hand, has lost some ground to Canada and Chile. Within the African region, the Union of South Africa and other countries have increased their shares slightly at the expense of the Federation of Rhodesia and Nyasaland. The close association between copper production and trends in industry in Western Europe is reflected in the downturn of production in 1958 and the recovery in 1959, the latter brought out by the figures given below for production in the Congo (Leopoldville) and the Federation of Rhodesia and Nyasaland.

Table A.III.34

Production of Copper, 1956-1959.
(1000 tons)

Countries	1956	1957	1958	1959
Federation of Rhodesia and Nyasaland[a]	429	466	419	593
Congo (Leopoldville)	250	242	238	282

Sources: National publications.
[a] Electrolytic and blister.

These figures conceal the most characteristic featuie of copper as an export commodity, i.e. the extreme sensitiveness of the demand for, and price of, copper to labour disturbances, actual or rumoured, to Government stock-piling policies, to changes in stocks in the hands of industrial users, etc. To these sharp but relatively short-term changes on the demand side, copper-producing companies, more often than not in unison, are able to respond relatively quickly by reducing or accelerating production and holding

[35] The correspondence of metal to ore is believed to be close enough, generally speaking, to warrant the assumption that the trend in ore production is indicative of the trend in metal production. Note should however be taken of the use of copper from secondary sources (scrap and waste).

back or releasing stocks. Recurrent cutting back of production and the frequent emergence and disappearance of idle capacity are therefore almost permanent features of copper mining. Two aspects of the frequency and sharpness of fluctuations in copper prices may be mentioned here. The first are the recurrent discussions on measures for the stabilization of copper prices which, so far, have not resulted in a generally acceptable scheme. A recent proposal involved the maintenance of emergency stocks at strategic points in consuming countries. The other is the threat of a widening substitution of alternatives to copper, particularly of aluminium, in some important uses in the electrical industry.

Current development plans indicate a continuing rise of copper production especially in Africa and Latin America. In Peru, discussions between the Government and American copper mining companies envisage a doubling of output. In the Federation of Rhodesia and Nyasaland, expansion includes intensified prospecting, increases in mine capacity and additional smelter construction. In South-West Africa, the latest developments include the construction of a smelter by the Tsumeb Corporation and negotiations between Japanese industrial interests and the South African Government over the exploitation of copper deposits in South -West Africa.

A striking feature of copper development in Africa in the post war period has been the rapid progress of processing industries based on hydro-electric power in the Katanga and Northern Rhodesia. The moving force behind this development was the heavy cost of transporting ores even in a concentrated form.

Between 1956 and 1957 copper consumption rose in most of the industrialized countries of Western Europe, but prices appeared to have proved somewhat unresponsive to this rise. The additional effect of the recession of 1957/1958 was to force copper prices down. By the first quarter of 1958 the weighted index of prices in Western Europe was back to approximately the level prevailing in the first half of 1950 i.e. only slightly more than one half of the peak reached in 1955.[36] Curtailment of output in the United States, Chile, the Federation of Rhodesia and Nyasaland and the Congo (Leopoldville) had the effect of arresting the two-year decline in prices, and a number of labour troubles, together with the recovery of consumption, assisted in pushing prices upwards. The short-term movements in copper prices are illustrated below:

[36] *The Engineering Industries in Europe*, 1959, OEEC.

Table A.III.35

Monthly Average of Spot Prices of Standard Electrolytic Wirebars 1958-1960. (ex-Warehouse London) £ per ton

	1958		1959		1960	
	Low	High	Low	High	Low	High
1st Quarter	163	171	230	249	253	264
2nd Quarter	176	195	230	240	548	262
3rd Quarter	200	209	221	233	...	...
4th Quarter	221	243	242	250	...	...

Source: *UN Monthly Bulletin of Statistics*, July 1960.

These movements are of the greatest importance to the Federation of Rhodesia and Nyasaland and the Congo (Leopoldville), as can be seen from the percentage share of copper of all kinds in their total exports for the past five years.

Table A.III.36

Percentage Share of Copper in Total Exports 1955-1959

	1955	1956	1957	1958	1959
Federation of Rhodesia & Nyasaland	63.3	61.4	51.9	49.1	56.7
Congo (Leopoldville)	35.6	41.3	32.1	27.0	31.9

Sources: National publications.

The decline and recovery in the share of copper in exports between 1957 and 1959 partly reflect the effect of copper price movements. This is even more clearly brought out in the indices given below of volume and value of exports of blister and electrolytic copper from the Federation between 1957 and 1959.

Table A.III.37

Quantum and Value Indices of Copper Exports from the Federation of Rhodesia and Nyasaland, 1957-59.

Years	Quantum Indices	Value Indices
1957	100	100
1958	99	83
1959	129	130

Source: *Annual Statement of External Trade*, 1959, Federation of Rhodesia and Nyasaland.

(iii) *Diamonds*

The growth in output of world gem and industrial diamonds and the predominance of the African region in diamond production are shown in Table A. III. 38.

Table A.III.38

Production of Diamonds[a], 1953-58

(Carats)

Designation	1953	1954	1955	1956	1957	1958
World (gem & industrial diamonds)	100	101.6	107.2	115.0	129.3	139.3
Africa	100	104.9	112.0	125.0	138.8	161.8
B. Percentage Share in world production of:						
1. Industrial diamonds						
Congo (Leopoldville)	71.3	70.6	69.5	69.5	69.5	69.3
Ghana	12.1	11.6	11.8	12.2	12.7	13.1
Tanganyika	0.4	0.9	0.8	0.9	0.9	1.2
Union of South Africa	16.2	10.6	17.9	17.4	7.8	16.4
Rest of the world		6.4			9.1	
2. Gem diamonds						
South West Africa	18.7	20.6	22.0	25.4	22.7	18.7
Congo (Leopoldville)	17.3	15.9	17.0	16.1	14.3	13.8
Angola	13.0	12.7	11.9	11.3	11.7	12.4
Union of South Africa	51.0	31.6	49.1	47.2	24.3	55.1
Rest of the world		19.2			27.0	

Source: *UN Statistical Yearbook*, 1959.

[a] Excluding USSR and Mainland China.

The recession in North America and Western Europe had no immediate impact on production in 1958. Figures in respect of the Congo (Leopoldville) and Ghana suggest that there was a downturn in production in 1959, but exports and sales in that year reached a record. The strength of demand for industrial diamonds was in part sustained by the United States Government's stock-piling policy, whilst the demand for gems exceeded production and De Beers Consolidated Mines reported a substantial reduction in stocks. The pressure of demand for higher quality gems is expected to continue and may lead to higher production in South West Africa and Tanganyika.[37]

There have recently been two important developments, both relating to leaks in the system of worldwide marketing by the Central Selling Organization. The first concerns the large-scale illicit mining and smuggling of diamonds in Sierra Leone and, to a lesser extent, in Guinea and the Ivory Coast. In Sierra Leone efforts by the Government to regularize and legalize mining by small-scale African operators appear to be bearing fruit. Figures of sales under the alluvial diamond mining scheme during the first three months of 1960 rose from about £ 700,000 in January to just over £ 1.2 million in March[38] The size of the leak may be judged by the official estimates of some £ 44 million worth of diamonds illicitly mined and smuggled between 1956 and 1959.[39] The Governments of the Ivory Coast and Guinea are also taking measures to organize diamond mining by African small-scale operators on a legal basis and in the Ivory Coast this has taken the form of a diamond producer's cooperative.[40]

The second development brought about an an enlargement of the geographical scope of the marketing system in that an agreemant was reached between the Central Selling Organization and the USSR whereby the former undertakes the selling of diamonds exported from the USSR for sale outside Eastern Europe and Mainland China.

The most striking development, however, in diamond production and marketing has been the successful manufacture of synthetic diamonds in the United States, and by the Diamond Research Laboratory of De Beers in South Africa. The Laboratory was able not only to produce what are claimed to be improved varies of synthetics but also to devise techniques for improving the performance of natural industrials.[41] It is reported that De Beers now proposes, with the agreement of the *Sociéte du Beceka* – which controls the production of industrials in the Congo (Leopoldville), the world's largest producers — to set up a plant in Johannesburg to produce synthetic diamonds on a commercial basis.[42] It is anticipated that world demand will be sufficient to accommodate both natural and synthetic industrials without serious disruption of the market for industrial diamonds.

[37] *Financial Times*, May 18, 1960, page 4.

[38] *Africa Economic Newsletter* 2-9 April 1960 p.8.

[39] Ibid. page 6.

[40] *Africa Economic Newsletter* 20-27 February 1960, p.6.

[41] *Financial Times*, 18 May 1960 p.4.

[42] *The Economist*, October 15, 1960, p.225.

5

Chapter B/I

INSTITUTIONAL CHANGES IN THE FIELD OF FOREIGN TRADE AND PAYMENTS, MONEY AND BANKING

In recent years, many African countries have implemented far-reaching changes in their economic institutions. The most important of these changes were concentrated in the fields of foreign economic relations and central banking. The reasons for this are twofold. On the one hand, many countries have become independent or are preparing for independence the institutions inherited from the past did not fit any more with the new political situation, and important adjustments had to be made. On the other hand, even outside the political field a number of deep economic changes occurred in the external position of several African countries and the old tools were no longer adequate to the changed aims of economic policy. In the following paragraphs an attempt will be made to summarize the situation inherited from the past and to follow up the most important institutional changes in selected countries.

a) The Franc Zone

The Franc Zone included in 1957 Algeria, Morocco, Tunisia, the territories of French West Africa and French Equatorial Africa, Malagasy, Réunion, the Comores Islands and the Trusteeship Territories of Togoland and Cameroon[1], comprising a total population of some 57 millions and an area of about 11 million km², and representing respectively 25 and 36 per cent of the whole of Africa.

It was characterized by a fully elaborated set of institutional arrangements in the fields of trade, payments, money and banking, completed by numerous informal links.

(i) *Monetary arrangements.*

The Franc Zone comprised a number of currencies issued in various territories according to a fixed exchange rate[2] and transferable without limitations to and from France and all other territories. Deficits in metropolitan francs were covered by the French Treasury through a special account ("compte d'opérations") and surpluses had to be deposited in the same way.[3] This meant that the expansion of credit on a commercial basis in the overseas territories was automatically backed by the French Treasury.

Until 1955, no central banking existed in the overseas parts of the Zone (except in Morocco), and the technical functions of banknote issuing were frequently assumed by private banks. Even after the reform of 1955, the overseas banknote issuing institutes could not provide significant amounts of credit to the governments of the countries and territories concerned, which therefore had to have a formally balanced current budget including subsidies from the metropolitan budget. This was quite consistent with the basic concept of unity of the French Treasury: only the French Treasury could draw, in principle, advances from the *Banque de France*. Correspondingly, provision of credit by banknote issuing institutes had to be on a strictly commercial basis and consisted mainly of short-term operations.

All the foreign exchange reserves of the Zone were pooled and allocated centrally each year. There was no relation between the foreign exchange earned by individual countries and territories and the amount allocated to them for imports: some obtained much more and others significantly less than what they earned from their exports abroad. However, on the average the members of the Zone other than France received significantly more foreign exchange than they earned directly.[4] As a result of foreign exchange restrictions, the overseas members of the Zone could buy, for instance in the 1956-58 period, only one fourth of their imports outside the Zone.

[1]Since the creation in 1949 of the Djibouti franc, convertible to the dollar, the French Somali Coast is not part of the Franc Zone.

[2]The Algerian, Tunisian and Moroccan francs were at par with the metropolitan franc, whereas all other African countries and territories used the CFA franc, worth 2 metropolitan francs.

[3]This account carried a low rate of interest. The *Banque de l'Algérie et de la Tunisie* had a permanent surplus of metropolitan francs, which it preferred to invest in a more profitable way. Hence, it did not use this account.

[4]It is not possible to estimate the indirect earnings (through re-exports by France) and the saving of foreign exchange by import substitutions from overseas territories.

(*ii*) *Arrangements in the field of trade.*

Although tariff preferences are frequent in the Franc Zone, their importance is relatively limited in comparison with that of quantitative restrictions and managed marketing arrangements.

Algeria and Réunion are part of the French customs territory; the only exceptions to the customs union are a few products (such as coffee, tobacco, matches and petrol) on which the duties appl'ed in Algeria are somewhat lower than in France. Tunisia had an incomplete customs union with France until 1955 and a full customs union between 1955 and 1959, but managed marketing provisions were applied to wine and cereal exports to France.

The territories comprising French West Africa had an autonomous tariff which was substantially lower than the French tariff; but goods from the Franc Zone entered duty-free. The other African members of the Zone applied no customs tariffs.[5] However, in virtually all overseas territories (but not in North Africa) important "fiscal taxes" were raised on imports, including goods coming from France.

At the same time, France generally granted duty-free entry to products originating in the Zone; but in many cases this tariff preference was of little or no importance, since the duty was low or its application suspended.

No quantitative restriction existed on trade within the Zone (except in connexion with certain managed marketing arrangements), whereas such restrictions played a major role in import trade with third countries.

The licensing of imports was an absolute rule for all the territories having a non-discriminatory tar ff. Yearly quotas were atributed to each territory for imports from the dollar and sterling areas and in the framework of bilateral trade agreements concluded by France with other countries. On the basis of these overall quotas, each territory elaborated an import programme, which was approved centrally.

The elimination of quantitative restrictions by France in conformity with the OEEC scheme of trade liberalization was fully applied only in Algeria and Réunion, whereas a limited amount of liberalization was also introduced in French West Africa, affecting 30 per cent of imports from OEEC countries.

While these quantitative restrictions provided French exports to other members of the Zone with a very important protection, France on its side continued to apply quantitative restrictions, protecting most of the exports of the overseas territories on the French market.

In the case of a great number of products, managed marketing schemes were organized, sometimes incorporating quantitative restrictions. These schemes, although varying from one product to another, can be grouped into two broad categories.

In the first type of arrangement the purpose was to isolate the Franc Zone market from the rest of the world and to avoid overproduction within the Zone. Fixed prices were guaranteed for limited quantities of products and a sort of monopoly established for trading. This type of arrangement was adopted for sugar, cereals, some oil-seeds and wine.

Coffee constituted an intermediary case for a long time, quantitative restrictions on coffee imports from third countries being sufficient to maintain in France a very high price for Franc Zone coffee. However when Franc Zone production tended to exceed consumption, the coffee growers of the Zone agreed on a voluntary limitation of sales to France in order to stabilize the price, which was recently about 50 per cent above the world market level.

The second category includes commodities for which the Zone is only a marginal supplier of France, such as textile fibres and palm oil. Here the purpose of the managed marketing schemes was to encourage production in the Zone, without excluding outside supplies. This was achieved by various devices such as guaranteed prices to producers (including government subsidies), an obligation on importers to buy a certain share of their supplies within the Zone, etc.

(*iii*) *Investments and payments.*

An essential part of the Franc Zone arrangements was an organized flow of public funds from metropolitan France to the overseas countries and territories.

[5]Discrimination was precluded by special international obligations in the case of Morocco, F ench Equatorial Africa, Togoland and Cameroon. The Malagasy tariff is suspended since 1943.

Table B.I.1

Elements of the Balance of Payments between France and the other parts of the Franc Zone[a]

(billion francs)

	1954	1955	1956	1957	1958
Public transfers (net)	+273.8	+372.7	+566.7	+637.5	+666.7
(public investments)[b]	(+148.4)	(+173.9)	(+172.4)	(+221.5)	(+201.2)
(current expenses)[b]	(+308)	(+407)	(+564)	(+624)	(+639)
Private transfers (net)	−249.8	−314.7	−549.1	−258.4	−621.1
Trade balance with Franc Zone[c]	−172.3	−192.4	−183.6	−249.1	−294.5
Net payment for foreign axchange[d]	− 11.2	+ 0.7	− 32.3	− 51.2	− 41.1
Invisible[e]	− 88.7	−123	−333.2	−228.1	−284.5
Total balance	+ 24	+ 58	+ 17.6	+109.1	+ 45.6

Source: *La Zone Franc en 1958*, pp. 214-15 and 292.

[a] Including Morocco, Tunisia and Algeria.

[b] These two items are in gross terms: they include only French public investments and current public expenses in other parts of the Zone. The balance of net public transfers is made up essentially by movements in the opposite direction (mainly tax payments).

[c] Imports of overseas countries CIF and exports FOB.

[d] This includes: net payment for foreign exchange used in trade with third countries (negative since the trade balance of overseas countries with third countries is also negative), the counterpart of net investments made by third countries and the counterpart of American aid and IBRD loans (both positive).

[e] Includes, besides the balance of capital transfers, insurance, freight, tourism, remittances, schooling, etc.

As emerges from Table B.I.1, in the 1954-58 period the huge amount of public transfers from France to other parts of the Franc Zone exceeded only slightly private transfers in the opposite direction. About one half of those private transfers represented the overseas countries' import surplus, the other half being composed of net capital transfers, remittances and other invisibles. In fact, private capital transfers from France to other parts of the Zone were relatively unimportant and they exceeded the outflow of private capital and remittances overseas only in some countries and for some years[6].

There was a two-way relation between the flows of public and private funds. On one hand, the size of public transfers had a determinant effect on the size of private transfers. Since public investments were mainly in public works, the sizeable profits of the metropolitan contracting firms were generally retransferred without delay to France. Similarly all the savings of French personnel serving overseas, who were paid from the French budget, were also transferred to France. It would seem that this general tendency to transfer profits and savings was partly caused by the artificially high exchange rate of the CFA franc and partly by the fact that local investment opportunities were less attractive than those existing in metropolitan France.

In the other direction, it can be argued that large-scale public transfers were to some extent a necessary counterpart of the free transferability in the Zone. Given the mechanism of the "compte d'opérations", the outflow of funds from overseas countries in response to any capital flight occurring in addition to "normal" private transfers, has to be financed either indirectly by budgeted capital and current aid or by direct drawings on the French Treasury. In fact, the first method was consistently used in the fifties and the overseas banknote issuing institutes have constantly increased their balances on the "compte d'opérations".

[6] Such was the case of Morocco in the early fifties.

Since 1956, the evolution of the monetary and trade institutions of the Franc Zone countries has followed two distinct lines. On the one hand, newly independent countries (Morocco, Tunisia and later Guinea[7]) have tried to adjust their relations with France and the Franc Zone and in the process rejected several or even almost all of the rules of the Zone. On the other hand, the countries of the French Community have managed to negotiate changes in some of the rules of the Franc Zone and these changes were recently embodied in the agreements concluded between Malagasy and the Mali Federation and metropolitan France.[8] Whatever line of action was followed, the crucial points in the relations of the Franc Zone countries with France were the issue of quantitative restrictions applicable to imports from France, possible limitations on free transferability and the breaking up of the foreign exchange pool. As will be seen below, the Franc Zone rules tend to be less and less rigidly applied in all these respects.

It would be pointless to discuss the advantages and disadvantages of the Franc Zone arrangements *in abstracto*. However, in the given economic and political context, some conclusions can be drawn. The four positive features of the arrangements can be summarized as follows. First, on the monetary side they have eliminated balance-of-payment difficulties (at least in relation to the rest of the Zone) as an obstacle to economic development. Secondly, they included a large-scale programme of public investments enabling overseas territories to improve their infrastructure. Thirdly, by achieving some measure of stabilization of commodity prices within the Zone, they gave a considerable incentive to primary production. Fourthly, they provided for a framework favourable to trade expansion also between members other than Metropolitan France.

These advantages had their counterpart, on the monetary side, in a complete solidarity of the overseas economies with developments in France. Inflationary movements in France were automatically followed overseas and the overseas governments and authorities could in no way follow an expansionist monetary policy on their own behalf when a deflationist policy was attempted in France. The excessive reliance on public capital was bound to lead to a distorted pattern of investments where directly productive ventures had too small a share.[9] The divorce of comodity prices from world market levels created painful problems of adaptation whenever output exceeded the requirements of the Zone.[10] The corresponding high level of import prices made the whole Zone a high - cost area and handicapped industrialization based on export markets. The inherent dangers of a price system divorced from the world market were recognised already in the first (1953) Report of the *Comité Monétaire de la Zone Franc* (pp. 31-32) in the following terms: "In spite of its size and its diversified production, the Franc Zone cannot thrive in semi-autarkic conditions with a pattern of high prices".

The working of the Franc Zone arrangements supposed strongly centralized powers of decision in all fields. This centralization was in contradiction with the growing political autonomy of the member countries and, therefore, it was necessary to introduce far-reaching changes in the mechanism, whereas some newly independent countries have worked out arrangements which in fact tended to reject the system altogether.

Morocco

Morocco was the first African Franc Zone country to become independent (in early 1956) and it had to face immediately the institutional problems raised by its new political status.

Although belonging to the Franc Zone, Morocco had always a somewhat special position, as a result of the international treaties providing for non-discriminatory treatment of the countries involved.[11] It had therefore a uniform tariff of 10 plus 2.5 per cent on all goods imported, irrespective of origin.[12] In fact, during the post-war period, this non-discriminatory treatment lost much of its significance because of foreign exchange restrictions, although a

[7] Although also independent outside the French Community. Togo and Cameroun have not yet taken any steps towards institutional changes. They have provisionally accepted the *status quo* in this field and they have also expressed their intention to remain associated with EEC.

[8] At the time of writing, no documents are available on the position of the other members of the French Community which became independent in the second half of 1960.

[9] It was pointed out by several French economists that the influx of public capital acted as an "investment multiplier", each unit of public capital being followed by three times as much investment realized locally. Whatever the precision of these calculations may be, it has to be remembered that the "induced investments" were mainly in the primary exporting sector (plantations, irrigation, processing of cash crops) while investments in industries supplying the local market were extremely limited.

[10] The association of French overseas territories with the European Economic Community was to some extent an attempt to overcome these difficulties. (See *Report on the impact of Western European integration of African Trade and Development* (E/CN. 14/72).

[11] This treatment was in fact extended to all countries enjoying the most-favoured-nation clause.

[12] Goods imported from Algeria are only subject to the 2.5 per cent tax.

major loophole in these restrictions was created by the decision of the International Court of Justice, in 1952, prohibiting restrictions on imports for which the importer did not request foreign exchange allocations. As far as payments were concerned, Morocco was fully integrated in the Franc Zone, but issue of currency was subject to internationally established rules. The *Banque d'Etat du Maroc* (a private bank financially controlled by the *Banque de Paris et des Pays-Bas*) had to keep a coverage of one-third for the banknotes issued. This coverage consisted of one-third of gold (purchased from the French "Fonds de Stabilisation des Changes"[13]), the rest being mainly French securities. However, this formal arrangement had little importance, since the real backing of the currency was ensured by the French Treasury through the "Compte d'Opérations".

After independence, Morocco recovered its tariff autonomy and replaced, in 1957, the widely criticised uniform tariff by a more selective one (of an over-all incidence of 20% plus straight taxes of 5 and 2.5 per cent), with low or no duties for raw materials and capital goods, and high duties for finished consumer goods, in order to promote industralization. At the same time, Morocco also availed itself of the possibility of negotiating trade agreements with third countries. Although its own tariff remained non-discriminatory, Morocco continued to enjoy duty-free entry for its export on the French market, within the limits of quotas on some products.[14] In turn Morocco continued to refrain from quantitative restrictions on imports from France, with the exception of some quotas established to protect national industrial or agricultural production.[15]

Developments were much slower in the field of money and payments. No important changes occurred until the French devaluation of December 1958, when Morocco refused to follow and instituted a 10 per cent tax on capital transfers to the Franc Zone, which remained however free until mid-1959. At that time a new Central Bank was created and a provisional control of transfers was established, which the French authorities reciprocated by blocking temporarily the "Compte d'Opérations".[16] Finally, in October 1959, Morocco devalued its currency (by slightly more than the French 10 months earlier), established full foreign exchange control, abolished the tax on transfers to the Franc Zone and made compulsory the repatriation of earnings from exports to the Franc Zone.

The statutes of the new Central Bank ("Banque du Maroc") provide that one-ninth of the banknotes issued have to be backed by gold or convertible foreign exchange. It performs credit operations more or less in the same way as central banks in Western Europe, but its direct lending facilities to the state are strictly short-term (240 days) and limited to 10 per cent of yearly budget revenue. However, rediscount of short-term treasury bills (90 days) is permitted without limitation. Medium-term credit can only be granted for productive or commercial purposes and the three signatures required have to include that of an organization specialised in medium-term credit.

The existence of three distinct economic zones raised difficult problems for Morocco. The northern zone, under Spanish administration before independence, was economically and financially integrated with Spain. In February 1958, the peseta was replaced by the Moroccan franc (at the ratio of one to ten) and all monetary and trade regulations were extended to the northern zone. Except for some speculative movements on the peseta, this change was implemented without major difficulties.

The free trade and currency area instituted in Tangier by an international administration of eight nations in 1923 and continued after independence under the September 1957 Royal Charter was a much more delicate issue. Tangier provided an easy escape route for capital and constituted a major leak in foreign exchange controls[17] as well as an ideal centre for smuggling goods into Morocco. At the same time the city's status was the sole source of its prosperity. After long discussions the Royal Charter was abrogated as of 18 April 1960 and Tangier became fully integrated into the Moroccan economy, subject to all monetary, trade and fiscal regulations. Although some measures were taken to alleviate hardships, no solution has yet been found for the ensuing economic crisis of the city.

Tunisia

The evolution of Tunisia was to some extent parallel to that of Morocco. Fully integrated in the Franc Zone, Tunisia formed a virtually complete customs union with France between 1955 and 1959. This customs union allowed, however, for some quantitative restrictions. This was the case for French imports of products subject to managed marketing (wine, grains and olive oil) and Tunisian imports competing with infant industries or other national productions (for instance shoes, glassware, certain foodstuffs). After independence, a number of

[13] Which could recover at any moment the excedentary amount of gold.

[14] Limited tariff preferences continue to exist also for Morocco in countries of former French West Africa.

[15] For the latest list of these quotas see *Bulletin Officiel*, 3 June 1960.

[16] Shortly after, the account was deblocked and replaced by an *ad hoc* arrangement with the *Banque de France*, providing for the current settlements between the two countries. It was not yet possible to reach a final agreement on these matters.

[17] The "imports without foreign exchange allocations" mentioned above were mainly operated through Tangier.

changes took place in Tunisian tariffs introducing more and more exceptions to the customs union. Finally, in August 1959, Tunisia introduced a completely autonomous tariff. Consequently, in September 1959, the 1955 conventions[18] were replaced by a trade and tariff agreement concluded for one year. The agreement provides for duty-free entry into France of most of the products usually exported by Tunisia, limiting quantitatively only the entries of wines and fruit juices.[19] On the Tunisian side, duty-free entry was granted for French exports of most foodstuffs, raw materials, semi-finished goods and capital goods, whereas finished consumer goods enjoy preferences. The agreement maintained the principle of not using quantitative restrictions in trade between Tunisia and France; but exceptions were allowed for agricultural products as well as infant industries and in the case of balance-of-payments difficulties. Finally, most-favoured-nation treatment was applied, but it excluded the advantages granted by the parties in the framework of customs unions or free trade areas.

As far as trade relations with third countries were concerned, Tunisia has also concluded a number of trade agreements since 1957, supplemented by payments agreements in the case of countries with a non-convertible currency.

Unlike Morocco, Tunisia actually entered into negotiation with EEC; but these were interrupted in early 1960.

On the monetary side, the establishment of the *Banque Centrale de Tunisie* in September 1958 was the outcome of negotiations initiated already in 1957 with the *Banque de l'Algérie et de la Tunisie* and the *Banque de France*. The statutes of the new bank are not fundamentally different from those of the *Banque du Maroc*. The credit facilities to the Government are even more restricted than in Morocco: direct short-term lending cannot exceed 5 per cent of the yearly budget revenue, and severe limitations exist also on the rediscount of Government securities.

An agreement was concluded with the *Banque de France* according to which the availabilities in French francs have to be deposited in a special account with that bank. The balance of this account could become negative up to a certain limit. If this facility is exhausted, the two banks will enter into consultations so as to prevent any disturbances or restrictions in transfers between Tunisia and the rest of the Franc Zone.

Like Morocco, Tunisia did not follow the French devaluation of December, 1958, but, unlike Morocco, introduced immediately foreign exchange controls on trade and transfers with the rest of the Franc Zone. However, the arrangements with the *Banque de France* and participation in the foreign exchange pool were maintained until September 1959, when, simultaneously with the new trade agreement with France, a financial agreement was also signed. This agreement provided for complete separation of the Tunisian foreign exchange earnings in a special account with the Franc Zone "Fonds de Stabilisation", but allowed for an overdraft of 15 million dollars in the first year for Tunisia.

Both Morocco and Tunisia have encountered very serious economic difficulties since the mid-fifties, and these difficulties were to some extent aggravated by the continuing uncertainty concerning institutional issues. In both countries, the French devalution of December 1958 acted as a sort of catalyst. Whereas the first reaction, namely the refusal to follow suit, was the same, the subsequent line of action diverged significantly. By failing to introduce exchange controls and/or to devaluate immediately, Morocco did not prevent large-scale capital flight, which absorbed most if not all French and American aid in the first half of 1959. The subsequent measures came too late to affect this movement materially; but they have at least restored the competitiveness of Moroccan exports to third markets and opened the way for a certain geographical diversification of export trade. In Tunisia, the rapid introduction of controls limited damage to the capital account, but the government's pledge to refuse devaluation as a matter of principle was bound to create serious difficulties for exports in the long run. Thanks to the favourable markets for wine and olive oil as well as the good grain crops, the Tunisian economy fared quite well in 1958-59 but it had to rely on the agreements with France for the marketing of its produce.

Guinea

Guinea's break with France was quickly followed by major institutional developments in all fields. One can distinguish roughly three phases in these developments: the first lasted until January 1959 (conclusion of the Franco-Guinean agreements), the second until March 1960 (Guinean monetary reform) and the third since then.

Trade arrangements

Early in the first phase, the uncertainty about the regime of payments and monetary transfers was accompanied by a temporary standstill of trade activity. The fear of an economic blockage, coinciding with the marketing season, forced the new Republic to conclude barter agreements quickly with east-European countries. The geographical switch of trade initiated by these trade agreements was amplified by others concluded with other non-Franc Zone

[18] The 1955 conventions were linked to the political phase of Tunisia's "internal autonomy" and were supposed to be replaced by a new agreement after independence.

[19] It was also agreed that France would buy 150,000 tons of hard wheat at French internal prices (well above world market prices).

countries,[20] during the period 1959-60. The shift was also facilitated by two emergency low-interest loans given to Guinea by Ghana (£ 10 million) and the Soviet Union (140 million rubles, i.e. $ 35 million).

The second phase was characterised by a restoration of formal trade relations with France within the Franc Zone arrangements, although Guinea tended to ignore de facto several of the rules of the Zone which were incompatible with the execution of the barter agreements. At the same time, the new Republic proceeded with a gradual reorganisation of the internal institutional arrangements connected with foreign trade. Foreign trade procedures had to be adjusted to allow for the implementation of barter agreements. Thus exports were subjected to licensing, and licensing procedures for imports from outside the Franc Zone were reorganised. Imports from the Zone were not yet subjected to direct quantitative restrictions, but the origin of goods was more strictly controlled, whereas traffic with neighbouring countries in locally produced goods remained in principle free.

However, the most important institutional development in this period was the establishment of the "Comptoir Guinéen du Commerce Extérieur". A state institution, the Comptoir operates as a profit-making commercial organisation with a broad measure of autonomy. Ultimately it is designed to achieve complete control of Guinea's foreign trade. The basic idea underlying the *Comptoir* is that, in an economy of the type of Guinea's, the only major source of profit which could be turned into a source of accumulation is modern trading activity. By ensuring a state monopoly over foreign trade it would therefore be possible to reinvest in the country the profit earned previously by big import-export companies. In practice, the operations of the *Comptoir* were first concentrated on certain imports (e.g. sugar, rice, beer, cement) which were the hard core of the barter agreements and over which very soon a complete monopoly was established. As far as the other goods are concerned, the control is partial and leaves a varying percentage to private importers. The *Comptoir* has a control over applications for import licences, which go through it to the *Service du Commerce Extérieur*, which actually issues them. It also tends to sell directly to the consumers and can effect price reductions on products of primary necessity. Exports, on the other hand, are increasingly controlled by the *Comptoir*, entirely so for the purpose of barter agreements. An important concern of the *Comptoir* is to alleviate balance-of-payments difficulties through the general orientation of its trade policy. After the monetary reform of March 1960, licensing of imports and exports irrespective of origin and destination was introduced, but the position of Guinea vis-a-vis the European Common Market was not clarified and France itself continued to grant Franc Zone treatment to certain Guinean products on an *ad hoc* basis.

Money and banking

After the emergency measures mentioned above, which spared the country a major economic crisis, Guinea concluded a certain number of agreements with France in January 1959 which, in principle, seemed to maintain the *status quo*: the free transferability of money was restated as well as the pooling of foreign exchange reserves. Guinea was accorded the right to have a national bank issuing a national currency, operating on the same principles as the Central Bank of West African States. In fact, Guinea continued to use for more than a year the services of the Central Bank of West African States. At the same time, barter trading made pointless many of the other provisions of the agreements. During the second period, capital flight had ceased and there was possibly even a reverse movement. The major investment projects of the FRIA were actively pursued, explaining and making possible the huge import surpluses of Guinea with the Franc Zone.

Eventually, in March 1960, Guinea undertook a monetary reform on its own, established its own central bank and exchanged CFA franc banknotes against Guinean franc banknotes. Since there were large quantities of CFA franc banknotes in the territory of Guinea at the moment of the monetary reform, most of the new bank's foreign exchange reserves consist of this currency.[21] The circulation of the new currency is strictly limited to the national territory, and it is not convertible. The introduction of a currency of this type is of relatively small consequence for overseas trade carried out in foreign currencies or on clearing, but it may have a significant effect on trade with neighbouring countries traditionally carried out in cash, which was already diminishing rapidly in 1959. More recently, the major commercial banks have also been nationalised and one can say that the control of the State over foreign trade and the monetary structure is complete. This is the new institutional framework which is to enable the Republic to effect "an integral decolonization... a new definition of our external relations and an increase of our economic resources."[22]

Institutional changes within the French Community

The "Loi-Cadre" of June 1956 granting larger autonomy to French overseas territories can be considered as the starting point of a number of institutional changes, which, without fundamentally

[20] In addition to the barter agreements with east-European countries, trade agreements were concluded with, among others, the United Kingdom and Western Germany.

[21] No agreement has yet been reached to normalize the situation by transferring to the new bank the financial assets corresponding to the liabilities represented by the CFA franc banknotes.

[22] Sékou Touré: New Year's Greeting (*Agence guinéenne de presse. Bulletin quotidien*, Conakry, 15 Janvier 1960).

modifying the rules of the Franc Zone, prepared its future transformation. On the one hand, in March 1957, the *Comité Monétaire de la Zone Franc,* the main policy-making body of the Zone since 1952, was enlarged and reinforced. On the other, a consultative body, the "Commission Economique Métropole-Outre-Mer", was created in May 1957, to deal with all economic and trade problems of the area. Representatives from elected bodies in overseas countries and territories participated in the work of this Commission.

The establishment of the French Community in 1958 was followed, in April 1959, by two important changes in the statutes of the overseas "Instituts d'Emission", now called "central banks". First, the Board of Governors was to include an equal number of representatives of the States in the banks' geographical sphere and of the French Republic. The former were no longer to be nominated by the French authorities, but by the local governments. Secondly, local governments were to receive the profits and other payments previously made by the Banks to the French Treasury.

The next step was linked with the negotiations conducted between the Mali Federation and the Malagasy Republic, on the one hand, and the French Republic, on the other, leading to the full independence of both countries and a number of special agreements signed in June 1960.

Both countries agreed to remain in the Franc Zone as independent members, agreeing to coordinate their external commercial and fiscal policies with those of the other members of the Zone.

In the monetary field, both countries are entitled to have a national currency and to create a national bank of issue. However, the agreement with the Malagasy Republic differs from that concluded with Mali in the practical application of this principle, since Madagascar has always constituted (with the Comores Islands) a separate area of banknote circulation, while Mali belonged to the West African Currency Union, the banknotes of which were issued by the Central Bank of West African States. In the former area, the privilege of banknote issuing was exercised by the *Banque de Madagascar et des Comores,* a private company with a majority of its shares held by the French State, operating under an agreement with the French Treasury. The agreement with the Malagasy government provides in principle for the establishment of a national bank of issue. It has also been agreed to maintain the fixed parity of its currency with the French Franc and to ensure free transferability through the "compte d'opérations". As long as the latter exists, the new banknote issuing institute will be run as a joint venture, half of the Governors and half of the capital being provided by the French Republic. For an interim period of three years, the management of the new Institute will be entrusted to the *Banque de Madagascar et des Comores,* but with separate accounts and under the supervision of a Committee including an equal number of French and Malagasy members.

The Mali Federation has agreed to continue the *status quo* provisionally, on the understanding that it can be discontinued at any time, in which case France would help Mali to create its own bank and currency. In the meantime it was agreed that the Central Bank of West African States would attempt to evaluate the movements of banknotes between Mali and the rest of the Currency Union,[23] and that the managers of the Mali subsidiaries of the Bank would be approved by the Mali Government. It was also agreed that the Mali Government could create a "Conseil Malien du Credit" empowered to orient credit policy and a Monetary Committee controlling the management of the Bank in Mali territory.

In the field of trade, the two agreements are very similar. They recognise the right of both Governments to negotiate and sign with any country trade, tariff and financial agreements, and establish the principle of an autonomous policy in the field of tariffs and quantitative restrictions. In practice, however, by mutual agreement, the previous rules of the Franc Zone are restated: absence of quantitative restrictions and customs duties, coordination of economic policies, etc. However, the absence of quantitative restrictions is no longer an absolute rule: exceptions can be made, by common agreement, for purposes of managed marketing and of economic development. Moreover, the principle of pooling foreign exchange reserves is mitigated by the institution of an individual account in dollars with the "Fonds de Stabilisation" (as for Tunisia), which includes an allocation of foreign exchange by France, additional to amounts earned by the country itself (the sum is not fixed in the agreement).

The agreements analysed above are naturally only a framework and cannot be appreciated as long as they are not embodied in concrete arrangements[24]. It can be said, however, that they do not imply any deep and immediate change in the system of the Franc Zone. On the monetary side the French negotiators seemed to have stuck to the principle that as long as there exists a "compte d'opérations", France has to retain an appreciable measure of control over the operations of the new central banks. The separate foreign exchange accounts will undoubt-

[23]Technically a very difficult task.

[24]In fact, the breaking up of the Mali Federation may prevent their implementation altogether. Actually, on 17 September 1960, the Government of the Republic of Mali (Former French Sudan) established a Foreign Exchange Office and suspended transferability with the rest of the Franc Zone.

[25]The Mali agreement contains a clause according to which the Franco-Mali Commission is supposed to estimate also the indirect foreign exchange earnings and expenses of Mali.

tedly help to clarify the situation of each country[25] and also provide an incentive to rely less on the French market. For the rest, the agreements leave the door open to new developments[26].

It is important to emphasize that the two countries covered by the agreements are among the more "dependent" of the whole French Community, in the economic sense of the word. They both have a sizeable trade deficit (more than one third of imports), counterbalanced by French subsidies and capital aid. They both have an even larger trade deficit with hard currency areas (Mali two thirds, Malagasy one half), covered by the Franc Zone Stabilization Fund. Finally they are both heavily relying on Franc Zone managed marketing arrangements and are not competitive outside. It remains to be seen how the respective governments will manage to reduce economic dependence under the new institutional arrangements.

c) The Sterling Area and Commonwealth Preferences

As far as Africa is concerned, the geographical coverage of the Sterling Area coincides with that of the Commowealth preferential system[27]. In 1957, they both included, in addition to the British colonies, protectorates and trusteeship territories, the Federation of Rhodesia and Nyasaland, Ghana and the Union of South Africa, totalling 82 million inhabitants in an area of 7 million km^2, respectively 37 and 23 per cent of the whole of Africa. African sterling countries were considerably richer and had much more varied resources than those of the Franc Zone, and they belonged to a much vaster and more prosperous area, including low-cost producers of certain manufactures and of temperate-zone agricultural products in other parts of the world. Moreover, the Commonwealth has for long included several independent states with relatively advanced economies. The whole area constitutes a wide nexus of mutual interests with a flexible institutional pattern involving few formal arrangements.

(i) *Monetary institutions.*

Independent members of the Commonwealth and others voluntarily joined the Sterling Area to pool their foreign exchange reserves together in London for settlement of international transactions, and had their own national currencies and central monetary institutions. British dependent territories in Africa, on the other hand, automatically[28] came, during the first half of the 20th century, under the system of the Colonial Sterling Exchange Standard and Currency Boards.[29] Under this system, colonial currencies, which had to be backed 100% by sterling reserves held in London, were issued by the Currency Boards and were convertible into sterling and sterling into them at par, either for a small commission or within narrow limits of exchange rates. In other words, each unit of currency issued had to be backed by equivalent sterling holdings. The Currency Boards themselves were strictly limited in their powers and were controlled from London. They were neither central banks nor were they in any position to influence monetary policies. Since sterling itself was freely convertible into other currencies, there was no point for any territory in having its own foreign exchange reserves. The dollar-earning territories automatically contributed their dollars to the "dollar pool" of the Sterling Area and, in exchange, acquired sterling assets. With the disappearance of sterling convertibility, substantially the same rules of foreign exchange controls and quantitative restrictions vis-a-vis third countries were applied all over the area, controlled automatically and centrally in the case of the territories but by voluntary agreement and co-operation in the case of the independent members. The co-ordinating and consultative machinery included the Sterling Area Statistical Committee and the Commonwealth Liaison Committee (Cabinet level). In addition, the Bank of England has Commonwealth representatives among its advisers.

An essential feature of the informal arrangements was the existence of a highly concentrated banking system spreading all over the Area. A few big commercial banks (with head offices in London) commanded vast liquid assets both in London and abroad, though generally maintaining any excess of local assets over liabilities in London. They entirely controlled commercial credit and through informal agreement enforced strict financial discipline.

With political independence, or even prior to it, the natural development in the territories has been to move away from the Currency Board system and

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[26] For instance, a new customs tariff was introduced by the Malagasy Republic recently and a new managed marketing agreement on groundnuts was signed with Mali.

[27] This is not the case elsewhere: Canada is in the Commonwealth but not in the Sterling Area, the reverse is true for the Irish Republic and some other countries.

[28] With the suspension of the gold standard in 1931, countries which were using sterling had a choice between linking their currencies with gold or sterling. The colonies had, of course, no choice. Similarly, with the outbreak of World War II, when the Sterling Area as we know it today grew up, the colonies were automatically included.

[29] West African Currency Board (Gold Coast, Nigeria, Sierra Leone, Gambia) established 1912; East African Currency Board, 1919; Southern Rhodesia Currency Board, later Central African Currency Board (S. Rhodesia, N. Rhodesia, Nyasaland) 1938.

automatic sterling parity, to create national currencies and central banks and, through monetary and statutory measures, to control the operations of the expatriate commercial banks.

(ii) *Commonwealth Preferences.*

The main difference between the preferential arrangements in the Commonwealth and in the Franc Zone in recent years is that the former are essentially tariff preferences which can be assessed quantitatively without great difficulties, whereas the latter can be quantified only with an enormous statistical apparatus, because of the scope of quantitative restrictions and other devices.

The Commonwealth Preference or Imperial Preference system existed to some extent before the first World War, but was generalized as a consequence of the Great Depression of the 30's and led to a significant concentration of trade between Commonwealth countries in the pre-war years. After the war, GATT endorsed these preferences on condition that they were not increased or extended. Since many tariff preferences, particularly those granted to the Commonwealth by U. K. in 1932 were calculated in specific terms, their *ad valorem* incidence has been much reduced. The incidence of the preference varies greatly with products and therefore also from one overseas exporter to another. Moreover, virtually all raw materials enter the United Kingdom free of duty.

Commonwealth preferences granted by the United Kingdom on some products exported by Africa

(per cent)

Bananas	11.5[a]
Grapefruits	7.2[a]
Other citrus fruits:	
1 April — 30 November	6.6[a]
1 December — 31 March	10.0
Green coffee, mixed	3.7[a]
Tea, black	3.7[a]
Oilseeds (copra, groundnuts, palm kernels)	10.0
Olive oil, palm oil, cotton seed oil	10.0
Coconut oil, groundnut oil	15.0
Cocoa beans[b]	0.8[a]
Light wine: not in bottle	23.3[a]
" " in bottle	11.4[a]
Tropical wood	10.0

[a] Ad valorem incidences of preference calculated on 1959 values of imports from Commonwealth. The margin would be different if value of imports from third countries was used.

[b] The preference on cocoa products is negligible.

Sources: Direct communication from Board of Trade, Tariff and Import Policy Division, and *H.M. Customs and Excise Tariff* 1960.

The picture is even more varied in the case of preferences granted by African members of the Commonwealth. Ghana, Nigeria and the East African territories do not reciprocate at all. A few preferences are given by Gambia and Sierra Leone where most imports are duty-free. In Rhodesia and Nyasaland, margins range from 5 to 10 per cent on most items[30] but only some manufactures enter free of duty. In the Union of South Africa preferences, usually small, are given to some manufactures. It can be easily seen that the overall incidence of the Commonwealth preference on individual countries has become rather accidental, with no rigid idea of reciprocity. Some countries, such as Nigeria, benefit greatly from it by virtue of the commodity structure of their exports and without granting any concessions; others, like Rhodesia and Nyasaland, give much more than they receive.

Since the progressive dismantling of bulk buying in the early fifties, only a small fraction of Commonwealth exports to the U. K. has been affected by special arrangements other than tariff preferences. Under the Commonwealth Sugar Agreement, signed in 1951, Commonwealth sugar exporters received guaranteed markets in the UK and certain other Commonwealth territories, originally for a period of eight years, which was subsequently extended to 1965. The UK buys from the Commonwealth a fixed quantity of sugar at prices negotiated annually and additional quotas are purchased at market prices plus preferences.[31] It is at least as much owing to the CSA as to Imperial Preference that the UK takes so large a share of Commonwealth sugar exports. But despite the number of countries and the value of the trade involved, (some £ 73 million in 1956) the international significance of the Agreement is less than that of other special Commonwealth arrangements; for it is only a part of the wider system controlling international trade in sugar. The other more important arrangements concern non-African products, namely foodstuffs from Australia and New Zealand.

(iii) *Capital flows*

Compared with the Franc Zone, where huge public investments were made in the overseas territories, particularly on the development of infrastructure, public investment played a relatively limited role in the African sterling countries, even under the regime of the Colonial Development and Welfare Acts.

During the war, the UK was forced to rely heavily on imports from the colonies without exporting to

[30]Cf. *Britain, the Commonwealth and European Free Trade*, pp. 13-21.

[31]Owing to the complexity of the Commonwealth Preference on sugar it is not possible to calculate a single figure showing its *ad valorem* incidence.

them. This resulted in dependent territories accumulating sterling balances. Favourable markets for tropical goods in the post-war period enabled countries like Ghana and Nigeria to accumulate further sterling balances which were invested in London.[32] It is these balances which have been used for development purposes in the territories, rather than British public investments, which the UK was for a long time hardly in a position to offer on a large scale.

During the post-war period, there was a significant inflow of private capital in African sterling countries. This inflow, however, seems to have been smaller than the increase of sterling balances in the case of the West African territories, whereas it exceeded it significantly in the case of Kenya and the Federation of Rhodesia and Nyasaland, where the combination of vast natural resources and the existence of sizeable European settled populations provided considerable investment opportunities. These territories have until recently, greatly benefited from the London capital market and the free transferability of capital within the Sterling Area.

All over the Area, the problem of transfers was different from that found in the Franc Zone. In the absence of price disparities and specially attractive investment opportunities in the U.K., there was little incentive for residents and enterprises to transfer profits and earnings systematically to the metropolitan country. Moreover, given the integrated commercial banking system, deposits made locally could be used all over the Sterling Area without being formally "transferred". At the same time, the flows of funds from local branches of the banks to London head offices were not recorded as "transfers" but were reflected in an increase of the banks' sterling balances.

The distinction between the "transfers" of the Franc Zone and the increase of balances in the Sterling Area might appear as somewhat formal. In fact, it made an appreciable difference for economic development. As was shown above, a significant part of public capital aid (counter-balancing the outflow of private funds) was used in the Franc Zone for essential investments. In the Sterling Area many of these investments have been actually postponed and are now made out of accumulated reserves. On the other hand, the discontinuation of French current and capital aid would put the Franc Zone countries in a delicate position, whereas the sterling countries start the period of independence with a much more balanced financial situation.

Appraisal.

The extraordinary diversity of the problems encountered by the sterling countries and the extreme flexibility of the solutions adopted make an appraisal of the system very difficult.

On the trade side, most African countries had on balance gained from the Commonwealth preference system and are continuing to do so. However, during the period of quantitative restrictions on dollar imports, the net dollar earners of the area (such as Ghana) had reason to grumble; but, with a convertible sterling, these problems hardly exist any more. Quite independently of preferential arrangements, the near-absence of quantitative restrictions within a vast area of varied resources was in general of mutual advantage and the trade of the African sterling countries was on the whole significantly less concentrated on the United Kingdom[33] than that of the Franc Zone countries on France. At the same time, however, in the absence of a managed market, African commodity exporters had to stand on their own in face of the price fluctuations on the world market.

In the monetary field, the picture was rather different. The existence of a well-organised banking system with direct access to the London money market was undoubtedly a source of strength especially in periods of heavy inflow of private capital. But the system of Currency Boards has been strongly criticized, for several reasons. In the first place, they were not equipped, by their very nature and functions, to create local capital and money markets. Locally available funds, at moments quite considerable in the post-war period, could only be invested in London even if they were needed on the spot.[34] In the second place, the Currency Boards had no control whatsoever over the credit policy of commercial banks and had no power of fiduciary issue. They could therefore not serve as a tool of government policy; they could not influence the volume of money in circulation or the balance of payments of the territory or country concerned. Moreover, it was frequently felt that the price paid for the banking and monetary services of the Sterling Area was too high. During most of the post-war period, the yield of the British and Colonial securities held by African sterling countries was much below that of dollar securities. These countries tended to rely on sterling securities not only for the backing of the currency, but also for their other reserves. Finally, the portfolio of foreign holdings was also unbalanced in so far as it tended to include an unduly high proportion of long-term and low-rate stock that could be mobilized only at considerable loss in case of immediate need.

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32 Between Dec. 1951 and Dec. 1955, for example, colonial sterling balances rose from £ 928 to £ 1281 million, while UK investment in the colonies in the period 1946-1955 amounted to £ 450 million. (Nicholas Mansergh *et al.*, *Commonwealth Perspectives*, Cambridge University Press, 1958, p. 193).

33 It has also tended to decrease steadily since the early fifties.

34 Commercial banks were also attracted or compelled to send their short-term funds to London for lack of specialized short-term investment facilities in most African territories

d) Recent Developments in African Sterling Countries.

Foreign trade and monetary institutions have evolved differently in the three most important countries of the Sterling Area where developments in these fields have recently gained momentum.

In the case of Ghana, changes have followed closely on the attainment of political independence and created a precedent for other countries. In the case of Nigeria, with its rather similar economic background, it was possible to introduce some of the changes well ahead of political independence. Finally, in the Federation of Rhodesia and Nyasaland, changes have come about as a natural and logical expression of an economy already highly monetary and having an important internal market connected with the existence of a large settled European community.

Ghana

Ghana, the first colony without a sizeable European population to become independent south of the Sahara, was to face entirely new problems also in the field of institutions, which were tackled in a rather empirical way.

Monetary arrangements.

In 1957 Ghana left the West African Currency Board and established its own Central Bank which performs the normal functions of such an institution and issues the national currency. In places outside Accra, the Ghana Commercial Bank, which handles mainly the business of Ghanaian traders and firms, acts as the currency agent of the Central Bank. The banking apparatus was completed by the establishment of the Ghana Co-operative Bank, which finances co-operative societes on a short-term basis, and the Post Office Savings Bank.

With regard to Ghana's portofolio of sterling securities and the investment pattern of expatriate local banks and other financial institutions, important measures have been taken or are forecast. It was estimated that over 80 per cent of Ghana's sterling securities in 1957 were long-dated and carried low interest rates, (inferior even to those earned currently on short-term assets) so that a good part of them has been mobilized only at a considerable loss into liquid assets for development purposes. In that year, for instance, £ G. 14 million of them were sold at a loss.[35] At the end of 1959, only £ G. 51.6 mil. out of a total £. G. 166.7 million of the country's overseas balances were short-term. Only by 1962 will some of the long-dated securities begin to mature every year. Accordingly, measures have been taken either to sell mainly the long-term securities to finance development or to convert them into liquid assets, as well as to diversify the foreign investment portfolio.

In the past, the liquid assets of commercial banks were predominantly held abroad because of interest considerations or for lack of suitable local short-term investment outlets. Reinvestments considered, profits of industrial concerns and premiums of insurance companies were similarly treated. It will now be obligatory for substantial portions of returns from the latter to be retained in Ghana for investment, while rapid growth of the local money market should provide the needed outlet for both short-term and long-term investment. Thus, for instance, at the end of 1959, commercial bank loans and advances reached £ G. 14.8 million, compared with £ G. 9.1 million a year before. Loans by commercial banks to several public authorities rose from 1 per cent to 38.7 per cent of total loans in 1959 with the Ghana Cocoa Marketing Board making more use of the banking system for its cocoa movement rather than retaining its own liquid resources for the purpose.[36] In February and March 1959, £ G. 6 million worth of Treasury Bills was issued and subscribed, and thereafter there were to be regular monthly issues. In February, March and April 1960, Treasury Bill issues of £ G. 2 million each were made by the Central Bank and fully taken. This expansion in the local capital and money market should remedy the serious lack of a local short-term and long-term investment outlet in Treasury Bills and Government and other stock which existed prior to independence, when borrowing, particularly short-term, was restricted to borrowing from the Joint Colonial Fund and from commercial banks.[37]

Trade arrangements.

With its non-discriminatory tariff and its tradition of selling goods in the world market, Ghana's main concern was a geographical diversification of import trade, partly to loosen dependence on the United Kingdom but mainly to take advantage of low-price supplies from elsewhere.

This was achieved in practice by removing obstacles to a genuine multilateralization of trade, mainly through suppression of quantitative restrictions. The doors were more widely opened to imports

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[35] P. Ady, "The Economic Position of Ghana", *Bulletin of the Oxford University Institute of Statistics*, November 1959, Vol. 21, No. 4.

[36] Cf. Ghana, *Economic Survey*, 1959. p. 65.

[37] W.T. Newly & C.D. Rowan, *Money and Banking in British Colonial Africa* (Oxford, Clarendon Press), 1954, p. 151.

[38] This was, however, a general development in Commonwealth countries.

from all sources, especially Western Germany and other OEEC countries. Most dollar imports were liberalized in 1959.[38] Likewise imports of industrial machinery from Japan were liberalized and licences for other goods issued very liberally, while in the case of Israel a specific agreement was concluded in 1959, [39] as also in the case of the Soviet Union in 1960.[40]

Judging from the 1960 Budget Speech, however, there appears to be a move away from this liberal trade policy in the direction of protective tariffs and greater co-operative control of wholesale and retail trade. Whereas the tariff system used to be essentially built for revenue purposes, duties are now to be raised on various articles to protect Ghanaian industries. The Budget Speech also foreshadowed a tightening of import and export and foreign exchange controls.[41] In addition, control of Ghana's trade by the State and by Ghanaian traders is to be increased.[42]

In general, the major characteristic of Ghana's evolution in the first three years of independence is that it proceeded extremely smoothly as far as foreign economic relations were concerned. No capital flight seems to have taken place and private foreign investments continued, while until 1958 the size of actual development expenditure was relatively modest. Although her sterling balances fell, Ghana never encountered serious balance-of-payments problems. On the other hand, the acceleration of the Development Programme in a period of relatively unfavourable price developments might compel Ghana to change its previous trade policy significantly and, as shown above, there are some indications in that direction.

39 In keeping with Ghana's declared policy of not concluding exclusive bilateral agreements, the Ghana/Israel agreement is not discriminatory. It was largely designed to channel Israel's contribution to Ghana's Development Plans. 50 per cent of the price of Ghana's purchases under this agreement goes on trading account and 50 per cent on development account. Israel can draw on the former but not on the latter, which is to accumulate to a limit of £ G. 7½ million as Israeli credit to Ghana for 6½ years in respect of capital goods purchased or five years in respect of consumer goods.

40 Under this agreement the USSR is to extend credit of £ 14½ million and to supply Ghana with a variety of machines and equipment, metals, fabrics, etc. In turn Ghana is to export to the USSR cocoa beans, coffee, copra, etc. (*Ghana Today*, Ghana Office, London, 14 September 1960).

41 *West Africa*, 30th July 1960.

42 According to reports in British papers, pressure was alleged to be building up in Ghana for nationalization of expatriate trade enterprises. These reports were categorically denied by the President, who restated Ghana's aim to build a society based on co-existing State-owned, mixed (State-private), co-operative, and purely private enterprises (*The Times*, London 10th October 1960).

Nigeria

Nigeria achieved political independence in October 1960. Prior to that date, however, it was able to introduce several institutional changes, particularly in the monetary field.

Monetary arrangements.

The main monetary changes have provided the young nation with an autonomous Central Bank and an autonomous national currency, enabling the national government to give an impetus to the creation of a local money market, and to pursue independent monetary policies with regard to the problems of the balance of payments and internal economic development.

The Nigerian Central Bank, which was established in April 1958 and became fully operative on 1 July 1959, replaced the West African Currency Board, whose assets and liabilities in respect of Nigeria it has gradually been assuming. The Bank's objects, patterned closely on the recommendations of the report by J. B. Loynes,[43] are those normally associated with any modern Central Bank. Specifically, it is charged with the functions of issuing legal tender currency, maintaining external reserves in gold and sterling in various forms to safeguard the international value of the new currency, promoting monetary stability and a sound financial structure, acting as banker to commercial banks and as banker and financial adviser to the Government (both Federal and Regional), and issuing on behalf of the Government Treasury Bills, with facilities for rediscount and for granting credit to the Government.

Provision is made for the first time for a fiduciary issue, which was not the case under the old regime of the West African Currency Board. With the Nigerian pound at par with sterling, the Central Bank can issue local currency provided that, in the first five years, reserves do not fall below 60% of currency plus 35% of the Bank's other demand liabilities, while after that period a minimum of 40% of currency and other liabilities together will be required. This fiduciary issue provision derives directly from a desire to avoid inflation and particularly to secure the stability and acceptability of the new currency effectively from the start. To check deficit financing, Central Bank advances to public authorities are likewise strictly limited. They must not exceed 12½% of current budget and must be repayable in twelve months.[44]

43 Federation of Nigeria, *Report of Mr. J. B. Loynes on the Establishment of the Nigerian Central Bank, the Introduction of a Nigerian Currency and other Associated Matters*. (Lagos, Federal Government Printer, 1957).

44 Erin E. Jucker-Fleetwood. *The Monetary and Financial Position in Ghana and Nigeria* (series A: No. 29, Basle Centre for Economic and Financial Research, June 1960), page 5.

The establishment of the Central Bank and the introduction of a national currency were designed to facilitate the creation of a local money market which was virtually non-existent before 1959, and to help the Government to control the country's economy through deliberate monetary measures suited to local circumstances. Hitherto, banking institutions and others with surplus funds temporarily available for a few weeks or months had to send these funds to England to earn interest, as there were no local facilities for short-term investment. Nor could public authorities raise funds locally by means of Treasury Bills. Significantly, major steps in the creation of a money market have been taken in almost no time since the coming into operation of the Central Bank. Thus, for example, on the authority of the Federal Government, the Central Bank issued £ 2 million of Nigerian Federation Treasury Bills in April 1960, £ 1 million in May and £ 1 million in June, providing an excellent opportunity for both expatriate and local banks, and Marketing Boards, etc. to invest their temporary balances. A further £ 2 million worth of special bills was also issued by the Central Bank to reimburse the Government for the cost incurred in the introduction of the new currency. In addition, an issue of £ 2 million of government stock was quickly over-subscribed by £¾ million in the autumn of 1959. This remarkable activity in the local money market has not been limited to the sale and purchase of government securities. In April 1959 the Nigerian Cement Company, Ltd. made a public offer of 174,898 ordinary £ shares. In very little time the shares were over-subscribed by more than £ 30,000, a large percentage of the shares going to indigenous institutions and Nigerians, showing the ability and willingness to invest. Consequently, a local stock exchange has been opened for the sale of shares in most profitable industries and also to provide markets for short and long-term government bonds.

Trade arrangements.

Although not reciprocating, Nigeria was, as a British dependency, entitled to Imperial Preference in trade and continues to be, as a member of the Commonwealth.

In the period preceding independence, no significant steps were taken in the field of foreign trade, although dollar imports were liberalized and world market developments were such as to decrease gradually and significantly the share of the United Kingdom in Nigerian exports and imports.

Diversification of trade partners, as also of the portfolio of foreign investments, is likely to be speeded up to provide the country with a more flexible pattern of trade and reduce the country's dependence on sterling securities which, as in the case of Ghana, have been largely long-term and low-interest and could therefore be mobilized in the short run only at a loss.

Federation of Rhodesia and Nyasaland.

Over the last seven years, i.e. since the inception of Federation in 1953, various institutional changes have taken place in Rhodesia and Nyasaland although the country has not yet attained political independence.

Monetary arrangements.

The Federal Government instituted its own Central Bank in April 1956, charged with the normal functions of currency issue, credit-granting, controlling commercial banks and being banker and adviser to the Government, as well as handling foreign exchange matters. The Bank commenced issuing a national currency in May 1957. Prior to federation, notes issued by the Southern Rhodesia Currency Board (established 1938) circulated in both the Rhodesias and Nyasaland, while after 1953 the functions of the SRCB were assumed by the Central African Currency Board. The advantanges and disadvantages already observed as obtaining under the Currency Board system generally obtained also in the case of the Rhodesias,[45] and it was inevitable that the Federation should wish to control its own currency and conduct its own monetary policy. The Central Bank took over the assets and liabilities of the CACB, and is permitted by statute to hold part of its reserves in gold and dollars though the currency is backed with sterling reserves (but no longer compulsorily at 100 per cent) and the Rhodesian pound is fixed at par with the pound sterling, though this parity can naturally be changed by the Central Bank.

The Bank of Rhodesia and Nyasaland has quickly found its own feet and has been instrumental in the expansion of the local capital and money market which is quite considerable in view of the large European population and the high and sustained rate of investment.[46] In its relations with the commercial banks, however, it seems to have come up against the problem of these banks being well established expatriate institutions with headquarters in London, which cannot be expected to identify their interests fully with those of the Federal economy. This can be illustrated by the clash over the bank rate. The rate was first fixed at 4½ per cent. But

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45 But unlike other Currency Boards, the SRCB — partly because Southern Rhodesia was internally self-governing — could hold Rhodesian Government securities, etc., and had its headquarters at Salisbury, Southern Rhodesia.

46 The rate of investment over the last five years has never fallen below 30 per cent of expenditure on the gross national product. In the three years 1956-1958 external sources (including balances and reserves) contributed an aggregate of £ 153.2 million to total gross investment of £ 427.8 million, while outstanding credit granted by commercial banks averaged £ 50 million a year, as against a banknote circulation of about £ 24 million. Treasury Bills have been regularly sold and purchased while other Government stock have been quickly subscribed, e. g. a Federal loan of £ 2½ million at 5½ per cent maturing 1964 was opened and closed on 25 August 1960, being over-subscribed.

in August 1960 the five commercial banks unilaterally altered the rate of interest on loans from 6½ per cent to 7 per cent and raised by ½ per cent the rate of interest on deposits, overriding the position taken by the Central Bank. The Banks justified their action in two ways, namely that there was need to stem the outflow of funds from the Federation to London markets where higher rates obtained, and that the commercial banks were overlent locally. Its hand forced by this action, and publicly making it clear that it was so forced, the Central Bank in turn raised the bank rate from 4½ per cent to 5 per cent. This episode has placed the Central Bank in a weak position and raised the whole issue of the tenability of the argument of national monetary control, especially as it appears that in this case the Rhodesian economy required at the moment stimulation and credit expansion.[47]

Trade arrangements.

Prior to 1953, Southern Rhodesia and Northern Rhodesia had different tariff systems, while Nyasaland and north-eastern Northern Rhodesia were covered by the open-door provisions of the Congo Basin Treaties. In 1953 in terms of the Federation Constitution, the control of customs duties became a Federal responsability. The Federal Government proceeded in 1954 to create a customs union of the already politically federated territories and to institute a uniform tariff structure patterned closely on that previously obtaining in Southern Rhodesia.

The new Federal tariff introduced in 1955 entailed the abrogation of the Congo Basin Treaties as they applied to Nyasaland and north-eastern Northern Rhodesia, an act which not only widened the Federal market but also resulted in discrimination against those countries, such as Japan, which previously could export goods into Nyasaland on equal tariff terms with others.

The Federal Government also instituted its own quantitative restrictions through the provisions of the Exchange Control Act 1954 and the various Controls of Goods (Import and Export) Orders. Under the former, receipts and purchases of foreign (i. e. non-sterling) currency are regulated and must be made through an authorised dealer, and in this way both capital transfers and foreign exchange for imports are controlled. Under the various Control of Goods Orders, such items as wheat, margarine, sugar, cement, gold, etc., may be imported only under licence, regardless of country of origin. Other goods not so scheduled may be imported freely without licence only if they originate in the Sterling Area, but most imports from OEEC countries and Morocco as well as many goods from the Dollar Area are put on an open general licence and are thus not quantitatively restricted.

It is within the competence of the Federal Government, however, to modify its tariff by bilateral trade agreements as circumstances may determine.

The most significant instance in which this power was used was in the field of trade relations between the Federation and the Union of South Africa. In the first place, the 1955 trade agreement modified the customs union which had existed between Southern Rhodesia and the Union by introducing a preferential system between the Federation and the Union, while in the second place, the 1960 agreement virtually terminated the special position of South Africa, which itself was a remnant of the previous customs union. Under this latter agreement, imports from the Union of South Africa now come, in general, under column "C" instead of column "D" as previously.[48] At the same time, however, other reciprocal arrangements were concluded whereby South Africa will admit some 2 million pounds (lbs) of Rhodesian tobacco, as well as Rhodesian manufactures of textiles, footwear, radios, etc. - duty-free or at preferential rates. In turn, South African agricultural products will continue to be admitted free of duty into the Federation. The general effect of the Agreement, however, is automatically to raise tariff rates on a wide range of imports from South Africa (a rise on some goods of from 10 per cent to 20 per cent *ad valorem*) since rates on column "C" are often higher than those on column "D". The Agreement will probably also reduce the wide gap between Rhodesian exports to, and imports from, South Africa; for over the last five years the Federation has on an average been importing from South Africa five times as much she has been exporting.

Under the terms of the recent trade agreement with Japan, some 18 commodities will be exported to Japan, while in turn Japan will export to the Federation under most-favoured-nation treatment, some 15 commodities. Although there are value ceilings on this trade, the agreement constitutes a departure by the Rhodesias from a long tradition of discriminatory treatment against Japan.

In summary, the Federation seems to make an extremely versatile use of tariff discrimination, bilateral agreements and even quantitative restrictions, with a view to promoting industrialization and diversifying the geographical distribution of its trade.

[47] For details, cf. *Central African Examiner*, (Salisbury, S. R.), 13 August 1960.

[48] The Federal tariff system which is discriminatory with regard to both countries of origin and certain types of goods, consists of four columns, namely Columns "A", applicable to countries on which the highest tariff rates are imposed; "B", applicable to countries entitled to most-favoured-nation terms; "C", applicable to independent members of the Commonwealth (excluding the U.K.) and the Irish Republic; "D", applicable to the United Kingdom and Colonies. But not all goods from the U. K., for example, come under Column "D".

Examples of duty on the four columns *ad valourem*:

	A	B	C	D
Traction engines, rollers, etc	10%	5%	Free	Free
Carpets, floor rugs, mats	30%	20%	17%	10%

e) CONGO (LEOPOLDVILLE)[49]

The links between the Congo and Belgium used to be of a completely different nature from those existing in other colonial systems. The differences were partly due to historical factors such as the Congo Basin Treaty, which provided for a non-discriminatory tariff, and the "Charte" of 1908, which provides for a complete financial separation between Belgium and the Congo. Paradoxically, the formal separation was accompanied by the establishment of heavy administrative machinery located to a large extent in Brussels. Among the economic factors explaining the institutional set-up one should mention the exceptionally favourable financial position of the Congo both internally and externally and the fact that, partly because of the disproportion between the Congo's huge natural resources and the relatively limited size of the Belgian market, the emphasis of Belgian economic interests in the Congo was on exports to third countries rather than on autarky. Naturally, very close links have existed between Belgium and the Congo in all fields; but they were maintained, as far as economic relations were concerned, in an informal way through private interests. It can be said that, until 1960, the Congolese economy was run very largely as a huge private concern (in fact it was almost entirely controlled by two or three highly concentrated corporations) with headquarters in Brussels, but with relatively little interference from the Belgian Government.[50]

Monetary arrangements.

The basic fact in the monetary field was complete financial autonomy of the Congo. Although a fixed parity was established between the Congo franc and the Belgian franc, the Belgian franc was considered in the colony as foreign currency, exactly like sterling or the dollar, and even a scarce currency, since Congo's balance of payments with Belgium was traditionally unfavourable. The Central Bank of the Congo had its own gold and foreign exchange reserves and had to ensure a 33 per cent gold and hard currency backing for its money issue. In order to acquire Belgian francs, the Central Bank of Congo sold part of its foreign exchange earnings to Belgium, while maintaining a formal exchange control also over Belgian francs. In fact, the exceptionally favourable overall balance-of-payments situation of the Congo enabled the Bank to provide for practically unlimited convertibility of the Congolese francs towards both Belgium and the rest of the world. Even in the absence of statutory limitations, the activity of the Bank in the field of credit was extremely limited until recently since private banks established in the Congo had vast liquid assets at their disposal and so did not need to seek rediscount by the Central Bank.

The Central Bank was an institution common to the Congo and Ruanda-Urundi, 50 per cent of its shares being held by the Congolese Government, 20 per cent by the Belgian Government, 10 per cent by the Ruanda-Urundi Government, and the remaining 20 per cent by private shareholders.

Trade arrangements.

As far as imports were concerned, the Congo had a non-discriminatory tariff linked with the absence of quantitative restrictions. The incidence of the tariff itself was rather small. The fact that Belgium nevertheless supplied the bulk of Congolese imports was due partly to the competitiveness of Belgian exports in a great number of fields, and partly to the informal links existing between importers in the Congo and their suppliers in Belgium. On the export side, the Congo enjoyed preferences for a few products (generally items the production of which was relatively unimportant in the Congo but was meant to be encouraged), such as bananas. The preferences have led to an expansion of production in recent years, but even so have accounted for only a small part of the Congo's exports to Belgium. The shipping, despite only limited preferential arrangements, of a large share of Congolese exports to Belgium[51] can be explained partly by the fact that private links existed between the producers in the Congo and the processing industries in Belgium, and partly by the persistance of traditional trade flows.

Capital movements.

During the post-war period, the Congo has experienced a very high level of investment activity, mainly in the private sector. In the 1950-56 period however, the inflow of new capital in the private sector accounted for only a relatively small part (about one-seventh) of gross investment, and the major part was financed by the re-invested profits of the enterprises. In the public sector, investments were also mainly financed by the surplus of current budgets, and from 1957 onwards by government borrowing from banks. Contrary to the position in the Franc Zone, there was virtually no organised inflow of public funds.

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49 Most of the description applies also to Ruanda-Urundi which formed a customs union with the Congo and was administered in many respects together with it.

50 However, payment for mining and other concessions was made to the colonial Government in the form of shares in the operating companies concerned. In this way, and also by other investments, the colonial Government acquired a huge portfolio spread over all fields of economic activity. This portfolio was to be handed over to the Congolese Government.

51 Although much less than in the case of the Franc Zone countries and somewhat less than in the case of most African sterling countries.

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Recent developments.

Since 1958, the economic background has been changing rapidly. Considerable capital flight replaced the large-scale inflow or reinvestment of private capital; budget deficits became the rule, and the reserves of the Government as well as the foreign exchange reserves of the Bank were dwindling at an alarming rate. It can be said that on the eve of independence, the Congolese Treasury was potentially bankrupt and the foreign exchange reserves of the Bank were well below the minimum required for maintaining convertibility.

In the months preceding independence, no concrete decisions were taken in the institutional field. As an emergency measure, the Bank limited convertibility and transfers of Congolese francs abroad, without however introducing any changes in its operations. The round-table conference of Brussels decided, in principle, that the old Central Bank should be liquidated and its assets redistributed among the shareholders, but negotiations to this effect were postponed. The Belgian authorities also took preparatory steps in order to facilitate the introduction of a Congolese currency, but action was subordinated to the agreements reached in the course of the negotiations. The round-table conference also decided, incidentally, on the principle of maintaining the Congo's links with the European Common Market.

In the situation that followed independence, it became a matter of urgency to settle the position of the Central Bank since in the short run it was bound to be a major source of Governement finances. With the help of United Nations, negotiations were conducted in Geneva between the interested parties. It was agreed to allocate the foreign exchange reserves of the Bank as of 31 August 1960. The liabilities were to be allocated in such a way that the Congolese Treasury would get the advantage of the amount of banknotes not presented for exchange. Agreement was also reached on the payment of the private shareholders and the Belgian Government. Finally, provision was also made for the creation of a Monetary Council to perform some of the important functions of the central bank pending the constitution of such a bank.

The agreement was to be ratified by the Belgian and Congolese Parliaments after approval by the governments of the two countries. However, in the event, the agreement of the Congolese Government was not forthcoming and the status quo was maintained, forcing the Coongolese Government to rely on the advances of the old Central Bank. According to an agreement reached prior to the independence the old Central Bank increased the ceiling of its advances to the Government from 2.2 to 4.2 billion francs in four monthly instalments of 500 million francs each, starting in July 1960. The last of these credit instalments was advanced in the first half of October, and the Bank, basing its argument on its financial situation and statutes, refused for a time to grant any further advances, thus forcing the Congolese Government to rely entirely on the counterpart of foreign aid.

Later that month the United Nations made available for immediate use of the Congolese authorities the sum of $ 5 mil. granted earlier to the Government. The counterpart of this grant was to be used for defraying current budgetary expenses. At the same time the Central Bank agreed to raise the ceiling of its advances to the Congolese authorities by 800 mil. francs, of which the sum of 500 mil. was immediately placed at their disposal.

In the meantime part of Geneva agreement was implemented de facto. Ruanda-Urundi took over its share of the old Central Bank foreign exchange reserves and issued its own currency. In October a decree was issued in the Congo establishing the Monetary Council envisaged in the above agreement. The Council, with the aid of United Nations technicians, has endeavoured to establish orderly procedures in the fields of banking and credit, foreign exchange transactions and fiscal operations. It has not, however, to this date issued a new currency and the Congolese authorities are obliged, therefore, to depend largely on foreign aid in convertible currencies and on the credits granted by the old Central Bank to meet their urgent exchequer requirements.

The monetary and economic problems of the Congo have been further complicated by the establishment in the middle of August of an independent central bank in Katanga, known as the National Bank of Katanga. The bank announced its intention of issuing its own notes in the latter part of December. The existence of two independent authorities with separate currencies cannot but have a serious impact on trade and financial relations between Katanga and the other provinces of the country.

f) Somalia

The pattern of institutional relations between Italy and Somalia during the trusteeship period was relatively close to the Franc Zone arrangements, with, however, a number of differences.

Monetary arrangements.

When in 1950 the Italians took over the responsibility for the territory from the British, the currency in circulation was mainly the East African shilling, as a result of the British occupation since the war. The East African shilling was in that year replaced by a separate Somali currency. This currency was managed by the Somalia monetary circulation agency (Somalcassa), situated in Rome. Its business was conducted in Mogadiscio by a branch of the *Banca d'Italia*, the Italian Central Bank. This branch could rediscount short-term commercial paper but was not allowed to give advances to the Somali Government or the administration in Somalia. Financial deficits of the administration of the territory were provided for by a vote of parliament from the Italian Treasury. The Somali currency was backed 100% by a reserve of gold and foreign currency. In the beginning of the period, these reserves consisted mainly of sterling; in 1954 the sterling holdings were converted into lire while later on (1957-1958), part of the lire were converted into dollars, so that by the time of independence about 60% of the reserves were in dollars.

At the beginning of 1959 the Somalcassa was expanded so as to add to the issuing department a banking department, which was to be located in Mogadiscio and was to take over the functions of the branch of the *Banca d'Italia* in that town. This banking department was empowered, in addition to the functions performed by its predecessor, to invest its profits in bonds guaranteed by the Government, as well as to give direct advances to the Somali Government and to the Italian administration up to 10% of their yearly revenue. Although the Somali Government was given a voice in the management of the institution, the ultimate responsibility for the currency was retained by the Italian Government until the date of independence.

Trade arrangements.

Somalia had a non-discriminatory tariff, whereas Italy provided for duty-free entry for imports from Somalia. However, as far as bananas were concerned (80% of Somalia exports to Italy), the tariff preference was ot sufficient to ensure their marketing since the landed price of Somalia bananas was more than half above the world market price. Therefore, Italy agreed to buy from Somalia specific quantities of bananas at prices fixed considerably above the market price. This was performed in practice by the Italian Banana Monopoly.

In the later part of the trusteeship period, the Banana Monopoly increased the quantity of bananas purchased from Somalia and decreased the price paid, but the price difference remained substantial.

On the import side the absence of tariff preferences was made good by foreign exchange restrictions. Italy allocated a certain amount of foreign exchange (mainly sterling) to Somalia and import licences could not exceed this level. This was a powerful protection for Italian goods, as is indicated by the fact that import licences were sold at a premium. It should, however, be noted that the degree of convertibility granted by Italy was relatively high.

Payment arrangements.

Somalia has been part of the Lire Area. Transfers between Somalia and Italy were generally free and were operated through accounts kept with the *Banca d'Italia* in Rome by the Somalcassa in the same way as in the Franc Zone. As a result of the trade surplus with Italy, combined with substantial Italian Government transfers for current subsidies and capital aid, Somalia could easily cover the outflow of remittances and savings from residents in Somalia to Italy and still keep a sizeable lire surplus in its balance of payments. This explains why the convertibility of the lire became a central issue in Somalia's economic relations with Italy.

Since independence, the institutional problems of Somalia have been greatly complicated by the merger with former British Somaliland, which was a member of the Sterling Area and of the Commonwealth preferential system. As far as trade is concerned, it was agreed to maintain the *status quo* until the end of 1960. This implies that Somalia has two distinct customs territories for the moment, one applying the Commonwealth preference, and the other continuing to enjoy duty-free entry on the Italian Market and to participate in the European Common Market.

On the monetary side the new country is no longer part of the Sterling Area, but has an independent currency essentially backed by dollars and issued by the National Bank of Somalia which has replaced the Somalcassa.[52] However, the future of the arrangements with Italy is still to be decided, especially in respect of the banana problem, the convertibility of lire earnings and free transferability between Somalia and Italy.

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[52] The powers and rules of the Bank are virtually the same as those of the Agency, including the 100% coverage requirements.

Chapter B/II

SURVEY OF DEVELOPMENT AND POLICIES IN SELECTED AFRICAN COUNTRIES AND TERRITORIES*

The purpose of this chapter is to classify and describe the development programmes and policies laid down for a number of countries and territories in Africa. One of the difficulties which an attempt of this kind immediately faces is the fact that details of government policy on economic development are often an internal matter only. Policy statements made are usually couched in rather general terms, and modifications in policies or basic plans are not always made public. Development plans have been published for many countries and territories of Africa and have often served as a basis for government capital expediture and other policy measures. In some cases, however, the published plans have been quietly discarded because of changes in external conditions or in government thinking, while governments have continued to base their investment and other policies either on changed fundamentals or on *ad hoc* considerations. In other cases, no plans have been published although serious work is known to have been done by the governments in economic analysis and projections of economic trends — work fundamental to policy formulation — but the results of which are either considered confidential or have not yet been prepared for publication. In the following pages, therefore, the rather formal attitude is taken that only those programmes and policies are summarized which are publicly known.

a) NATURE OF PLANS

In treatises on development programming, a distinction is often made between two techniques in establishing a development plan: a programming approach and a project approach. The programming approach starts from overall targets of national income, and estimates subsequently the concomitant levels of consumption, capital formation, imports, exports and other relevant aggregates of the economy. In a further analysis these totals may be broken down by certain sectors, exchanges and relationships between which may be calculated and fitted into a consistent framework. Thus one can arrive at a more or less detailed description of the economy during a certain period, or at some future date, on certain assumptions regarding external factors as well as the coefficients of the system. This picture of the future economy yields indications of the policies to be followed if the economy is to reach the targets fixed and maintain the desired equilibrium. A further analysis of the sectors leads to a detailed formulation of the projects to be carried out in the context of the plan.

The other possible approach, the project approach, is to start at the other end, from individual projects proposed which could be worked into a comprehensive plan. Cost-benefit calculations regarding the direct and indirect impact of such projects on the economy can be added to give, together with certain general extrapolations, e.g. of population increase, an overall picture of the changes to be expected in the economy. The aspects of projects to be taken into account are, on the one hand, increases in production, income, employment, exchange earnings, tax receipts and the like, and, on the other, requirements of capital, materials, labour of varying types of skill, foreign exchange, and extra demands put on public facilities etc. This approach, which should in theory result in the same kind of plan as the programming approach is, however, rare in practice.

Some countries in Africa, including most of those on the shores of the Mediterranean, have adopted the programming approach in their planning. However, development plans in Africa are usually not comprehensive: they are mainly public capital expenditure programmes containing no projections, objectives or targets for the private sector. Even though they contain lists of projects, these plans should not be confused with the project approach to development programming described in the previous paragraph; for these plans take no, or very limited, account of the impact of the projects on the economy. As far as demands on resources are concerned, the only aspect usually assessed has been capital costs, although in recent years, in an increasing

* For a list of documents on which this chapter is based, see appendix.

[1] See for instance E/CN.14/42, paras. 11-12, and E/CN.14/42 Add 1.

number of cases, the effect on current budgets has been estimated and taken into consideration. The only benefits normally estimated have been direct benefits, i.e. no explicit account has been taken of the wider repercussions on the economy. As a consequence, it has always been difficult in these plans to establish proper priorities and make rational comparisons between projects. The plans concerned are therefore more truly government capital expenditure programmes than development programmes proper, even though certain expenditure items are sometimes included that are not, in a narrow sense, capital expenditure. The most noteworthy of such items are certain agricultural development expend-

Table B.II.I

Public Capital Expediture in Development Programmes

		Govt. Capital expenditure in US$ per head per annum	*PERCENTAGE DISTRIBUTION*						
			Agricultural	*Industry*	*Electricity*	*Transport and communications*	*Education*	*Health*	*Other*
Nigeria (Fed. of)	55/60	2	3	2	8	61	4	3	19
(rev. 58)	55/60	2	2	1	8	59	5	1	24
(rev. 59)	55/62	1	1	1	7	56	6	2	27
Togo	49/54	2	8	—	—	58	5	17	12
Rhodesia & Nyasaland (Fed. of)	57/61	12	3	—	45	41	4	4	3
	59/63	7	2	—	44	35	8	6	5
Uganda (rev. 57[a])	55/60	4	4	3	26	15	7	5	40
Southern Rhodesia	57/61	9	13	—	28	19	2	38	
Kenya	54/57	5	26	1	—	13[k]	10	4	46
	57/60	3	38	—	1	14[k]	9	4	34
Nysaland	57/60	4	22[e]	—	—[e]	10	8	—	60
Ivory Coast	47/56	7	16	—	3	64		17	
	58/62	10	33	3[h]	2	30	12	4	16
Malagasy Republic	59/62[b]	8	38	1	1	36	7	8	9
Togo	54/59	3	33	—	—	43	4	6	14
	59/60[c]	2	22	—	—	43	7	14	14
Sudan	59/61[d]	8	39	2	2	36[n]	13		8
Portuguese Overseas Provinces[1]	59/64	4	40[f]	—	—	45	7		8
Ghana	59/64[m]	40	7	8	31	15	9	13	17
Western Nigeria	55/60	3	3	20	3	12	22	6	34
(Rev. 58)	55/60	3	3	17	2	17	17	8	36
	60/65	5	23	14	2	15	8	2	36
Eastern Nigeria	58/62	1	5	8	—	23	25	5	34
Rev. 60)	58/62	2	4	8	—	25	21	5	37
Ethiopia	57/61	2	7	10[j]	11	54	5	3	10
Morocco	58/59	10	35	4	2	15	10	3	31
United Arab Republic (Egypt)	59/61[d]	33	24[g]	29	3[g]	23		21	
Algeria	59/63	44	23	7	7	22	12	3	26

[1] All overseas provinces including those outside Africa.
[a] Including expenditure by the Uganda Electricity Board.
[b] Excluding European Development Fund Expenditure.
[c] Fund for Assistance and Cooperation and European Development Fund Programme.
[d] Capital development budgets for the years 59/60 and 60/61.
[e] The Shire river valley project included in agriculture.
[f] Natural resources development; presumably agriculture and mineral prospecting.
[g] The high dam included in agriculture.
[h] Expenditure for mineral prospecting.
[j] 3% to be spent on investments in publicly owned mines.
[k] Excluding railways.
[m] Including expenditure on the Volta river project.
[n] Including expenditure by the Sudan Railways.

N. B. Figures for expenditure in US$ are not strictly comparable: they have been converted at prevailing exchange rates, which do not necessarily, — and do not in fact in this case — reflect the relative price levels in the different countries and territories. It can be safely assumed that the price level for investments in the Franc Zone territories has been considerably higher than in other areas.

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itures which, although of a non-recurring nature, cannot properly be defined as outlay on the construction of capital works. In contrast, the plans referred to often contain genuine capital items which would appear in any normal government capital budget and which do not constitute a special effort to stimulate the economic development of a country, the most striking example being the capital expenditure on the maintenance of local security and public order and the construction of government administrative buildings which is included in many of the recent development plans in Africa.

Certain of the plans discussed in the following pages relate to component parts of federally governed countries, viz., Rhodesia and Nyasaland, and Nigeria. It goes without saying that each of the territorial or regional and federal governments can only plan for those functions for which it is responsible and that, consequently, these plans are complementary and should be examined in connection with each other. The fact that this is not always done here should not be taken to mean that this connection is disregarded, but rather that the plans concerned are used as illustrations of a certain attitude or of certain policies.

Certain countries have decided to embark on the elaboration of a comprehensive plan; some have taken only the first preparatory steps, while others have determined an analytical framework and decided on general directives to be pursued. These plans form a special group in so far as they cannot be called fully articulated comprehensive plans; but as they contain projections of certain aggregates of the economy, they incline towards overall programmes.

The percentage distribution of public capital expenditure is shown in Table B. II. 1. in order to illustrate policies pursued by the various governments. In the cases of Ethiopia, UAR (Egypt) and Algeria only, the patterns of expenditure have been determined within the context of overall plans; all the other countries and territories listed have "plans" which may be more appropriately referred to as "public capital expenditure programmes".

b) Classification of Plans

The development programmes encountered in Africa can best be classified, first, according to the techniques applied and, secondly, according to the lines of economic policy followed. In the case of comprehensive plans, these lines are, in principle, unambiguously determined by the system, although in practice there still remains much room for manoeuvre, particularly in the selection of the policy instruments. Where capital expenditure programmes are concerned, however, the lines of economic development are more or less freely chosen by the government and therefore offer a useful criterion for classifying these programmes.In the following pages attention will be focussed mainly on economic investments, social and particularly administrative investments being treated only by implication.

Classification:

1. Capital expenditure programmes with emphasis on infrastructure development:
   (a) Programmes related to evacuation of primary products, concentrating mainly on transport, and possibly education and health. Examples are: Federation of Nigeria, Northern Nigeria, and many other countries and territories in Africa in their earlier plans.
   (b) Programmes indirectly related to industrialization, adopted by countries which do not or need not take direct action to encourage industrial development but which concentrate on electricity production, in addition to transport and possibly other infrastucture expenditure. Examples: the Federation of Rhodesia and Nyasaland, and Uganda.
2. Capital expenditure programmes with emphasis on directly productive investments:
   (a) Programmes which stress agricultural development to the point of a genuine agrarian and land reform with a view to reorganizing the productive structure and to developing domestic markets Examples of this category are: Southern Rhodesia and Kenya.
   (b) Programmes stressing the expansion of existing agricultural patterns and designed to increase quantities available for export and to improve the quality of the products. Many countries fall within this group. Examples described in these pages are: the Ivory Coast, Togoland, the Malagasy Republic, Nyasaland and the Sudan.
   (c) Programmes emphasizing industrialization, e.g.: Ghana, Western Nigeria, and to some extent Eastern Nigeria, and the 1958/59 plan for Morocco which, however, contains a rather far-reaching agricultural programme as well.
3. Overall programmes:
   Programmes of countries which have started on comprehensive planning and which have made projections of an overall framework of the economy but have not arrived at a fully articulated

comprehensive plan. Examples described below are the work done in: Mali (former French Sudan), and largely also the plan for: Ethiopia, and the FAO studies of Morocco and Tunisia.

4. Comprehensive programmes comprising detailed and articulated sector programmes, such as the plans (so far as they are known) for: Morocco, Tunisia, UAR (Egypt), and Algeria.

The dividing lines between the groups are not as sharp as may appear from this classification, which is introduced merely for convenience and should not be taken too literally.

c) Survey of Programmes and Policies

(i) *Public capital expediture programmes with emphasis on infrastructure development*

The choice of emphasis among categories of capital expenditure is determined by many factors, such as the particular situation of the country with respect to resources, existing facilities, level of human development achieved etc.

(a) Programmes related to evaculation of primary products.

In the initial stages, governments are concerned with the most basic equipment. Areas have to be opened up and brought into contact with the money economy. Possibilities have to be created for evacuation of surplus production to the markets. Thus the Federal Government of Nigeria and many other governments in their earlier plans concentrated on transport as a first necessity. Transport bulks large in almost all the plans in Africa, but at subsequent stages governments give increasing attention to other aspects of the economy. In the Northern Region of Nigeria and a number of similar areas, with their long distances and scattered populations, this item will remain of considerable importance for some time to come.

(b) Programmes indirectly related to industrialization.

The Federal Government of *Rhodesia and Nyasaland* has a rather "laissez-faire" approach to economic development. It is the stated policy of the government "that economic activity .. should be privately owned and operated and that the activity of the government in the economic field should be limited to providing the best possible plans for economic expansion including the professional services to facilitate that expansion".[2] Therefore, the emphasis in development policy and in government capital expenditure is almost entirely on basic facilities. Transport and electricity generation absorbed 86% of Federal capital expenditure in 1957, and 79% in 1959 (See table).

The Federation's plans have been based on expectations of development in the private sector of the economy, so that "expansion in the latter would be matched by the growth of the services provided by the Government". In the past 10 years, owing to the rapid progress made, the Government has not needed to make extensive forecasts of the course of private development, as its main preoccupation could not but be the removal of already existing bottlenecks, particulary in the two fields mentioned above. With the removal of the most acute of these bottlenecks around the year 1957-58, the Government would have had more freedom of choice in its policy but for the fact that its available finances had decreased. Therefore, in the 1959-63 plan priority had to be given to those investments that were required to enable, on the one hand, the projected demand for services to be met on the basis of existing standards and, on the other, the works already committed to be completed. Past decisions thus proved important in the establishment of priorities for the future programme. In the field of electricity generation, expenditure was determined by the stage reached in the Kariba project. Though this scheme was approaching completion at the time this plan was drawn up, it was still responsible for the bulk of the expenditure on electricity generation and distribution. In the case of transport, large sums of money were to be spent on roads and bridges constituting major traffic links, which were already behindhand in traffic carried. This expenditure was intended to increase the road network's carrying capacity (mainly by asphalting).The position was similar in the case of railroads. Though in 1958 there was no shortage of carrying capacity on the railroads, the plan includes improvements, mainly to permanent way and to traffic and operating facilities, designed to increase long-term capacity and rolling-stock efficiency.

The Federation has been in a specially fortunate situation among African countries because of its exceptionally rapid growth over the past 15 years. This growth, mainly due to the increasing income of the mining companies, combined with the influx of capital and the immigration of skilled labour. As a result of it, the problems encountered in development programming elsewhere in Africa did not arise to the same extent in the Federation. As already mentioned, the role of the Government could accordingly be limited to following the impetus given to development by the private sector, seeing

[2] Development plan 1959-1963, p.1.

that existing bottlenecks were removed and that no new ones developed, and keeping down inflationary pressures. The Government was fortunate enough to have just the right amount of finance at its disposal; hence there were, so to speak, none of those problems of choice which would otherwise have existed: in the case of more ample means, in which direction to guide the economy; in the case of smaller resources, which bottlenecks to remove.[3]

In general, however, infrastructure investments and basic facilities, although a necessary, are not a sufficient condition for economic development. Unless an economy is in the process of expansion due to other factors, the existance of an infrastructure by itself will not induce growth. This has been a common experience in Africa. *Uganda* is a case in point where the Owen Falls hydro-electric station, among others, was built in the hope that the availability of cheap electricity would attract secondary industry. This did not materialize in any significant way. The project facilitated the establishment of industries for which the other establishment factors were already favourable, but it did not have the impact expected. The hope would have been justified if an investigation had shown that high electricity prices were the only factor retarding industrial expansion; as things are, special government measures are needed to remove other inhibiting factors. The first revision (1957) of the 1955-60 plan, if appropriations for the Uganda Electricity Board are included, devotes 12 million, or 26% to electricity production (see table). Although the initiation of bulk sales of electricity to Kenya has considerably increased actual generation and turned the Board's financial results from negative to positive, there is still a large unused capacity.

As regards the remainder of the programme, importance is attached to the promotion of approved standards of agriculture, to transport and to the advancement of social services to ensure favourable conditions for the expansion of primary production. Fair distribution of funds between districts and provinces and between towns and countryside is strongly stressed. The Uganda Government has been keenly aware of the regional aspects of planning; it actually stresses rural rather than urban development. Certain sums are devoted to the advancement of commerce and industry (see table), although in both cases mostly in relation to agriculture. Part of these funds is allocated to co-operative development, mainly for the processing and evacuation of produce, part to African business enterprises, and part to the Uganda Development Corporation. The latter, which was created to encourage development by investment in agricultural, industrial or mining projects, will be obliged to raise finance required over and above the contribution under the development plan without recourse to Government funds.

[3] The latter problem did play a certain role at times during the period.

(ii) *Public capital expenditure programmes with emphasis on directly productive investments*:

(a) Programmes containing an agrarian reform.

In the plan for *Southern Rhodesia*, which is the focus of industrial expansion in the Federation, a high percentage is devoted to the same items as in the federal plan. The Federal Government has planned its capital expenditure for the functions for which it is responsible. Their plans have consequently been supplemented by the plans of the territorial governments for those sectors for which they are responsible. The territorial projects therefore are in a number of cases complementary to those of the Federation. Examples of this are the territorial roads and bridges which are feeders to the main traffic links and local electricity plants, distribution systems and connexions.

Southern Rhodesia devotes a much larger part of its capital expenditure to the improvement of agriculture than the Federation (see table). Apart from an amount of 1 million (3% of total capital expenditure) for what is called "Kariba bush clearing", which is meant to increase the future possibilities for netfishing in the artificial lake, most of this item is allocated to the improvement of African agriculture and the reorganization of the indigenous rural production structure.

The Land Husbandry Act of 1951 comprised an agrarian and land reform in areas set aside for African settlement by the 1930 Land Apportionment Act. It was intended to effect a departure from communal to individual land ownership within these areas, to increase agricultural productivity and to dispose of the twin problems of unstable migratory labour and the disintegration of the rural areas.[4] A more radical land reform is recommended in the recent report of the Select Committee of the Legislative Assembly on Resettlement of Natives.[5] This report envisages a system in which land ownership would not be based on racial criteria and which would open up opportunities for Africans to acquire more economic land units anywhere in the country and with security of tenure.

In *Kenya*, the attitude displayed in the plan to industrial development is similar to that found in the Federation of Rhodesia and Nyasaland. The policy of the Government of Kenya is based on the encouragement of development mainly through private enterprise. For this encouragement it is necessary not only to "remove natural disadvantages" but also to "provide those basic services which already exist in more developed economies".[6] However, the economic situation itself is very unlike the one in the Federation. In Kenya, as in most of the other countries of Africa, the economy was not expending

[4] What the Native Land Husbandry Act means to the rural African and to Southern Rhodesia, Salisbury, 1955.

[5] Legislative Assembly Select Committee 3, Salisbury, 1960.

[6] The Development Programme 1957-1960. p.1.

rapidly and the Government has not therefore been primarily concerned with the removal of bottlenecks resulting from rapid growth. The Government here had to make a choice between various possible lines of development and to stimulate development on the lines that offered the best prospects. It had to fix a balance between the different lines and to establish priorities between investments. Without a comprehensive projection of the economy, it must, like most other governments in their development plans, have been unable to establish these priorities on a rational basis. The Kenya Government chose to concentrate on development of the agricultural sector and in particular on the agricultural production of the Africans. It stated that "economic development must be planned on the basis of those known assets and advantages which can be readily developed, the main one of which in Kenya is agriculture"[7] In addition the Government felt that "agricultural development, as compared with industrial urban development, makes relatively small demand for basic services and skilled manpower. In relation to potential productivity a concentration on agriculture for a number of years should allow time for the country to build up a reservoir of skilled manpower for non-agricultural development at a later date"[8] In addition, agricultural production has, according to the Government, the advantage at this point of not suffering from diminishing returns. For these reasons, the Government felt that, in its development policy, it had considered the investments showing the most immediate and highest returns for the amounts involved. As such an evaluation only relates to isolated aspects of the projects, the choice among investments — as stated above — rests only partially on a rational basis.

The agricultural programme of Kenya has in the past recognised that European-type farming in the highlands operates at a level different from that on tribal lands. Two separate but parallel programmes of agricultural development have, therefore, been promulgated. The first of these, to cover the highlands, was presented as the "Troup Report" in 1953 under the title "An Inquiry into the General Economy of Farming in the Highlands." The second, popularly known as the *Swynnerton Plan*,[9] was launched in 1954. This plan, with which the current consolidation of land in the rural areas is to be associated, had definite targets of agricultural output to be reached within a decade. It includes proposals for a land reform with establishment of minimum-size holdings and security of tenure and for intensification of cultivation, improvement of agricultural techniques and of marketing facilities and the provision of credit. Both the Troup and Swynnerton Plans were launched at a time when, owing to the social and political climates, the country seemed resigned to separate racial development. There has recently been a departure from this policy, however, as evidenced by the 1960 amendment bill, which opens the former White Highlands to yeomen and peasant settlement schemes.

After agriculture (see table) — disregarding "other" expenditures which are to a considerable extent related to the "emergency" — the next largest item in the programme is expenditure on transport, mainly roads (railways are the responsibility of the East Africa High Commission). In accordance with the stated priority, the road-building programme concentrates on roads needed for the evacuation of agricultural produce.

The amounts spent on electricity production, the bulk of which is in private hands, and industrial development under the 1954-57 and the 1957-60 programmes are very small. Support for electricity production concerned a case in which nothing could be expected from private initiative at the time and in which the existing plant had to be expanded and kept in operation until such time as private interests could be found to take over. Industrial development is promoted through a development corporation and two revolving funds established to develop industrial sites on which the title to the land is cleared, access roads are constructed and service connexions provided. In the latter case only token contributions are made, although it is said that substantial allocations will be considered at a later date, if found necessary.

(b) Programmes with emphasis on the development of export agriculture.

In a number of other countries, the main emphasis in government capital expenditure is also on the development of agriculture, though in a less revolutionary way than in Southern Rhodesia and Kenya.

In *Togo*, the *Ivory Coast* and the *Malagasy Republic*, methods adopted for the development of the agricultural sector are fairly similar. They include, among others, attempts to achieve increased yields, diversification of crops, improvement of quality, stabilization of prices at as favourable levels as are compatible with world market conditions and the formation of producers' village co-operatives. The last-named, in particular, is considered a major means of achieving the improvements envisaged. The expansion of production in these countries is mainly directed towards exports. In the Ivory Coast, for instance, only one sixth of the amount to be spent is directly devoted to increasing food crops. A similar situation prevails in the Togo Republic.

In Madagascar, the situation is more pressing because of serious soil erosion and, therefore, action has to be more radical, problems of low production and low productivity being tackled on several fronts at the same time. Agricultural production is supposed to increase at a rate of 6% per annum, in the face of a population increase of 3% per annum. Such a great effort necessarily requires a considerable con-

[7,8] Op. cit., p.5.

[9] Government of Kenya. A plan to intensify the Development of African Agriculture in Kenya, Nairobi, 1955.

tribution from domestic savings and investments in kind produced for own account. Expansion and diversification of export production, development of raw materials for a light processing industry, expansion of fodder production and intensification of animal husbandry, capped by soil conservation and anti-erosion measures, are indicated. According to its three-year programme (1959-62), the Government of the Malagasy Republic also aims at reorganization of commerce and stabilization of prices, establishment of some produce-processing facilities, improvement of the natural environment in specific areas (by constructing small waterworks, evacuation roads and soil conservation works, instituting forest control and a re-afforestation programme, and introducing new crops, livestock vaccination programmes, etc.), expansion of its agricultural extension services and of rural education, and support for co-operative associations and other rural groupings.

As to other sectors, expenditure on transport in Togo concerns improvements to the wharf and the railways to be financed by the Economic Development Fund of the European Economic Community and to road construction and improvements, all closely connected with the need to evaculate produce. Immediate prospects for industralization are slight in Togo; hence expenditure under this item is negligible. Expansion of electricity production by private enterprise remains limited to the electricity plant constructed in connexion with the new phosphate mines near Anécho.

In the Ivory Coast, the aims of the third 4-year plan of 1958-62, next to agricultural expansion, are more rapid social development, particularly in education, health and housing, and the continued improvement of the infrastructure (ports, waterways, roads etc.). Encouragement of industries is not reflected in the expenditure pattern, as the Government proposes to achieve this by creating a favourable climate for private enterprise mainly through tax concessions and the protection of local industry.

In Madagascar the remainder of the programme is directed towards transport, education and health. Industrial expansion does not occupy the first place in the Government's thinking; the Government nevertheless intends to favour light industries using local materials or catering for the domestic market. Industrial investments are exempt from income and profit taxes, while, in addition, certain investments benefit from long-term fiscal arrangements. As it does not expect large capital imports, the Government limits its capital expenditure on energy production to studies on possible large-scale hydro-electric installations and to subsidies to small local electricity plants.

The *Sudan* is another country where expenditure is largely directed towards agriculture. In the Government capital expenditure budget (including the expenditure of the Sudan Railways), for the two years 1959-60 and 1960-61, 41% will go to productive investments (mainly in agriculture). Of the remainder 36% goes to transport (see table). The agricultural programme differs from those previously discussed in that a large part of the funds will be spent on extending the area under irrigation. Improvements in methods will not, however, be neglected, and increased yields and eradication of diseases are engaging the attention of the Government. Industrial development is furthered by tax concessions to approved industries.

Expenditure under the 1957-61 development programme for *Nyasaland* is mainly concentrated on re-afforestation, soil conservation and land improvement schemes and preliminary works for the Shire river valley project. The territory's stated policy is to "increase crop production by means of better agricultural methods and to lay foundations of a better system of land use on which further rapid progress may be made subsequently".

(c) Programmes emphasizing industrialization:

In the fifth group of countries and territories, the emphasis in economic development policy is on the creation of an industrial apparatus. Hence capital expenditure is concentrated on the establishment of industries but with due regard to the still pressing claims of infrastructure investment and agricultural expansion, which accounts for the fact that the percentage devoted to industry by this group of countries does not reach the level of the main categories in the plans of the other countries and territories.

In *Ghana*, the most important project under the Government's development plan is the Volta River hydro-electric scheme, which is foremost among the Government's concerns and is considered essential to all future industrial development. Under the Second Development Plan (1959-64), the Government envisaged spending G£ 100 million as soon as the preliminary studies and negotiations on this project were concluded. This amount could not be accurately fixed at the time and was kept outside the plan proper, which itself involved a total expenditure of G£243 million over the five-year period. The electric power to be produced by the Volta River project is generally considered to be essential not only for the development of an aluminium industry, and consequently for the exploitation of the bauxite deposits in the country, but also as a source of cheap and abundant power for the general development of industry in the area. The Government's position on the project is connected with the emphasis on industrialization in its development policy.

The plan aims at the establishment of not less than 600 factories of varying size, producing a range of over 100 products, without however specifying the nature of the projects nor assessing their feasibility or their implications for the economy. The measures proposed for the furthering of the envisaged industrial expansion are as follows:

Industry is offered a certain measure of customs protection, which would not, however, increase the cost of living in any significant way. Foreign private investment would be attracted either through financial participation by the Government or firm guarantees of investors' rights. New industries would be given all possible assistance, such as the preparation of studies and investigations of new projects. With this end in view an Industrial Promotion Commission and an Investment Promotion Board have been set up.

The Industrial Development Corporation, which already existed, participates in entreprises that otherwise would not have been started. The Government proposes to give special aid to African businessmen. It also prepares industrial sites for occupation by new industries. It is the intention of the Government to stimulate decentralization by encouraging the establishment in some 20 different provincial centres of industries for which the advantages of establishment in an area of industrial concentration are not of prime importance.

As can be seen from the table, a considerable percentage is allocated to transport, the largest share going to roads and harbours, while agriculture, particularly export agriculture, is not neglected. In agriculture, emphasis is on raising cocoa yields, mainly by spraying against capsid, increasing areas under rubber and bananas, and laying the foundations for a cattle industry. The programme also covers efforts to raise cereal yields, to bring the Volta flood plain under irrigation and to study and promote the use of fertilizers. Research, education and extension are a natural complement of the other projects of the programme and are therefore also included.

In *Nigeria*, too, there is strong emphasis on industrialization, although this does not emerge clearly from the Federal capital expenditure pattern (see table). It is in the Eastern Region, and particularly in the Western Region, that an active policy in this direction is pursued. The measures adopted are Government initiative in attracting and participating in foreign enterprises, preparation of industrial sites with adjacent housing estates, provision of industrial credits, safeguards for foreign investors, tax and tariff incentives and encouragement of small African businesses. In the Western Region an Industrial Promotion Commission has the task of furthering rapid development by carrying out surveys of industrial possibilities, organizing technical and market research, arranging publicity overseas regarding prospects for the establishment of industries, and attracting foreign interests. This industrialization policy is pursued within the context of a set of objectives (Western Region), the first and foremost of which is to provide employment for the emerging literate labour force by actively encouraging the private sector to invest in new projects and by removing obstacles to that sector's activities.

So much stress has been laid on education in recent years that both the Eastern and Western Regions are now enjoying universal primary education. It is interesting to note that in the Western Region, with the achievement of this goal, the school-building programme shrank in the 1960-65 plan as compared to the 1955-60 one. In the Eastern Region, where the extension of free primary education was a few years behind the Western Region, the figures do not as yet show this decline.

Large sums have also been spent on transport, which still accounts for a considerable part of government capital expenditure. As stated above, in the Northern Region basic facilities, particularly transport, are still absorbing the bulk of government investments.

For the next two or three plan periods, the major item of capital development will be the construction of a dam on the Niger River. This dam is expected not only to give cheap and abundant power, but also to facilitate control and development of the Niger flood plains, to feed irrigation schemes and to improve considerably the navigability of the Niger River. The impact on economic development of this project is expected to be substantial, and investigations and studies of the plans are at an advanced stage.

The Government aims also at ensuring that food production keeps pace with the expansion of the non-agricultural sector of the economy, and with the concomitant structural changes. The relatively small sums spent on agriculture in the past were increased in the latest (1960-65) programme of the Western Region. While previously expenditure on agriculture was concentrated on research and extension, the new plan contains a programme of tree planting and financial participation in new plantations. It also includes the creation of credit facilities for farmers and a scheme for co-operative farm settlements.

(iii) *Overall plans*

Apart from the countries which actually have comprehensive plans, an increasing number of other African countries also take a more fundamental view of development programming. Thus the Government of the Malagasy Republic has stated that only full-scale economic planning is capable of furnishing a rational basis for the establishment of proper priorities and that, consequently, it intends to start preliminary work on such a programme.[10] Other countries have either started preparatory work on such plans, e.g. Nigeria, or have reached a more or less advanced stage of the process by formulating their basic principles and objectives of development programmes and by making overall projections of major economic aggregates.

An example of the latter group of countries is Mali (former French Sudan), where an increase in

[10] Programme Triennal de Développement Economique et Social 1959-1962, p.39.

income per head of at least 5% per annum has been selected as the main development target. Since the population increases by 2% per annum the corresponding target for total production is to be at least 7%. Given this target, and assuming a capital output ratio of 4:1 (i.e. 4% of the gross domestic product has to be invested to yield a 1% production increase), it is estimated, that up to 28% of the gross domestic product, or 10,000-12,000 million francs CFA per year, will have to be invested.

In more concrete terms, the objective of the Government is to raise the level of living in the countryside to that at present obtaining in the towns. This is regarded as necessary to reverse the flow of population into the towns by offering the farmer a future in which he can have confidence. The strong emphasis on agricultural and rural development reflects the relatively unfavourable conditions for industrialization prevailing in the country at the present time.

The approach to the improvement of agricultural production is rather unusual in that it is basically social or humanistic, the first aim being to change the psychological attitude of the masses to development. The Government intends to begin by convincing the people that development has to be earned by increased effort on their part and by improved working methods and more efficient organisation of activities. The methods proposed range from better use of productive time to the introduction of new techniques and the improvement of tools used. A changeover from extensive to intensive agriculture is envisaged while soil conservation and land improvement, as well as extension of cultivated areas, is to be carried out during the slack periods of the year. A number of supporting measures have been prepared concerning, for example, the regularization of the collecting trade and of prices for agricultural produce, the provision of agricultural credit and the improvement of transport.

In the initial phase of the development process, contemplated increase in taxation will be designed to permit only a slight rise in consumption to prevent expenditure on what the Government considers "useless purposes" and to enable the State to take upon itself the responsibility for saving and capital formation. In a subsequent phase, after the proposed educational programme has made its impact, disposable incomes will be allowed to increase and more room will be left for private initiative and enterprise. At the present stage, however, according to the Government, the attitude of the masses to development must be transformed from a passive to an active one. As traditional education works too slowly to that end, the change must be accomplished by political action. Accession to independence should give the masses, 85% of whom are illiterate, a psychological shock of national feeling through which this end may be achieved. The existing well-organized political party should, according to the Government, be the instrument in this action.

Although the overall plan discussed in the foregoing paragraphs is framed in fairly general terms it contains proposals for reorganizing and revitalizing the rural areas as well as the administration, and it concludes with the statement that it will be elaborated by and for the people and executed by the Government and the people working closely together for the same ideal.

Ethiopia has gone a step further and has drawn up a plan for the years 1957-61 which presents relatively detailed projections for the various sectors of the economy. An increase in national income of 3.7% per annum is aimed at, which, allowing for an estimated population increase of 1.5% would leave an increase in income per head of 2-2.5%. In the labour market, the creation of 140.000 new jobs is envisaged. The cost of this expansion in investment over the period has been estimated at Eth.$ 674 million (including Eth.$ 139 million for "non-monetary" agricultural own-account construction), which implies a capital output ratio of 2.4:1 by the end of the period.

Approximately 45% of investments (excluding investment in kind in agriculture) would be financed out of foreign loans, aid and reparation payments. Most of domestic savings will originate in the government sector (27% of total financing is budgetary savings). The rather small percentage of private monetary investments (about 25%, almost half of which would be foreign) gives an interesting indication of the scope of government intervention in the economic development process.

The pattern of public investments (see table), as it emerges from the plan, shows strong emphasis on transport and, in particular, on road-building. The Koka dam hydro-electric project, which is being financed from Italian reparations and has involved a considerable outlay, has been almost completed. Of the agricultural and industrialization programmes, both of utmost importance for the growth of the economy, the latter can be expected to have the more immediate effect in raising production.

Funds under the agricultural programme are mainly devoted to strengthening the Ministry of Agriculture and promoting its extension services as well as to support a number of research institutions. Within the past year, a marketing board for agricultural produce, the "Grain Corporation", was set up to regulate the collecting trade for agricultural produce — mainly grain, pulses and oilseeds — and by increasing and stabilizing prices paid to producers to give the rural population incentives to increased productivity. The potentialities for expansion of agricultural production are considerable. The country has large fertile areas of uncultivated land which, owing to their isolation, cannot possibly be brought under cultivation for the production of saleable surpluses. This feature of the country lends special importance to the road-building programme. Apart from the improvements to be introduced by research and extension, the Government proposes to encourage investments in agriculture, particularly by expanding agricultural credit, for which Eth.$10 million would be available under the plan.

The industrial programme aims in general at improved utilization of the country's raw materials, so as to meet the growing demands of the home market. About half of the investment in industry will be financed from public funds, so that the Government will have ample opportunity for guiding development in the desired directions. Private investment in industry is to be encouraged by increased facilities for the provision of industrial credit on favourable terms. Investments are also to be stimulated by the Government through joint ownership by State and private interests, or through the establishment of State enterprises where private initiative is not forthcoming. In the latter case, the enterprises may be subsequently taken over by private interests. Further encouragement will be given by tax concessions to industries considered of national importance.

Rather sizeable foreign loans have been obtained, in certain cases for the foreign currency portion of the investments. Difficulties have at times been encountered in finding profitable projects in which to use these loans, a signal proof of this being the accumulation of foreign reserves under the plan to the amount of two-thirds of the official foreign loans and foreign aid expected for the programme. The difficulty is that, apart from the smallness of markets for many products, some cost factors in the country are relatively high. The establishment of industry is therefore not profitable without special assistance unless at least one cost factor is particularly favourable. The attention given by the Government to road building and electricity generation should prove important in bringing costs down.

In connexion with its Mediterranean Development Project, FAO prepared one country study of *Morocco* and another of *Tunisia* in close co-operation with the Governments concerned. These studies contained projections of major economic aggregates over a period of ten years to provide a general framework for the comparatively detailed recommendations made for the FAO sectors. The results obtained have been taken into account in the further work on development programming carried out by the Moroccan and Tunisian Governments.

The FAO approach was very similar for both countries. As the need to increase employment is clamant, the starting points taken for the projections were the estimated increases of population and labour force. Projections of employment in 1970 for four broad sectors of the economy led, via estimates of value added per worker, to figures for total production in 1970. Production increases, according to these projections, will be 4-4½% per annum in Tunisia and 5% per annum in Morcoco. The growth is not quite so fast in Tunisia as in Morocco, since the creation of employment, and hence the application of more labour-intensive methods, was given higher priority in Tunisia, which somewhat slows down expansion.

The capital formation necessary for the projected production increase is calculated on a global basis by means of a capital output ratio of 3½:1 in the first five years and of 4:1 in the later part of the period for Tunisia, and of 4:1 and 5:1 respectively for Morocco. The difference between the capital output ratios used in the two countries is another reflection of the greater emphasis on employment-increasing and labour-intensive techniques in Tunisia. Savings are expected to increase from 12 to 17% of gross national product in Tunisia and from 14 to 18% in Morocco. The shortage of savings in relation to the investment programme explains the deficit on the balance of payments and the need for foreign loans and investments. Projections of exports and imports were undertaken in order to appraise this deficit and provide general guidance as to required changes in the structure of production.

The need in both countries for increased savings could be partly solved by increased government savings. In order to achieve saving ratios of the order of magnitude indicated above, it was felt that the Governments would have to increase their shares in total savings by appropriate measures of fiscal policy. In addition, measures would have to be taken to encourage private savings, to limit imports of luxury consumer goods, and to direct domestic private savings to productive investments.

Against the background of these overall projections FAO formulates detailed measures for reorganizing the agricultural sector and improving agricultural production. Even though couched in fairly general terms, the FAO plans yield quite a number of policy recommendations. However, if they are to play the role of a full-fledged comprehensive development programme, these plans must be amplified with far more details for specific sectors and projects, with due regard to exchanges and interaction between the sectors.

(iv) *Comprehensive plans*

Planning techniques are on the whole more advanced in the case of the countries of North Africa. Comprehensive plans have been or are being prepared and, although not all material has been published, certain major characteristics can be ascertained from indirect sources.

Each of the two countries just discussed entered the field of comprehensive programming. At this time of writing, *Tunisia* is preparing a ten-year plan. In the past this country had capital expenditure programmes of the type discussed in section (c) (i) with the emphasis on infrastructure investment. These programmes had a greater effect on the Government's recurrent expenditure than on production. At present directly productive and employment-creating investments are receiving high priority within the framework of a comprehensive plan.

In *Morocco* a five-year comprehensive development plan has been prepared for the years 1960-64. Work on this plan was started in 1957 on the basis of three general directives: to increase agricultural production, to develop industries and to ensure maximum employment. For the intervening years 1958 and 1959, a capital expenditure programme was drawn up anticipating the broad policy lines of the five-year plan.

The three main pillars of this programme were improvement of the organization of agricultural production and techniques, establishment of new industries and encouragement of investment based largely on an extension of government intervention and expansion of professional and technical training to meet the development expected in the different sectors of the economy. The emphasis in this programme was therefore on more directly productive investments (see table). Infrastructure investments were made particularly in those fields where they complemented and increased the efficiency of earlier heavy investments of the same type, for instance investments: in agriculture, in new irrigation areas, in tertiary roads connected with major links, or in electricity distribution networks connected with hydro-electric schemes.

Under the agricultural programme, the agricultural reorganization and mechanization scheme *(Operation Labour)* received top priority. The scheme, which was started in 1957-58 on an area of 160,000 hectares, was supposed to cover 1 million hectares in five years. It was combined with measures for extension and agricultural credit. Furthermore, funds were earmarked in the programme for soil conservation and afforestation, and considerable sums were to be spent on irrigation schemes.

Industrial development was to be stimulated by improvements to infrastrcture, reduction of energy and transport costs, a properly organized system of industrial credit, fiscal incentives such as exemption from duties on imports of industrial equipment, protection of local industries etc., and by direct government participation in industry, particularly in the basic industries. A Bureau for Study and Industrial Participation (BEPI) was established to act for the State in this field. Basic industries, such as iron and steel, the chemical industry, those processing local raw materials and those serving the domestic market were to be encouraged first.

The five-year plan continues largely along the lines laid down in 1957. As already stated, it is a comprehensive plan, adapted from a number of sectoral plans drawn up by special study groups and fitted into an overall frame-work. In the overall approach, unemployment and under-employment and the creation of jobs — the figure of 400,000 over a period of five years is mentioned — have been in the forefront. Directives other than improved utilization of the labour force have been better use of local resources and local capital, integration of the modern and the traditional economies by creating industries and introducing an agrarian reform, the formation of *cadres* and the expansion of education.

To achieve the target of 400,000 new jobs, production will have to increase at a rate of 5% per annum. This will require an annual investment of 1700 million dirhans. As capital formation in 1958 was around 920 million dirhans ,it appears that the Government intends to make an extraordinary effort. Though such a high level of capital formation is expected to have a significant effect on the balance of payments, a trade deficit caused by heavy imports of capital goods is felt to be permissible, particularly as it may be offset to some extent by increased income from tourist traffic.

In recent years, domestic savings have corresponded to between 12 to 14 per cent of gross national product, while — according to the projections made — gross capital formation may reach the high level of 25 to 30 per cent of gross national product during the planning period. A considerable increase in domestic saving would, therefore, appear to be necessary in order to keep the balance of payments deficit within the possibilities of foreign financing. If no capital import forthcoming the attainment of the targets of income and employment would require policies designed to reduce consumption in relation to national product and to promote capital—extensive production methods and techniques.

Higher duties on imports of luxury goods have been introduced to increase savings, while currency control has been established to prevent capital flight. Measures have also been taken to channel available savings into productive investments. In 1958 domestic savings exceeded capital formation by a comparatively small amount (1,100 million dirhans as against 920 million dirhans), but this discrepancy appears to have been significantly larger in 1959 as a result of the capital flight prior to the establishment of currency control in the middle of the year.

Another country with a comprehensive plan is the *UAR*. The Government of this country is of the opinion that planning should be a continuous activity underlying policy formulation. In the Southern Region it has extensive machinery for analyzing economic problems, for studying the mutual consistency and relative priority of envisaged projects and for following developments in the economy and progress made in the implementation of programmes. The latter reflects the need that development programmes cannot be rigid but must be adjustable to actual situations in order to enable the Government to follow at all times the course of action most appropriate to national objectives and prevailing circumstances.

The main possible lines of resource-development in the Southern Region of the UAR are: (1) better utilization of the Nile waters (a more stable flow could increase the area under cultivation by 30%), (2) better utilization of the land (raising agricultural productivity and yields per acre by improved agricultural techniques), and (3) better utilization of the labour force (creating more, and more productive employment).

Apart from the general objectives of increasing income and employment, the Government has as additional objectives an equitable distribution of income, and the transformation of agricultural labourers into land-owners. To the latter end, a far-reaching land reform has been proceeding since 1952. The extension of the area under cultivation, improved agricultural techniques, the encouragement of agricultural co-operatives to enable small-holders to enjoy the advantages of large-scale operation and mechanization, and the promotion of industry are considered the most important methods of fostering economic growth.

A comprehensive plan has been worked out with the aim of doubling the national income in ten years. This plan is divided into two stages of five years each. The first five year plan for the years 60/61-64/65 has been officially approved and was launched in July 1960. According to this plan, the national income should increase by about 40% in five years. This means an average increase of about 8% per annum, which is considerably higher than the rate of 4.7% achieved during the period 1952-57. Employment is expected to rise by 825, 000 new jobs, or about 13%. The total investment required for this expansion would be about Egyptian £1,700 million, (about 26% of national income) with a foreign currency component of about 30%. A detailed plan for the first year (1960-61) has also been drafted, and for the first time the budget has been prepared on the basis of the plan, being divided into an ordinary budget covering current expenditure and a "production" budget. The latter, which includes all new works and development projects, amounts to Egyptian £286 million for this year compared to average annual capital formation of Egyptian £340 million — an indication of the high percentage of capital formation which will originate in the government sector. The distribution of this sum over the different categories of public capital expenditure illustrates the priorities accorded by the government (see table).

Several alternative national budgets for the first and last years of the plan period have been drawn up in order to assess the effect on the plan estimates of various assumptions made, particularly regarding the consumption function export possibilities. garding the consumption function and export possibilities. The calculation of alternatives is undertaken to facilitate a choice between different policies.

The development plan contains an industry breakdown which establishes very detailed guiding lines for government industrialization policy. In determining production targets for the different branches of industry, the expected demand was calculated by industry and by commodity category, while needs of capital, labour and raw materials were computed with the help of 44-industry and 83-industry input-output tables. The planning authorities also made a study of the sources and uses of the major commodities and services. Priority was given to export-increasing, import-replacing and employment-increasing industries.

The relationship between the formulation and implementation of development plans on the one hand, and political problems and events, on the other, may be said to be especially significant in *Algeria*, which has been, and is still living through a political crisis. There is no doubt that any solution of the Algerian problem will have an impact on the economic development of the country in subsequent years. From this point of view, the importance to be attached to plans for Algeria may be said to depend upon political events. However, a description of the main technical and economic features of these plans may be of interest to government officials engaged in development planning, not only in North Africa but also in other parts of the continent.

A ten-year plan, "*Perspectives Décennales*", was published in March 1958 for the years 1957-66. This plan was subsequently revised and amplified to become the five-year "*Plan de Constantine*" (June 1960) relating to the period 1959-63.

The „*Perspectives*" are based on two major objectives: (1) reduction of the prevailing high level of unemployment and raising of the standard of living, and (2) exploitation of Algeria's natural resources. Non-agricultural activities will have to play a preponderant role in development, as the maximum feasible increase in rural production is estimated at 40% in 10 years and this would be largely outweighed by the high rate of population growth (21½% per annum). Expansion in the modern sector would benefit not only those transferring from agricultural to industrial employment, provided there was an appropriate social policy to assist them in such a fundamental change in their lives, but also those remaining on the land, who would enjoy a greater share in the increased agricultural product. Therefore the policy suggested is largely based on the need for industrialization, and especially on the establishment of manufacturing industries. It is expected that market demand for the products of these industries will be created and expanded in the initial stage by a housing programme, an advantage of which is its high content of domestic inputs, by investment in oil prospecting and development of the oil industry, and by the expansion of the industrial sector itself.

Projection of the economy over a ten-year period reflects targets of an increase of 5% per annum in per caput income and the creation of 875,000 new jobs by the end of the period. The a mount of capital formation deemed necessary for the proposed expansion is around 47,110 million NF, 23,930 million of which will have to be financed from public and semi-public funds. The expected deficit in the balance of payments — an indication of the disequilibrium between savings and investments — would be largely covered by borrowing from the French Treasury and by metropolitan Government spending in Algeria.

The "*Perspectives*" mention four extraneous factors of great importance to the actual process of growth, unexpected changes in which would upset the extrapolations made in the plan: (a) at the time of writing, actual petroleum resources were still uncertain, and additional strikes could prove a major factor in future development; (b) a decline in the rate of population growth would produce a greater increase in income "per head (c) substantial population shifts between rural and urban areas would represent highly important social and political factors that could have both stimulating and disturbing effects; (d) the rural population's attitude to development would be decisive for the success of development in the rural areas.

The methods used in the "*Perspectives*" are, briefly, as follows: possible production levels by branch of industry were determined from detailed studies of present prospects of future demand. The amount of capital formation required to achieve such levels was then worked out and compared with the amount of finance available. Next, the resulting increases in income and employment were computed. Detailed calculations were made for 210 branches grouped in 27 sectors, and for 350 product categories. Subsequently, inter-sectoral relations were determined by branch of industry or economic activity and by category of product. The inter-industry tables are constructed in such a way that they are easily consolidated into a simplified system of national accounts.

Technical criticisms of the "*Perspectives*"[11] relate partly to the inadequate attention paid to extraneous factors like population increase, partly to lack of sufficient detail in the treatment of certain problems, such as unemployment, and partly to the assumption of economic union with France, which could frustrate the efforts made at industrialization. A more fundamental objection, however, is that the plan is considered too Keynesian in its assumption that encouragement of investment will automaticallty increase income and employment, whereas in an under-developed country such relationships do not work smoothly and are obstructed by bottlenecks, the worst of which is caused by the lack of trained people. Present unemployment affects, not a trained industrial labour force, but an illiterate rural population.

The *Plan de Constantine*, published in June 1960, took the *Perspectives Décennales* several steps further by revising them in the light of changed conditions and by establish detailed sectoral programmes. The target rate of growth was increased from 5% to 6% per head per annum, other figures being changed accordingly, and the agricultural, rural and industrial programmes were stepped up. The percentage distribution of public capital expenditure according to the plan is shown in the table. In addition to the programmes for agriculture and industry which are discussed below, the Government intends to make heavy investments in transport and communications and electricity generation, while a fairly large percentage will be devoted to education.

For the development of agriculture, increases in production per acre and in working hours are envisaged in the first place, as extension of the area under cultivation has only very limited possibilities. Education, agricultural extension and better adaptation to market conditions are the lines of approach proposed.

The agricultural programme is built around newly formed rural communities which, by community action and with assistance from the Government, work together to improve rural conditions through, for example, mechanization and co-operatives. The programme includes a land reform designed to put land at the disposal of small farmers to the extent of a total of 250,000 hectares in five years, the annual rate rising to 100,000 hectares in the final year of the period. Farmers benefiting from this scheme should be able to double their incomes. This land reform began in 1956; but it was then thought too insignficant to have any noteworthy effect.[12] Meanwhile the area concerned has been extended and, in addition, the reform has been amplified to include measures to regulate land property rights. Agricultural resarch and extension, soil conservation and re-afforestation, though more traditional, are equally important aspects of the programm. Aggregate agricultural income is expected to increase by 27% and employment (number of man hours) by 23% over the period 1959-63. It is estimated that gross agricultural product could ultimately be tripled and, hence, on the assumption of constant numbers engaged, agricultural income per head also.

Despite the large sums of money and great attention devoted to agricultural development and the transformation of the rural masses, the growth of industry is considered vital to the development process, as industry will have to offer a livelihood to surplus rural population. The industrial development scheme in the *Plan de Constantine* is similar in pattern, broad lines and techniques to the "*Perspectives*". Any major differences are due to the clearer picture obtained of potential oil and gas production; with the prospect of lower fuel costs and of supplies of primary materials, the establishment of heavy industries becomes more justified economically. Lower fuel costs will also affect many of the lighter industries. During the plan period, industrial production and employment (excluding petroleum and energy) will almost double, reaching 302 million NF and 243,000 employed respectively, at an estimated cost in investment of 3,200 million

[11] R. Gendarme "*L'Economie de l'Algérie*", *Pa!is* 1959, p. 219.

[12] Gendarme, *op. cit.*, p. 278.

NF, or some US. $5,400 per employee. As in the „*Perspectives*", detailed calculations are made starting from the expected demand by branch of industry and commodity category.

The industrial policy measures proposed to guide the expansion along the projected course bear on two aspects: (1) improvement of the economic conditions which have proved to inhibit the establishment and growth of industries and (2) financial assistance from the government to new enterprises as compensation for structural disadvantages, including those resulting from the fact that tariff protection had to be ruled out in view of the present economic union with France.

As the Algerian economy is an open economy, in the sense that French (and eventually EEC) imports enter freely, strong counter-balancing measures were considered necessary to assist Algerian industries against French and European competition. To that end, a system of subsidies and tax exemptions has been devised to compensate new industries for non-competitive production cost arising out of unfavourable establishment conditions.

New features of this system are two subsidies, one of up to 40% of the amount invested in fixed capital, the other of up to 35% of the wages paid for productive labour over a period of five years. The subsidy rates are varied according to the branch and site of the industry, in order to encourage decentralization and to adapt support to the degree of backwardness of the industry.

The measures described have been chosen as an alternative not only to tariff protection but also to government participation in industry and the establishment of public enterprises on a general scale. It is also interesting to note that combined subsidies are granted for investments and provision of employment. If only investments were subsidized, the subsidies would tend to make the capital/labour ratio more capital-intensive, whereas the easing of unemployment is one of the main aims of economic policy. If, on the other hand, a subsidy based on the wage-bill alone were granted this would tend to introduce labour-intensive methods, which are sometimes less efficient, and which might, in the long run, prove either to be non-competitive or to keep real wages at a lower level than necessary, thus slowing down the expansion process.

As mentioned above, the percentages of the proposed subsidies are maximum ones. Their actual level would be determined from case to case, with an eye to the special character of the industry and to the special circumstances under which the enterprise works. A careful scrutiny of each case would clearly be necessary in connection with the problem raised in the previous paragraph.

d) General Observation

From the foregoing pages it will be seen that most countries in Africa have made a special effort, in keeping with the resources at their disposal, to increase their rate of development. Each began by doing what seemed *prima facie* most important, and certain basic facilities have been provided by governments. Now a stage has been reached where it becomes more and more difficult to say off-hand in what direction an economy should be guided to achieve its fastest rate of growth, and it becomes harder to foresee where bottlenecks may develop.[13] Many governments in Africa are therefore moving towards the acceptance of a more comprehensive conception of planning and economic policy, which they are now beginning to put into effect. As the component parts of national economies become more integrated and knowledge of the workings of the economic mechanism accumulates, governments will be able to play an increasingly active role in the advancement of the well-being of their peoples.

The growing awareness of the need for more comprehensive planning is due to the problems that arose for governments out of the shift in emphasis in their development programmes in recent years towards more directly productive capital expenditure. This shift has occurred mainly at the expense of economic infrastructure investments (transport: see table, e.g. Ivory Coast, and Togo 1949/54-1954/59). But capital expenditure on social infrastructure, especially education, is on the whole increasing; under almost all the plans referred to above, education and technical and vocational training are essential elements of the programme in view of the fundamental role played by education in economic development.

It has become a *cliché* to say that material improvement is but a means to an end and that human development is the ultimate aim. However, as most governments acknowledge, development is only possible with the active co-operation of the population. This, in turn, presupposes their desire for change and their confidence that the results of change will benefit them; but such understanding is again inhibited by poverty and suspicion and a general lack of awareness. A transformation of man himself will initiate and ensure the permanency of the advance. To describe economic development as a "human" problem may be somewhat too general; but it is probably the most fundamental way of stating the problem.

[13] It has been argued that mistakes are more costly, and the need for careful planning greater in the early stages of economic development than later on when available resources are less limited (see: E/CN.14/42/Add 1, p. 11). In the present context however, the point is made that the realization of the difficulty of choice seems to have depended upon the level of development reached.

7

Appendix

List of Documents

Algeria	*Ministère de l'Algérie, Perspectives décennales de développement économique de l'Algérie*, Algiers, 1958.
	Délégation générale du gouvernement en Algérie, Plan de Constantine 1959-1963, *Projet de rapport général, IIème partie, faciclule I-III*, 1960.
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Ethiopia..	Five Year Development Plan 1957-61, Addis Ababa (no date)
F.A.O.	Mediterranean Development Project, Rome, 1959.
Federation of Nigeria	The Economic Programme of the Government of the Federation of Nigeria 1955-60, Lagos, 1958. Second Progress Report on the Economic Programme 1955-60, Lagos, 1965. Third Progress Report on the Economic Programme 1955-60, Lagos, 1959.
Federation of Rhodesia and Nyasaland.	Development Plan 1957-1961, Salisbury, 1957. Development Plan 1959-1963, Salisbury, 1959.
Ghana	Second Development Plan 1959-64, Accra, 1959.
Ivory Coast	*Ministère du Plan. 3° Plan quadriennal de développement economiques et social* 1958-1962, Abidjan, 1958. *Ministère de l'Agriculture et de la Co-opération, Programme agricole* 1960, *Abidjan.*
Kenya	Sessional Paper No. 57 of 1955: The Development Programme 1954-1957, Nairobi, 1955. Sessional Paper No. 77 of 1956/57: The Development Programme 1957/60, Nairobi, 1957.
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Mali	*Détermination de principes généraux et des modalités d'application pour l'élaboration d'un plan de développement au Soudan*, 1959.
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Southern Rhodesia..	Development Plan 1957-1961, Salisbury, 1957.
Sudan	Economic Survey 1959, Khartoum 1950. Development & Budget Estimates, 1959/60 Development Budget, 1959. Development & Budget Estimates, 1960/61, Development Budget, 1960. Bank of Sudan. Economic and Financial Bulletin April-June 1960, p.14.
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Uganda...	A Five-Year Capital Development Plan 1955-1960, Entebbe, 1954. Sessional Paper No. 13 of 1956/57: A Five-Year Capital Development Plan 1955-1960, The first revision.
United Arab Republic	The Yearbook 1959. The Budget Report 1959-1960, Cairo, 1959. The Middle East Economist, Aug. 1960. The Economist Intelligence Unit Ltd., No. 30, July 1960.
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Chapter B/III

ECONOMIC DEVELOPMENTS IN THE REPUBLIC OF THE CONGO (LEOPOLDVILLE) 1957-1960

This article reproduces, in a slightly modified form, a paper written by a United Nations economist during his assignment to the United Nations Office of Civilian Operations in the Congo. The original paper was mainly intended for the use of United Nations experts advising the Congolese Government on general problems of economic and financial policy.

Section a) of the present article reviews general economic developments of the Congo in the years 1957 to 1959 and presents a brief account of economic trends during the first half of 1960. Its main purpose is to provide a general factual background to the analysis presented in section b) of economic developments since independence. This analysis is based on information available at the end of September 1960.

a) Economic Conditions Prior to Independence

(i) *Economic Developments during 1957-1959.*

The rapid pace of growth of production experienced between 1950 and 1956, which had been at an average rate of about 7 per cent per annum, slowed in 1957 to 4 per cent. This was followed by a fall in the volume of G.N.P.[1] by about 1.5 per cent in 1958 and a moderate recovery in 1959. Mineral production was maintained in 1957, declined in 1958, and rose in 1959, largely in response to fluctuations in world demand for copper. Industrial production continued to rise in 1957, but fell in 1958 and levelled off in 1959.

Developments in employment were more severe than in production, as a result of mechanization in the various sectors of the economy. The total employment of Congolese, which had increased by about 25 per cent between 1950 and 1956, declined by 8 per cent between 1956 and 1958, the decline being as much as 18 per cent in mining and 24 per cent in manufacturing. Employment fell by a further 13 per cent in 1959: this fall was particularly pronounced in the agricultural and construction sectors.

Although comprehensive data are not available on unemployment, there are indications that the number of unemployed in the urban centres rose substantially in 1958 and remained almost unchanged in 1959. The number of officially registered unemployed in the eight major cities, which gives only a general indication of developments in unemployment conditions, rose from 16,000 at the end of 1957 to over 36,000 at the end of 1958, and remained at about 33,000 at the end of 1959.

The above developments in production during the years 1957-1959 appear to have been largely determined by the behaviour of demand, especially by export and investment demand, (see Table B. III. 1). Indications are that ample productive capacity — labour and equipment — was available during those three years to have permitted a higher level of production, especially in mining, manufacturing and construction sectors. It would be convenient to analyse the demand conditions in 1957 and 1958 jointly and then to proceed to the examination of the economic conditions in 1959.

Slackening of Demand in 1957 and 1958.

Export demand, having expanded in 1955-1956, declined in 1957 and 1958, largely as a result of economic recession in North America and of stagnation of production in Western Europe in the latter part of 1957 and the first half of 1958. It can be seen from Table B. III. 2 that the pronounced deterioration in foreign balance in 1957 was brought about almost wholly by a worsening of about 23 per cent in the terms of trade resulting from a fall of about 18 per cent in export prices and a rise of 5 per cent in the average prices of imports. During 1958 the volume of exports was again maintained but export prices declined further. As regards imports the reverse was the case — prices remained unchanged while the volume of imports declined substantially. The latter reflected the slackening in domestic demand mentioned earlier, in particular the fall in

[1] Abbreviation of the term "Gross National Product."

private fixed investment and probably some inventory liquidation. The fall in the value of imports and in shipping freight and insurance more than offset the decline in export value and resulted in an improvement in the foreign balance on goods and services.

Though the decline in export demand was reflected almost exclusively in prices and income rather than in production it nevertheless had a pronounced adverse effect on the GNP, because the resulting deterioration in business climate was accompanied by a slackening in private fixed investment activity, which became particularly pronounced in 1958. It can be seen from Table B. III. 1 that the value of private fixed investment declined mildly in 1957 and more steeply in 1958. The decline was very severe and most significant in the mining sector which had completed certain long-term investment plans in 1956 and had borne a severe contraction of profits in 1957 and 1958. The value of public fixed investment — state and para-state combined — remained almost constant in the two years. Measured at constant 1950 prices the total volume of gross fixed investment fell by 5 per cent in 1957 and by over 15 per cent in 1958.

Inventory behaviour in 1957 and 1958 had also some influence on the course of production in those two years. The unusually high rate of inventory accumulation in 1957, which must have been to some extent involuntary in character, helped to sustain the level of activity in that year. This is particularly true of the mining sector. On the other hand, a liquidation of stocks in this sector, together with a levelling off in the rate of inventory accumulation in manufacturing industry, had an adverse effect on production in 1958. The fall in stocks in the latter year was most pronounced in the commercial sector. A large part of stocks in this sector, however, probaly represented imported goods, which would not influence domestic demand and production.

Public expenditure on goods and services continued to rise in both 1957 and 1958 and helped in sustaining the level of the aggregate demand and production. Personal consumption also rose in both years, though at a much slower rate than in 1956 reflecting the slackening in non consumption components of demand mentioned above. The fall in non-African consumption in 1958 was associated with a substantial rise in the share of disposable income devoted to savings, and was probably largely caused by a decline in expenditure on durables as indicated by the import of these goods.

Table B.III.1

The Congo. — Gross National Product and its Major Expenditure Components 1956 - 1959

(in bil. francs, at current prices)

	1956	*1957*	*1958*	*1959*[a]
Private Consumption	37.2	38.3	38.6	+
African	25.4	25.9	26.5	
Non-African	11.8	12.4	12.1	
Public Consumption	8.4	9.0	10.8	+
Gross Fixed Investment	16.3	16.4	14.3	—
Private	9.5	9.2	7.3	
State	4.9	5.8	5.2	
Para-State	1.9	1.4	1.8	
Inventory Changes	2.1	2.5	— 1.1	[b]
Export Balance on Goods and Services	— 2.8	— 6.0	— 3.0	+
Gross National Product	61.2	60.2	59.6	+
Index of GNP, at constant 1950 prices; 1950 = 100	151.0	157.4	155.3	[c]

Source: *The Central Bank reports.*

Note: Throughout this article the "Banque Centrale du Congo Belge et du Ruanda-Urundi" has been referred to as simply the "Central Bank".

[a] Plus sign (+) indicates a rise, and minus sign (—) a decline.

[b] No information is available.

[c] The rise in the volume, as distinct from the value, of the GNP, if any, was probably of a small ord-- of about 2 per cent.

Table B.III.2

Foreign Trade of the Congo and Ruanda-Urundi, 1956 - 1959

Commodity Trade	1956	1957	1958	1959
Value in billion francs[a]				
Exports	27.5	24.3	20.9	25.0
Imports	−20.7	−21.9	−18.0	−15.3
Balance	6.8	2.4	2.9	9.6
Index of Volume, 1953 = 100				
Exports	120	121	122	139
Imports	117	118	96	86
Balance of Payments on Goods and services in bil. francs[b]	− 2.9	− 6.5	− 4.2	− 0.3
Index of Prices, 1953 = 100				
Export Unit Value	115	94	88	93
Import Unit Value	98	103	102	99
Terms of Trade	118	92	86	94

Source: *The Central Bank reports.*

[a] Customs statistics.

[b] This series, though related to, is not identical with the series in Table B.III.1. Excludes donations and migrants' transfers.

Economic Development in 1959

Although no comprehensive national accounts data are as yet published for 1959, it is possible to trace the major lines of economic developments in that year on the basis of the available information. Generally, it would appear that, despite political disturbances early in 1959, economic activity revived moderately in the course of that year.

On the production side, industrial activity — 10 per cent of the G.N.P.[2] — was maintained at the level of 1958, a fall in production of chemical and construction materials being largely offset by the growth of production in food and textile industries (see Table B.III.3). There was, at the same time, a substantial recovery in copper production, and the total mineral production — about 20 per cent of the G.N.P. — was about 10 per cent higher in 1959 than in the preceding year. African agricultural production, which accounts for about 20 per cent of the G.N.P., remained unchanged, but European production — 6 per cent of the G.N.P. — rose by about 12 per cent.

No reliable information is available for production in the rest of the economy, which accounts for slightly less than half of the G.N.P. One may, however, reasonably assume that a budgeted rise in the salary and wage bill of public employees was sufficient to offset, partly at least, the indicated decline in certain other branches of activity, in particular in construction work.[3]

[2] All percentage weights mentioned in this and the following paragraph refer to the year 1958.

[3] This is of course more relevant to the measurement of the GNP at current rather than constant prices.

On the basis of the above information one may reasonably assume that there was probably a moderate rise of the order of about 2 per cent in the volume of the total product in 1959. The increase in the G.N.P. measured at current prices would, of course, be greater, owing to a general rise in the prices of goods and services, especially in the prices of export goods mentioned below. The real value of the national income must also have increased considerably more than the volume of the G.N.P. on account of a pronounced improvement in the terms of trade, which must have had a particularly favourable influence on profits.

On the demand side the most expansive factors were the rise in export demand and public consumption, especially the former. The expansive power of these two components of demand must have outweighed the contractive influence of a continued decline in fixed investment activity, thereby bringing about a moderate revival in economic activity.

It can be seen from Table B.III.2 above that as a result of an increase of about 14 per cent in the volume and 6 per cent in the average price of exports, the value of exports rose by about 20 per cent above the level of 1958. The rise in the volume and prices of exports was largely in response to the revival of economic activity in the industrial countries of Western Europe and North America. A higher production of agricultural crops and, in the case of copper, strikes and threats of strikes in other copper-producing countries, also contributed to the rise in exports.

At the same time there was a moderate fall in the average price of imports — about 4 per cent —

and a more substantial decline — 10 per cent — in their volume. The fall in the volume of imports resulted almost wholly from a steep decline — 23 per cent — in the import of capital equipment due to a continued fall in fixed investment activity discussed below. The import of consumer goods and raw materials was broadly maintained at the level of 1958. The above developments in exports and imports resulted in a substantial improvement in the external balance of the country.

The primary contractive factor in the economy during 1959 was a continued rapid fall in fixed investment activity, both in private and public sectors. In estimating the economic significance of this factor it should, however, be noted that the impact of a given fall in fixed investment on the economic activity is considerably more moderate than an equal fall in the other major components of demand. This is because of a relatively high ratio of import content in the expenditure on fixed investment. During the year 1958, for example, the *cif* value of the imports of capital goods amounted to about 45 per cent of total fixed investment expenditure. The comparable figure for the European consumption was about 20 per cent and for the African consumption slightly above 12 per cent. In the case of public consumption, likewise, the direct import content should be relatively low, since the government wage and salary bill alone in 1958 accounted for about 75 per cent of total public expenditure on goods and services.

Table B.III.3

The Congo. — Industrial Production in 1959, Total and Major Sectors

(per cent change, compared with 1958)

Food	+ 11
Textile	+ 18
Chemicals	− 11
Construction Materials	− 14
Other industries	− 10
Total	− 1

Source: *The Blue Book* (1959).

NOTE: Throughout this article, the publication "La Situation Economique du Congo Belge et du Ruanda-Urundi" is referred to as the "Blue Book".

The dominant factor responsible for the steep decline in fixed investment during 1959 was the unsettled political conditions which followed the disturbances early in the year. The revival in export demand should, in normal conditions, have resulted in a levelling off, if not in an actual expansion of fixed investment activity, especially in the business sector. As it was, all major sectors of investment — private and public — appear to have suffered a set-back in that year.

Judging on the basis of imports of equipment goods business expenditure on plant and equipment declined as steeply in 1959 as in the preceding year. The volume of these imports fell by over 20 per cent in each of the two years. Indications are that the other important section of private fixed investment, namely, private residential and commercial construction, also suffered a severe set-back in 1959. This is confirmed by all the three indicators of construction activity shown in the following table:

Per cent change, compared with preceding year

	1958	1959
Employment in Construction Industry	−11	−17
Production of Construction Materials	−28	−14
Value of personal Build. Authorisations	−40	−40

Source: *The Central Bank Report* (1959) and the *Blue Book* (1959).

Total public expenditure on fixed investment — state and para-state combined — which had fallen only moderately in 1958, appears to have suffered a more severe decline in 1959. Expenditure under the ten year plan[4] declined substantially during 1959. All major types of expenditure, under the plan, with the exception of agriculture and health services, were curtailed. Particularly severe was the fall in government expenditure on transport and construction and in expenditure by para-state organisations under the plan.

Wages and Prices

Wages paid to the Congolese rose steadily throughout the years 1957-1959. As shown in Table B.III.4 this is true of both the minimum wage rates and the actual wage paid per worker. The trend of increase in the latter does not appear to have been slowed down by the recession of 1958.

Despite the fluctuation in export and import prices mentioned above, the cost of living index remained remarkably stable during the three years under consideration. The price of construction materials, which rose in 1957, actually declined moderately in the following two years in response to the slackening in activity of the building and construction industry mentioned above. (see Table B.III.4).

Public Finance and Supply of Money

The economic developments in the years 1957-1959 were accompanied by a mild rise in deficit on public account in 1957 and a much more pronounced one in 1958. Indications are that in 1959 the size of the deficit remained unchanged at the level of the preceding year. It can be seen from Table B.III.5 (section A), that the moderate increase in deficit in

[4] Fixed investment component of this expenditure in 1958 accounted for over 50 per cent of total public fixed investment, state and para-state combined.

1957 was the result of a relatively faster increase in public expenditure than revenue. During 1958 the public expenditure continued to rise, while revenue suffered a serious decline; as a result the size of the deficit was more than doubled. The primary reasons for the fall in the public revenue in 1958 appear to have been: (a) a decline in the corporate taxes, based on the relatively low profits earned in the preceding year, and (b) a fall in the customs duties due to the decrease in the value of foreign trade.[5]

Although final data are not available for 1959, it is possible on the basis of the available information to estimate the order of magnitude of deficit for that year. It can be seen from section (B) of Table B.III.5 that the budget deficit on the ordinary and other accounts was of the same order of magnitude in 1959 as in 1958. Some confirmation of this view can also be obtained from the rough estimates of the net increase in the treasury liability in the two years shown in section (C) of the Table.

The economic developments described above were reflected in a steady decline in the supply of money in the years 1957 to 1959. (see Table B.III.6). In this connection it might be noted that, whereas the fall in the stock of money in 1957 and 1958 can be largely attributed to the deterioration in the foreign balance on the current account, this was not the case in 1959. During that year the balance of payments on the current account — excluding donations and transfers — showed hardly any deficit. It was a flight of capital, due to the political disturbances early in the year, that was largely responsible for a significant reduction in the stock of money and a substantial loss in the foreign exchange discussed below.

[5] For the same reason, indirect taxes had declined also in 1957, but this was more than offset by a rise in corporate tax collections, based on the profits of the year 1956.

(ii) *Economic Developments in the first half of 1960*

Owing to a lack of adequate statistical information for 1960, the following brief analysis should be considered solely as a rough and preliminary account of the broad lines of economic developments in that year. It is by necessity based, partly, on a small number of known economic facts and indicators and, partly, on certain hypotheses which appear reasonable in the light of what is known about the general economic atmosphere of the country. Such gaps and inaccuracies as may be discovered in this analysis at a later date are not, however, likely to affect materially the general conclusions reached.

Table B.III.4

The Congo — Wages and Prices, 1957-1959

(Per cent change compared with preceding period)

	1957	1958	1959
Wages (Congolese):			
Minimum Wage Rates[a]	+ 13	—	+ 11
Total wage cost per worker	+ 8 (Dec.)	+ 10 (Dec.)	+ 3 (June)
Prices:			
Cost of living index[b]	—	—	+ 2
Index of Construction materials	+ 4	— 3	— 1

Source: ILO - *Rapport sur les Salaires dans la République du Congo* (1960), the *Blue Book* (1959) and the *Central Bank Report* (1959).

Note: Sign (—) used by itself signifies no change or a change of less than 0.5 per cent compared with preceding period.

[a] For Léopoldville and its suburbs, end of each year indicated compared with the corresponding date of preceding year. Other localities show, more or less, parallel changes.

[b] Last quarter of each year indicated compared with the corresponding quarter of the preceding year.

Table B.III.5

The Congo. — Indicators of Public Receipts and Expenditure.
1956 - 1959

(in bil. francs)

	1956	1957	1958	1959
A) Public Revenue & Expenditure[a]				
Current Expenditure	− 10.0	− 11.0	− 13.0	
Fixed Investment	− 4.9	− 5.8	− 5.2	
Total Expenditure	− 14.9	− 16.8	− 18.2	
Public Revenue	12.5	14.1	12.2	
Total Deficit	− 2.4	− 2.7	− 6.0	
B) Budget				
Ordinary Budget: (Results of the Operations of the first twelve months)				
Receipts			9.2	9.9
Payments[b]			− 10.9	− 12.3
Balance			− 1.7	− 2.4
Investment & Other Expend. Outside Ordinary Budget[c]			− 4.3	− 3.2
Total Balance			− 6.0	− 5.6
C) Changes in Treasury Liquid Assets and in Public Debt. — rough estimates[d]				
Decrease in Treasury Balance (Decrease +)			− 2.2	6.9
Increase in Public Debt (Increase +)[e]			10.3	1.0
Total			8.1	7.9

Source: *Annual and Monthly Reports of the Central Bank.*

[a] National Accounts Series.

[b] Excludes amortisation of public debt.

[c] Includes general government expenditure under the 10 year plan and all expenditure in the extraordinary budget other than portfolio investment.

[d] End of the year indicated compared with the corresponding date of the preceding year.

[e] Less portfolio investment.

The present information would indicate that economic activity in the first half of 1960 was at a somewhat lower level than that attained in the course of 1959. This conclusion is based largely on the incomplete information available on the export and fixed investment demands.

The rapid expansion in the volume and value of exports, which provided a major stimulus to economic activity in 1959, came to an end early in 1960. In the first half of 1960, production and export of mineral products was generally maintained at the average level attained in 1959. There are at the same time indications that fixed investment demand, which had steadily declined in the years 1957-59, slackened further in the first half of 1960. The volume of import of capital goods — used as an indicator of business investment — appears to have remained almost unchanged at the low level reached towards the end of 1959. Provisional budget figures also indicate a decline in public investment activity. Moreover, there are some indications of a further fall in building and construction activities.

No reliable information is available on current government expenditure on goods and services. It is, however, unlikely that any rise in this component of demand could have wholly offset the unfavourable impact on economic activity of the slackening in export and fixed investment demands mentioned above. Nor is it likely that production could have received impetus from personal consumption and from inventory accumulation in the unsettled political atmosphere prevailing during this period.

Table B.III.6

The Congo and Ruanda Urundi. — Net Stock of Money and Changes Therein, 1957-59

(in bil. of francs)

	1956	1957	1958	1959
Stock of Money[a]				
Money in circulation	5.5	5.9	5.7	6.3
Deposits with banks, post-office and other savings accounts	16.9	13.9	12.7	9.5
Total:	22.4	19.8	18.4	15.8
Per cent changes compared with preceding date.[b]		— 12	— 7	— 14

Source: *Monthly Reports of the Central Bank.*

[a] At the end of the year stated.

[b] The end of the year stated compared with the end of the preceding year.

b) Economic Developments since the Independence

(i) *Heritage of the New Republic.*

The new republic inherited many assets and quite a number of liabilities from the colonial administration, apart from the rich natural resources of the country for which only Nature can claim credit. It is not proposed to enumerate here all the major assets and liabilities inherited by the independent state, still less to discuss them. Mention should, however, be made of the highly developed mineral industry and some sectors of agriculture and manufacturing, of substantial investment in the infrastructure, primarily in transport, power and water, and of housing construction. On the liability side one should at least make a note of: a lack of educated and trained Congolese personnel; an administration directed by non-Congolese and to a large extent from Brussels, an export orientated economy managed and controlled by a small number of foreign financial and business interests[6], and of tribal and provincial conflicts and rivalries coupled with a security force officered almost exclusively by the Europeans.

These, and no doubt a number of other complicated economic and social subjects which fall outside the scope of this paper, have a paramount importance in any consideration of the future of the country as a free and independent African state with a balanced and growing economy. Very thorough and detailed studies have to be conducted in every one of these fields. This article, however, is primarily concerned with the economic developments of the Congo since its independence, and with the short-term economic problems encountered at the present time.

It has been shown that the recovery from the impact of the 1957/58 recession in the industrial group of countries was seriously hampered in the Congo by unsettled political conditions accompanied by a decline in investment. Business expenditure on plant and equipment and other private construction activities were drastically cut down. The Government did not step up its investment activities to make up for this deficiency of demand in the private sector, but followed the latter in reducing the volume of investment in the public sector. This explains largely why, despite a considerable improvement in the world markets for the major exports of the country, the recovery from the 1958 recession was in 1959 of a very moderate proportion. On the basis of this fact and the rough analysis of economic developments in the early months of 1960 given above, it would be reasonable to conclude that on the eve of the independence the volume of economic activity in the country was barely above the level attained three years earlier in 1957. In view of a rapid rate of growth in population and in labour force, this could not but result in a substantial rise in unemployment.

The economic developments described in Section (a) of this paper had even a more dramatic and serious impact on the country's foreign exchange reserves and on the liquid assets of the business community and the treasury, the subjects which attract most attention in the present national and international discussions on the current economic conditions and on the foreign aid requirements of the country. It can be seen from Table B.III.7 that during the first two years covered by this survey — 1957 and 1958 — the country lost almost 8 bil. francs (over $ 150 mil.) in gold and foreign exchange reserves. This happened despite a net borrowing of 5.6 bil. francs (over $ 110 mil.) in foreign currency abroad by the Government. As mentioned earlier the loss of exchange during these two years was caused largely by deficits incurred on the current account.

[6] During 1958, over 80 per cent of the private commercialized sector of the economy was controlled by non-Africans.

During 1959 the country lost a further sum of about 7 bil. francs ($ 140 mil.) in gold and foreign exchange reserves, despite a further net borrowing of over $ 40 mil. by the Government and a gift of $ 10 mil. from the Belgian Government. Unlike the deficits of 1957 and 1958, the total deficit of slightly under $ 200 mil. in 1959 was largely a result of capital flight from the country. Transfers and donations by expatriates rose to 3.5 bil. francs from their normal level of 1.4 mil. francs in the preceding two years. There was also an outflow of long-term private capital of 4.5 bil. francs as compared with very moderate changes in this item in 1957 and 1958.

No comprehensive information is available on the movements of gold and foreign exchange reserves in 1960, although it is known that these reserves declined substantially, partly as a result of further capital transfers. Between 1 July and the middle of August alone, the value of the Central Bank foreign exchange reserves fell by about $ 40 mil.

In considering the present low level of the country's foreign exchange reserves — estimated at about $ 35 mil. for the Congo and Ruanda Urundi as on 15 August 1960 — it is essential to bear in mind the heavy losses of the foreign exchange incurred in the three and half years immediately preceding the independence. It is particularly important to take into account the large-scale flight of capital that has taken place since the political disturbances of early 1959. On the basis of the above data the extent of this loss can reasonably be estimated at over $ 200 mil. It can, in a sense, be said that the foreign exchange acquired by the large-scale government borrowings abroad in 1958 and 1959 - $ 150 mil. - together with the gift of the Belgian Government of $ 10 mil. in 1959, were wholly utilised to finance these capital transfers from the Congo in 1959 and 1960.

The knowledge of these facts is important, of course, from the point of view of understanding the real causes of the present plight of the country as regards its foreign exchange position. The practical significance of this analysis, however, is to be found in bringing forth the following points which are of great importance from the point of view of the current and future economic policy.

(1) It provides a rough estimate — over $ 150 mil.[7] — of the size of capital, part of which might be repatriated into the country if business confidence were restored and suitable exchange measures were adopted to encourage this process.

(2) Equally important, it serves as a warning against the danger of the future foreign aid and loans — national or international — being used for the purpose of further capital transfers abroad, instead of serving the real economic needs of the country. In the absence of an effective system of exchange control and of foreign trade regulations this could easily happen again, as it did in 1959 and 1960, and as it has happened in some other under-developed countries in receipt of foreign capital.

[7] This is based on the above estimates of capital flight in 1959 and 1960, excluding abnormal transfers of about $ 40 mil. by individual migrants or expatriates.

Table B.III.7

The Congo and Ruanda-Urundi. — Balance of Payments and Foreign Exchange[a] Reserves, 1957 - 1959.

(in bil. francs)

	1957	1958	1959
Goods and Services	− 6.5	− 4.2	− 0.3
Migrants' Transfers	− 1.4	− 1.4	− 3.5
Grant of Belgian Government	—	—	0.5
Current Account	− 7.9	− 5.6	− 3.3
Long-term capital:			
Private[b]	0.3	− 0.2	− 4.5
Public	0.1	5.5	2.1
Total Balance, on Current and Capital Accounts	− 7.5	− 0.3	− 5.6[c]
Financing of Deficit:			
Change in Foreign Exchange Reserves	− 7.3	− 0.4	− 6.9
Change in Private foreign assets	− 0.2	0.1	1.2
Total:	− 7.5	− 0.3	− 5.6[c]

Survey: *The Central Bank reports.*

[a] Including gold.

[b] "Errors and omissions" have been added to this item. They were of a relatively insignificant magnitude during 1957 - 1959.

[c] Owing to rounding up of the figures the sum of the components do not add up to the totals.

The events which led to the enormous loss of the foreign exchange were also reflected in a substantial decline in the liquidity of the economy. It was pointed out earlier in Section (a) that the total supply of money declined steadily in the years 1957 to 1959 (see Table B.III.6 above). This fact should be borne in mind in considering the present shortage of credit and lack of liquidity inside the country. Many of the firms which today find themselves short of cash within the country are probably excessively liquid in terms of their possession of the foreign currencies and securities. A direct and fair way of meeting, at least in part, the present acute shortage of credit, would be to persuade such firms to repatriate some of the capital exported by them in the year 1959 and in the first 8 months of 1960. The restoration of political and economic security would, of course, help considerably in this respect. There are, however, also a number of other economic tools of persuasion which the Government could utilise for the purpose, should it desire to do so.

The economic developments of the period immediately preceding the independence have a direct bearing also on the present position of the treasury, another favourite topic of discussion in the national and international circles. It is said that the treasury is "bankrupt", which is indeed true in a restricted sense of the word. It is, however, important at the same time to bear in mind that the treasury had lost most of its liquid assets and was on the very brink of bankruptcy prior to the independence of the country.

A brief glance at Table B.III.8 clearly confirms this fact. It can be seen that the liquid assets of the treasury, which had declined by about 2.5 bil. francs in the years 1957 and 1958, fell by almost 7 bil. francs in 1959. As a result the value of these assets, which had stood at over 10 bil. francs at the end of 1956, amounted only to slightly over half a billion at the end of 1959. During the same period the balance on the treasury current account with the Central Bank had fallen from slightly over 5 bil. to about 10 mil. francs. The net position of the treasury with the Central Bank had suffered even a more serious deterioration. It had changed from one of a creditor of over 5 bil. francs at the end of 1956 to that of a debtor of over 2 bil. francs on 30 June 1960.

Table B.III.8

The Congo. — Treasury Position, 1956 - 1960.

(in bil. francs)

	31.12.56	31.12.58	31.12.59	30.6.60
Liquid Assets:				
Sight Deposits	6.44	3.20	0.28	
Short-term funds	3.65	4.33	0.38	
Other funds	0.03	0.03	0.02	
Total	10.11	7.55	0.68	
Of which, Balance on Current Account with the Central Bank	5.34	2.41	0.01	0.02
Net position of Treasury with Central Bank.[a]	5.34	2.15	— 1.40	— 2.13

Source: *Monthly bulletins of the Central Bank.*

[a] Current account with the Central Bank less the Congolese Government bonds held by the Central Bank.

The foregoing analysis has clearly demonstrated that the accession of the Republic of the Congo to independence on 1 July 1960 did not take place on the crest of a wave of economic expansion and prosperity. On the contrary, for some time prior to the independence, the economy of the country, though potentially healthy and vigorous - and it remains so to this day - had been operating in a very uncertain manner and well below its productive capacity. A high level of unemployment, a nervous business community, an abnormally low level of the foreign exchange reserves and an empty treasury, constituted some of the more pressing short-term problems passed on to and inherited by the new republic.

(ii) *Current Economic Conditions and Problems.*

The political disturbances which followed soon after the independence and which led to a breakdown of order and security and to a disruption of the administrative machinery, could not but also inflict a serious injury on the economy of the country. This was particularly true of the processes of production and distribution, and of foreign trade. The more recent political events have also exercised a persistently harmful influence on the economy.

At the present time the economic conditions of the country are characterised by a depressed level of production and a high volume of unemployment in the major urban centres, by a steep decline in the volume of foreign trade and in the level of the public revenue and expenditure; and finally, by an empty treasury, shortage of credit and abnormally low level of the foreign exchange reserves.

As noted earlier, the problems of unemployment, foreign exchange, the treasury funds and of the liquidity of the economy were largely inherited from the previous colonial administration. They have, however, tended to become more serious since the date of independence.

Deterioration in supply conditions

The information available on the current supply conditions indicates that production in a number of sectors has been discontinued or seriously disrupted. This applies to some of the European plantations and mines located in the politically unsettled areas and to a number of small and medium-size manufacturing, construction and service enterprises. It is not as yet clear to what extent the production scale of the big industrial firms has been reduced in recent times.

There are also a number of indications of a disruption in the normal machinery of distribution of goods in some areas of the country. This has affected both the transport of goods for domestic consumption and for export purposes.

No detailed study has as yet been made of the conditions of supply in different areas and sectors of the economy and of the factors responsible for the deterioration in these conditions. On the basis of the available information, however, it is possible to discern some of the major causes responsible for the present state of affairs. Of these some, though of paramount importance, are of a non-economic or technical nature and are mentioned briefly here. Others, in particular the question of finance, fall within the scope of this article and are, therefore, discussed in a somewhat greater detail.

The primary factors responsible for the deterioration in supply and production conditions are as follows:

1. *Lack of Political Security.*

   By all accounts the lack of political security in some areas and along certain transport routes has been the most serious factor in disrupting production and distribution of goods. Until adequate security can be provided to those engaged in the work of production and distribution in the unsettled areas, no significant revival of economic activity is likely to take place in the country.

2. *Break-down of Administrative Machinery.*

   The serious dislocation of administrative machinery both in the central government and at the provincial level, caused by the wholesale departure of the Belgian civil servants, is the second important non-economic factor responsible for the disruption of supply. Important sectors of the economy in agriculture and construction, and also in para-state organizations and public work projects, largely depend on the functioning of administrative machinery. In this connection mention must also be made of foreign trade and exchange regulations and of the administration of tax collection and public expenditure, all of which depend wholly on the operation of this machinery.

3. *Public Finance.*

   The position of the treasury, which as noted earlier had become weak prior to independence, appears to have deteriorated further in recent months. The reasons for this development are two-fold: (a) fall in public revenue, (b) absence of a national central bank.

   (a) *Fall in Public Revenue*

   Although government expenditure on both current and capital account has, as shown later, declined considerably, the exchequer balance on income and expenditure account has tended to deteriorate owing to an even steeper fall in public revenue. The primary reasons for this steep decline in revenue are too clear and simple to require elaboration. They consist of:

   (i) *Problem of Katanga*

   The breakdown of political relations with the authorities in Katanga has resulted in a substantial loss of revenue to the central government. According to a semi-official estimate, the mining industry, about three-quarters of which is located in Katanga, accounted for about 50 per cent of the exchequer revenue in 1956. This revenue has provisionally been lost to the Government.

   (ii) *Tax Collection Machinery*

   The serious disruption of the administrative machinery for collection of taxes, in particular income taxes, has also had an adverse impact on exchequer revenue.

   (iii) *Production and Foreign Trade*

   The fall in the volume of production and foreign trade, mentioned earlier, has resulted in a serious curtailment of the public receipts, especially of the customs receipts. Government revenue has also suffered from the wholesale departure of the Europeans and from the closing down of the enterprises owned by some of them.

(b) *Absence of a National Central Bank*

The steep fall in public revenue has taken place during a period when the government has not possessed the power to issue money and generate credit. This has resulted from the absence of a national central bank, or a monetary authority, under the control of the central government, with functions such as those normally performed by central banks in other countries. Owing to this very abnormal position — a politically independent country without its own monetary authority — the Government has not been able to replenish the dwindling resources of the exchequer through the normal channel of borrowing from the central bank, in order to meet even the most urgent and pressing needs of the administration and of the economy. To meet its financial obligations the Government has had to rely on a low and declining revenue, on foreign aid in convertible currency, of which none was received until the end of September and, finally, on the old Central Bank, over which it can exercise little or no control.

To summarize, three major factors are responsible for the present difficult position of the treasury. First, the serious depletion of the treasury funds prior to 1 July 1960; secondly, the steep decline in exchequer revenue; thirdly, and in the circumstances perhaps the most important of all, the absence of power to issue money and generate credit on the part of the Government.

The most damaging social and economic consequences resulting from the treasury difficulties can be summarised as follows:

(i) The inability of the authorities regularly to meet their financial obligations to the armed forces and to the public contractors. This has caused a considerable disgruntlement on the part of the persons affected, and has shaken their confidence in the public authorities. It has been a serious de-stabilizing political factor, especially as regards the morale and the discipline of the armed forces.

(ii) The inability of the authorities to maintain the level of public investment, to finance public works projects and to initiate short-term relief measures for the unemployed in the major urban centres.

(iii) The inability to pay the normal subsidies and to advance short-term credit to certain agricultural and para-state organisations with a view to enabling them to maintain the scale of their productive operations.

4. *Other Factors.*

According to some reports, a number of other factors have also had an adverse influence on the supply conditions. These include shortages of certain imported raw materials and of equipment and spare parts. Very little factual information is available on these shortages and it is not possible at this stage to estimate their significance as a depressing factor in production.
A more frequent complaint voiced in these reports concerns shortage of commercial credit available to small and medium size firms. As noted earlier, many businessmen, by exporting part of their capital abroad, find themselves short of funds for their normal operations. At the same time, the bankers are naturally very cautious in advancing credit to such firms in the unsettled conditions prevailing in the country. The position of some firms supplying the government with goods and services — contractors, merchants, etc. — has also been adversely affected by the failure of the public authorities to meet their financial obligations on time.

Steep Decline in Demand

Most people concerned with the economy of the Congo are reasonably familiar with the serious deterioration of the supply conditions discussed above. Not all of them are, however, fully conscious of the fact that the volume of the aggregate demand has also, for various reasons mentioned below, declined substantially. But for the latter, the inflationary pressures would have acquired a far more serious proportion.

Generally, one can say that the same factors that have been responsible for the serious deterioration of the supply conditions described above, have also been primarily instrumental in depressing the level of the aggregate demand. If the wholesale departure of the non-Congolese has resulted in a break-down of confidence and of adminstrative machinery and in a fall of production, it has also produced a substantial decline in the aggregate demand in the form of private and public consumption and investment.

To obtain some idea of the order of magnitude of the decline in the volume of the aggregate domestic demand some very rough estimates have been made in Table B.III.9 of the current level of expenditure in the commercial sector of the economy.[8] The sole reason for comparing the present rate of expenditure with 1958 instead of with 1959 is that only for the

[8] Consumption in the non-commercialized, or subsistence, part of the economy is of no relevance to this analysis

former year comprehensive national accounts data are available. It should also be noted that the estimates of decline in demand made in the table are, as explained below, of a rather conservative nature. The actual fall in the domestic demand is very likely to be considerably greater than that indicated by the table.

Briefly, the following methods have been used for estimating the current rates of expenditure. Despite the many indications as to a fall in employment and an increase in the number of the unemployed workers in the private sector, it has been assumed that the present volume of commercialized African consumption is maintained at the level of 1958. As to the non-African consumption, it has been assumed that it amounts to about one third of its 1958 level, although it is known that most non-Africans outside Katanga have left the country, and Katanga accounted for less than 30 per cent of the non-African population.

Table B.III.9

The Congo, Commercialised Economy
Gross Domestic Expenditure and its Major Components
1958 and Rough Estimate for September 1960 at Annual Rate.
(In bil. Francs, at 1958 prices)

	1958 (1)	Sept. 1960, at annual rate (2)	Change (3)=(2)−(1)
Private Consumption	31.1	23	− 8
African	19.0	19	—
Non-African	12.1	4	− 8
Public Consumption	10.8	8	− 3
African Salaries	3.2	4	1
Non-African Salaries	4.8	2	− 3
Other Expenditure	2.8	2	− 1
Fixed Investment	14.3	8	− 6
Private	7.3	4	− 3
Public (State and para-state)	6.9	4	− 3
Inventory Changes	− 1.1	− 1	—
United Nations Expenditure	—	2	2
Total	55.1	40	− 15

Source: For 1958, the *Central Bank annual and monthly Reports;* for September 1960, estimates as described in the text.

A similar basis has been used for establishing the decline in salaries paid by the Government to the non-Congolese. The real value of the public salaries paid to the Africans, on the other hand, is assumed to be about 30 per cent higher than it was in 1958.

Particularly conservative are the estimates of the decline in fixed investment demand and of the current rate of inventory decumulation. Although it is known that private fixed investment activity outside Katanga has come to almost a complete standstill, it has been assumed that total private fixed investment in the country amounts to over 50 per cent of its 1958 level. An even more optimistic estimate is made of the total public fixed investment demand at the present time, despite the general information that very little is being spent by the Government and by the para-state organizations in this field. Regarding inventories, it is unlikely that in the present conditions of uncertainty as to the fate of their enterprises many firms would embark on a policy of stock accumulation. On the other hand, shortages of supply in many lines of imported goods in current demand must inevitably lead to a reduction of stocks of such commodities. It has, nevertheless, been assumed that the present rate of inventory decumulation is no greater than it was in 1958.

As regards the addition to domestic demand due to the UN operations, it has been assumed that the current rate of expenditure of the UN military forces and civilian personnel within the country is at a rate of about $ 3.5 mil. per month. The figure is probably slightly exaggerated and tends again to under-estimate the extent of the fall in the total domestic demand.

This rough and rather conservative estimate of the decline in the volume of domestic expenditure leads to the conclusion that the current volume of demand is considerably below the level of demand in 1958. The extent of the fall in the volume of demand according to Table B.III.9 is of the order of 25 per cent or more.[9] In absolute figures it amounts to 15 bil. francs at 1958 prices. If allowance is made, first, for the rise in the price of goods and services that has taken place since 1958 and, secondly, for the fact that 1958 was a year of economic recession, it could reasonably be concluded that the extent of the deficiency of the aggregate demand as compared with the productive capacity of the country[10] even on a very conservative basis, is over 20 bil. francs, at current prices. This figure of about 20 bil. francs gives us a rough estimate of the annual rate at which the current private and public expenditure on consumption and investment can be raised without causing serious inflationary demand pressures if production were restored to full or near full capacity level.

In these conditions the broad strategy of a rational economic policy at present and in the near future would aim at improving the supply conditions. In other words, all efforts should be directed at setting into normal speed of operation the machinery of production and distribution which, though physically sound, is for reasons noted earlier operating at a very slow pace. Aggregate demand should be allowed and, whenever necessary, even stimulated to grow parallel to, or in step with, the improvement of the supply conditions. Such policy would, on the one hand, ensure a full utilisation of the restored productive capacity of the economy and, on the other hand, prevent an emergence of serious inflationary demand pressures. Economic and financial measures taken without regard to improvement in supply conditions carry the risk of stabilising the volume of demand at its present abnormally low level, or at a level only moderately higher. This could doom the economy to a state of stagnation at a low level of activity and would result in a large and growing volume of unemployment.

[9] The percentage decline in demand would probably be considerably larger if Katanga were excluded from the table. The reason for this is that the levels of production and expenditure in that province have not declined to the same extent as in the rest of the country.

[10] The physical machinery of production and distribution has by all accounts remained largely intact.

STATISTICAL APPENDIX

EXPLANATORY NOTES

The following general definitions reproduced from the United Nations Monthly Bulletin of Statistics apply to the External Trade Statistics published in this Bulletin.

Territory: The statistics refer to the customs area of the country; in most cases this coincides with the geographical area. ETHIOPIA: prior to 15 September 1952, excludes Eritrea. MOROCCO: prior to 1958, covers former French Zone only. Former FRENCH WEST AFRICA: excludes Guinea from September 1958. U.A.R. (Egypt): excluding trade with Syria from 1958 onwards.

Systems of trade: The data for the following countries listed in Tables 1 to 7 in the Statistical Appendix are based on the general trade system:

Ethiopia	Mauritius (imports)
Gambia	Nigeria
Ghana	Rhodesia & Nyasaland
Kenya, Uganda & Tanganyika	Sierra Leona (imports)
Libya	Union of South Africa

For other countries the data correspond to the special trade system.

The two systems of trade are defined as follows. **Imports:** under the general trade system, both goods entering directly for domestic consumption and goods entered into customs storage are recorded, at the time of their first arrival, as imports; under the special trade system, goods are recorded as imports when declared for domestic consumption whether at time of entry or on withdrawal from customs storage. **Exports:** outward moving goods consist of: (a) national goods i.e. those wholly or partly produced in the country; (b) foreign goods, neither transformed nor declared for domestic consumption in the country, which move outward from customs storage; (c) nationalized goods, i.e. foreign goods, declared for domestic consumption, which move outward without having been transformed. General exports comprise all three categories and, in the general trade system, the sum of (b) and (c) may be tabulated as re-exports. Special exports comprise categories (a) and (c). Direct transit trade, consisting of goods entering or leaving for transport purposes only, is excluded from both import and export statistics.

Coverage of data. In general, all inward or outward moving goods, in the relevent administrative categories described above. are included if their movement adds to or substracts from the material resources of the country compiling the statistics. Because their movement generally changes monetary rather than material resources, gold (all coin and bullion, unrefined gold including ores and concentrates, partly worked gold in which the value of the gold is 80% or more of total value, e.g. rods, wire, scraps and gold leaf), and issued currency are excluded. The following categories of merchandise transactions are, where possible, included: ordinary commercial transactions, governmental transactions, foreign aid (governmental and private), trade of concessionnaires, silver (except issued silver coin), unissued metal and paper currency (at its intrinsic value rather than its monetary value), reparations, restitutions, improvement and repair trade (at full value), postal trade, in imports — fish landed directly from foreign fishing vessels, in exports — fish landed abroad, directly from domestic fishing vessels, trade in new ships and aircraft. Transactions in second hand ships and aircraft and in bunkers and stores supplied to foreign (as well as to domestic) vessels and aircraft are however, excluded where possible.

Valuation. It is usual for a country to base the valuation of its imports and exports on the values specified in contracts between Imporiers and exporters adjusted to include transportation and related costs to its own frontier. This produces a c.i.f. transaction value for imports and an f.o.b. transaction value for exports. Where a country values its imports at the frontier of the exporting country, it is noted in the tables that import values are f.o.b. Methods of valuation not directly using the cost of the goods are usually designed to approximate either to a c.i.f. or to an f.o.b. value.

Sources of data: Sources are indicated under the respective tables. In most cases the figures are as published by the Statistical Office of the United Nations in its various publications, supplemented by additional data derived from the national trade publications. For converting national currencies into U.S. dollars the conversion factors shown in the "Direction of Trade — Monthly Issue" (published jointly by the United Nations, the International Monetary Fund and The International Bank for Reconstruction and Development) have been used.

Pattern of Imports (Table 7). The categories of imports listed correspond roughly to SITC sections, divisions and groups as follows:

Category	SITC code
Food, beverages and tobacco	Sections 0 and 1
Basic materials	Sections 2 and 4
Mineral fuels	Section 3
Chemicals	Section 5
Textiles	Division 65
Metals and Manufactures	Sections 6 (excluding Division 65) and 8
Machinery and transport equipment	Section 7

Imports corresponding to SITC Section 9 — "Miscellaneous transactions and commodities, n.e.s." — are not shown separately. The percentage shares of categories shown have been calculated after deducting "Miscellaneous transactions etc..." from the value of total imports shown in column 1 against each country listed.

EXPLANATION OF SYMBOLS

Category not applicable.......................................	.
Figures not available	...
Magnitudes nil or less than half the unit used	—
Provisional or estimated figures	*
Decimal figures are always preceded by a period......	(.)
Thousands and millions are separated by a comma......	(,)

TABLE 1 — TABLEAU 1

TRADE : VALUE OF IMPORTS AND EXPORTS

COMMERCE : VALEUR DES IMPORTATIONS ET DES EXPORTATIONS

E = Exports, Exportations (f.o.b.) — Value in million U.S. dollars

I = Imports, Importations (c.i.f.) — Valeur en millions de dollars des E.-U.

COUNTRY		1950	1955	1956	1957	1958	1959	JAN. — JUN. 1960	JAN. — JUN. 1959		PAYS
NORTH AFRICA											**AFRIQUE DU NORD**
Algeria	E	333	463	429	461	489	366	192	184	E	Algérie
	I	434	696	778	1037	1139	1140	667	549	I	
Libya	E	11	13	12	15	14	13	...	...	E	Libye
	I	20	40	47	79	97	114	...	...	I	
Morocco	E	190	328	340	319	346	329	221	173	E	Maroc
	I	329	497	459	402	401	332	244	172	I	
Sudan	E	95	145	192	148	126	192	98	94	E	Soudan
	I	78	140	130	194	171	164	92	62	I	
Tunisia	E	113	106	112	144	153	142	71	82	E	Tunisie
	I	147	161	194	172	155	153	90	71	I	
U.A.R. (Egypt) (a)	E	513	419	409	493	470	443	321	236	E	R.A.U. (Egypte) (a)
	I	583	538	535	647	662	616	328	318	I	
WEST AFRICA											**AFRIQUE DE L'OUEST**
Cameroun	E	47	95	75	81	106	108	56	69	E	Cameroun
	I	60	104	95	98	102	82	39	45	I	
Former Fr. Equ. Afr.	E	40	77	79	82	94	90	...	...	E	Anc. A.E.F.
	I	77	105	117	141	140	127	...	...	I	
Former Fr. W. Afr. (b)	E	176	305	343	328	345	269	...	...	E	Anc. A.O.F. (b)
	I	241	384	381	422	403	309	...	...	I	
of which :											dont
Dahomey & Niger	E	17	31	34	27	34	...	...	...	E	Dahomey & Niger
	I	16	32	29	33	32	...	...	...	I	
Guinea	E	11	29	29	28	23	(c)	(c)	(c)	E	Guinée
	I	24	37	38	51	62				I	
Ivory Coast & Upper Volta	E	79	153	158	138	184	142	...	...	E	Côte d'Ivoire & Haute Volta
	I	61	118	114	116	118	123	...	...	I	
Mali, Mauritania & Senegal	E	72	93	122	135	117	116	...	...	E	Mali, Mauritanie & Sénégal
	I	140	197	200	222	209	178	...	...	I	
Gambia	E	6	7	7	12	13	8	...	...	E	Gambie
	I	8	10	10	13	11	9	...	...	I	
Ghana	E	192	243	222	239	263	286	177	159	E	Ghana
	I	135	246	249	271	237	317	191	144	I	
Guinea	E	(d)	(d)	(d)	(d)	(d)	29	...	...	E	Guinée
	I						60	...	...	I	
Liberia	E	28	43	45	54	54	67	...	...	E	Libéria
	I	11	26	27	38	28	43	...	...	I	
Nigeria	E	253	370	377	357	380	458	...	...	E	Nigeria
	I	173	381	428	427	467	502	...	...	I	
Sierra Leone	E	22	29	37	51	55	54	36	29	E	Sierra Leone
	I	19	48	65	79	67	66	32	33	I	
Togo	E	9	22	13	12	15	18	...	...	E	Togo
	I	9	18	15	16	18	15	...	...	I	
SOUTH AND EAST AFRICA											**AFRIQUE DU SUD ET DE L'EST**
Angola	E	75	98	114	117	128	124	59	59	E	Angola
	I	58	94	110	123	130	131	54	64	I	
Congo & Ruanda Urundi	E	261	456	536	472	404	489	...	...	E	Congo & Ruanda Urundi
	I	188	379	416	436	360	308	...	...	I	
Ethiopia	E	31	65	61	77	58	70	...	...	E	Ethiopie
	I	35	68	63	72	79	84	...	...	I	
French Somaliland	E	7	13	12	10	...	...	...	...	E	Somalie Française
	I	13	11	9	10	...	...	...	...	I	
Kenya, Uganda & Tanganyika (e)	E	201	299	336	332	343	357	185	184	E	Kenya, Ouganda & Tanganyika (e)
	I	199	417	375	392	339	340	196	170	I	
Madagascar (f)	E	71	82	93	86	96	76	33	32	E	Madagascar (f)
	I	86	122	132	142	137	120	60	58	I	
Mauritius	E	33	53	63	68	60	60	...	...	E	Ile Maurice
	I	37	53	47	56	63	60	...	...	I	
Mozambique (g)	E	37	54	53	65	71	73	...	...	E	Mozambique (g)
	I	68	90	95	104	115	122	...	...	I	
Rhodesia & Nyasaland (h)	E	242	480	509	437	380	523	285	235	E	Rhodésie & Nyassaland (h)
	I	231	388	446	497	441	420	220	202	I	
Somalia :											Somalie :
Former Br. Som.	E	2	4	4	4	5	...	...	...	E	Anc. Som. Brit.
	I	3	8	8	11	11	...	...	...	I	
Former It. Som.	E	4	10	9	11	13	15	...	...	E	Anc. Som. It.
	I	8	14	16	16	14	18	...	...	I	
Zanzibar	E	14	16	15	16	14	...	...	...	E	Zanzibar
	I	10	16	17	18	15	...	...	...	I	
Union of South Afr. (h), (i)	E	628	1033	1154	1264	1096	1201	636	573	E	Union Sud-Africaine (h), (i)
	I	853	1347	1386	1539	1555	1368	787	682	I	

Sources : United Nations :

Statistical Yearbook
Yearbook of International Trade Statistics
Monthly Bulletin of Statistics.

National Publications.

Notes :
(a) Data for 1950 exclude trade with Sudan. Trade with Syria excluded from beginning of 1958.
(b) Excluding Guinea from September 1958 onwards.
(c) Shown separately from 1959 onwards.
(d) For figures before 1959, see Former French West Africa.
(e) Excluding trade among the three countries.
(f) Data for 1950 include trade of the Comoro Islands.
(g) Includes Manica and Sofala.
(h) Imports f.o.b.
(i) Figures adjusted, where necessary, to refer approximately to present customs area.

Sources : Organisation des Nations Unies :

Annuaire Statistique
Yearbook of International Trade Statistics
Bulletin Mensuel de Statistique.

Publications Nationales.

Notes :
(a) Non compris les échanges avec le Soudan en 1950. Les échanges avec la Syrie ne sont pas compris à partir du début 1958.
(b) Non compris la Guinée à partir de septembre 1958.
(c) Figure séparément à partir de 1959.
(d) Voir anc. A.O.F. pour les années antérieures à 1959.
(e) Non compris les échanges entre les trois pays.
(f) Non compris les échanges avec les Comores en 1950.
(g) Y compris Manica et Sofala.
(h) Importations f.o.b.
(i) Données ajustées approximativement de manière à correspondre à l'union douanière actuelle.

TABLE 2 — TABLEAU 2

QUANTUM OF IMPORTS AND EXPORTS

QUANTUM DES IMPORTATIONS ET DES EXPORTATIONS

Index numbers (1953 = 100)
Indices (1953 = 100)

COUNTRY	IMPORTS - IMPORTATIONS								EXPORTS - EXPORTATIONS								PAYS
	1950	1953	1954	1955	1956	1957	1958	1959	1950	1953	1954	1955	1956	1957	1958	1959	
NORTH AFRICA																	AFRIQUE DU NORD
Algeria (a)	92	100	107	120	-132-	184	218	229	93	100	111	123	-100-	101	87	85	Algérie (a)
Morocco (b)	76	100	99	-107-	-94-	83	87	74	86	100	103	-119-	-113-	110	115	122	Maroc (b)
Sudan	62	-100-	103	104	95	121	121	113	76	-100-	79	106	129	94	92	...	Soudan
Tunisia	100	100	101	109	115	107	105	116	146	100	129	113	107	148	155	168	Tunisie
U.A.R. (Egypt) (c)	160	100	95	106	106	101	...	...	112	100	89	91	86	93	...	...	R.A.U. (Egypte) (c)
WEST AFRICA																	AFRIQUE DE L'OUEST
Cameroun	86	100	124	133	-124-	-135-	151	131	73	100	93	107	-101-	-110-	137	148	Cameroun
Former Fr.Equ.Afr.	100	100	121	141	144	-173-	199	...	87	100	140	150	144	-156-	179	...	Anc.A.E.F.
Former Fr. W .Afr (d)	86	100	129	126	128	147	...	...	83	100	110	107	124	131	...	...	Anc.A.O.F.(d)
Ghana	74	100	102	129	126	135	120	160	105	100	-91-	90	101	112	92	111	Ghana
Nigeria	66	100	118	146	163	158	178	...	88	100	-104-	103	115	111	109	...	Nigeria
SOUTH AND EAST AFRICA																	AFRIQUE DU SUD ET DE L'EST
Angola	82	100	138	127	144	157	168	167	102	100	98	94	122	120	128	134	Angola
Congo & Ruanda-Urundi	55	100	106	108	116	116	96	86	86	100	102	105	112	111	110	129	Congo & Ruanda-Urundi
Ethiopia (e)	42	100	113	101	109	104	118	120	53	100	96	97	85	98	96	98	Ethiopie (e)
Kenya, Uganda & Tanganyika	88	100	130	155	137	153	131	...	87	100	108	126	136	136	150	...	Kenya, Ouganda & Tanganyika
Madagascar	72	100	114	102	116	-154-	149	154	92	100	98	116	123	-122-	136	119	Madagascar
Mozambique	77	100	99	133	138	145	...	...	74	100	104	104	112	139	...	...	Mozambique
Rhodesia & Nyasaland(f)	...	100	109	118	132	145	126	124	...	100	120	110	124	133	130	162	Rhodésie & Nyassaland(f)

Sources : United Nations : Yearbook of International Trade Statistics
Monthly Bulletin of Statistics.

Notes : (a) When a series is linked to an earlier series, a short dash on each side of the index number (e.g. -119-) indicates the year where the linkage took place.
(b) Prior to 1958, former French Zone.
(c) Excluding trade with Syria from 1958 onwards.
(d) Excluding Guinea from September, 1958 onwards.
(e) Prior to 15 September 1952, excludes Eritrea - annual figures relate to 12 months ending 10 September of the year stated.
(f) Imports f.o.b.

Sources : Organisation des Nations Unies:
Yearbook of International Trade Statistics.
Bulletin mensuel de Statistique.

Notes : (a) Lorsqu'une série a été raccordée à une série antérieure, l'année de raccordement est indiquée par un tiret placé de chaque coté de l'indice relatif à l'année en question (par exemple -119-).
(b) Avant 1958, ancienne zone française.
(c) Non compris les échanges avec la Syrie à partir de 1958.
(d) Non compris la Guinée à partir de septembre 1958.
(e) Période de 12 mois se terminant le 10 septembre de l'année indiquée. Non compris l'Erythrée avant le 15 septembre 1952.
(f) Importations f.o.b.

TABLE 3 — TABLEAU 3

UNIT VALUE OF IMPORTS AND EXPORTS

VALEUR UNITAIRE DES IMPORTATIONS ET DES EXPORTATIONS

Index numbers (1953 = 100)
Indices (1953 = 100)

COUNTRY	IMPORTS - IMPORTATIONS								EXPORTS - EXPORTATIONS								PAYS
	1950	1953	1954	1955	1956	1957	1958	1959	1950	1953	1954	1955	1956	1957	1958	1959	
NORTH AFRICA																	AFRIQUE DU NORD
Morocco (a) (b)	87	100	98	-94-	-100-	105	107	109	82	100	105	-102-	-111-	114	123	116	Maroc (a) (b)
Sudan	85	-100-	92	93	94	101	94	96	102	-100-	116	107	117	112	100	90	Soudan
U.A.R. (Egypt) (c)	76	100	96	99	100	104	...	...	113	100	113	111	121	135	...	...	R.A.U. (Egypte) (c)
WEST AFRICA																	AFRIQUE DE L'OUEST
Cameroun	86	100	93	96	95	95	...	...	85	100	125	118	99	100	...	...	Cameroun
Former Fr.Equ.Afr.	91	100	94	88	97	102	...	...	91	100	91	91	98	99	...	...	Anc.A.E.F.
Former Fr. W. Afr.	88	100	93	96	94	96	...	...	80	100	114	107	96	99	...	...	Anc.A.O.F.
Ghana	88	100	-95-	92	96	97	96	96	82	100	-141-	121	97	92	128	116	Ghana
Nigeria	86	100	-93-	92	93	95	93	91	81	100	-111-	98	92	93	95	102	Nigeria
SOUTH AND EAST AFRICA																	AFRIQUE DU SUD ET DE L'EST
Angola	97	100	94	-97-	105	107	108	114	80	100	101	-87-	84	86	88	80	Angola
Congo & Ruanda-Urundi	95	100	100	98	98	103	102	98	...	...	...	...	...	...	...	...	Congo & Ruanda-Urundi
Ethiopia (d)	125	100	100	117	112	116	120	126	84	100	121	105	120	118	116	106	Ethiopie (d)
Kenya, Uganda & Tanganyika	83	100	89	90	94	90	90	...	92	100	104	94	96	92	86	...	Kenya, Ouganda & Tanganyika
Mozambique	88	100	92	93	87	90	...	...	87	100	95	79	98	134	...	...	Mozambique
Rhodesia & Nyasaland (e)	...	100	98	100	103	104	106	103	...	100	96	124	11	92	81	90	Rhodesia & Nyassaland (e)

Sources : United Nations :
Yearbook of International Trade Statistics
Monthly Bulletin of Statistics.
Outre-Mer 1958 (Tableau économique et social des états et territoires d'Outre-Mer).

Notes : (a) Prior to 1958, former French Zone.
(b) When a series is linked to an earlier series a short dash on each side of the index number (e.g. -94-) indicates the year where the linkage took place.
(c) Excluding trade with Syria from 1958 onwards.
(d) Prior to 15 Sept. 1952, excludes Eritrea - Annual figures relate to 12 months ending 10 Sept. of the year stated.
(e) Imports f.o.b.

Sources : Organisation des Nations Unies :
Yearbook of International Trade Statistics
Bulletin mensuel de statistique.
Outre-Mer 1958 (Tableau économique et social des états et territoires d'Outre-Mer).

Notes : (a) Avant 1958, ancienne zone française.
(b) Lorsqu'une série a été raccordée à une série antérieure, l'année de raccordement est indiquée par un tiret placé de chaque coté de l'indice relatif à l'année en question (par exemple -94-).
(c) Non compris les échanges avec la Syrie à partir de 1958.
(d) Période de 12 mois se terminant le 10 septembre de l'année indiquée. Non compris l'Erythrée avant le 15 septembre 1952.
(e) Importations f.o.b.

TABLE 4 — TABLEAU 4

PATTERN OF EXPORTS : SELECTED COUNTRIES

STRUCTURE DES EXPORTATIONS DE CERTAINS PAYS

Value : million U.S. dollars — Weight : thousand metric tons

Valeur : millions de dollars des E.-U. — Quantité : milliers de tonnes métriques

COUNTRY – PRINCIPAL COMMODITIES	Quantity — Quantité			Value — Valeur				PAYS – PRINCIPAUX PRODUITS
	1938	1950-54 (average) (moyenne)	1955-59 (a) (average) (moyenne)	1938	1950-54 (average) (moyenne)	1955-59 (e) (average - moyenne) Value Valeur	1955-59 (e) (average - moyenne) Percentage Pourcentage	
ALGERIA								**ALGERIE**
Total Exports (a)	.	.	.	162.3	383.7	583.1	100.0	Exportations totales (a)
of which :								dont :
Wine, plain & sparkling (b)	16,405	12,086	14,589	78.8	147.5	208.4	35.7	Vin, mousseux ou non (b)
Fruits : Citrus	60	197	242	4.0	17.9	32.7	5.6	Agrumes
Iron ore (c)	2,755	2,908	2,795	9.1	26.7	29.8	5.1	Minerai de Fer (c)
Vegetables : Fresh	139	190	120	6.3	19.0	16.1	2.8	Légumes frais
Tobacco manufactured and unmanufactured	17	16	13	3.4	11.4	11.9	2.0	Tabac manufacturé ou non
Wheat & Barley	115	178	106	6.1	12.9	9.1	1.6	Blé & Orge
Hides & Skins, undressed	3	6	9	1.1	5.2	6.6	1.1	Cuirs et peaux non tannés
Phosphates (excluding Fertilizer)	486	623	606	1.3	5.7	5.8	1.0	Phosphates (non compris les engrais)
Vegetables : Preparations	-	19	17	-	4.2	5.0	0.9	Conserves de Légumes
Petroleum, crude	...	71(d)	119	...	1.4(d)	2.7	0.5	Pétrole brut
ANGOLA								**ANGOLA**
Total Exports (a)	.	.	.	16.0	101.3	114.3	100.0	Exportations totales (a)
of which :								dont :
Coffee	17	53	76	1.6	45.9	51.1	44.7	Café
Diamonds (e)	...	692	828	...	9.8	14.4	12.6	Diamants (e)
Fish : preserved, inc. dried, and Fish Meal	10	51	87	0.6	7.7	12.3	10.8	Poisson conservé et séché, et prép. de poissons pr. le bétail
Sisal	7	26	44	0.5	7.8	6.8	5.9	Sisal
Maize	129	118	96	3.0	6.2	4.7	4.1	Maïs
CAMEROUN								**CAMEROUN**
Total Exports (a)(f)	.	.	.	6.8	72.4	93.0	100.0	Exportations totales (a)(f)
of which :								dont :
Cocoa Beans	31	52	52	2.4	38.8	37.5	40.3	Fèves de Cacao
Coffee Beans	4	9	21	0.7	10.5	17.6	18.9	Café en Fèves
Aluminium	...	...	30(g)	...	...	13.2(g)	...	Aluminium
Bananas, fresh	26	63	71	0.3	6.2	6.0	6.5	Bananes fraiches
Wood, round, squared & in planks	41	71	115	0.5	3.2	4.7	5.1	Bois : rond, équarri & méplat
Cotton, raw		1	6	.	0.8	4.2	4.5	Coton brut
Cocoa Butter, Fats & Oils	...	...	2	...	...	3.7	4.0	Beurre de Cacao, Graisses & huiles
CONGO & RUANDA-URUNDI								**CONGO & RUANDA-URUNDI**
Total Exports (h)	.	.	.	52.1	362.4	466.6	100.0	Exportations totales (h)
of which :								dont :
Copper	160	198	250	17.3	110.5	159.5	34.2	Cuivre
Coffee	23	34	66	3.6	32.8	52.7	11.3	Café
Cobalt, granulated and white alloys	...	12	12	...	28.8	31.8	6.8	Cobalt, en grain et métal blanc
Diamonds	5,759(e)	2,868(i)	14,541(e)	4.3	14.4	30.2	6.5	Diamants
Palm Oil, crude	70	131	144	4.1	29.4	29.5	6.3	Huile de Palme brute
Cotton, raw	43	45	44	7.6	37.8	28.5	6.1	Coton, brut
Tin Ore (j)	8.0	16.6	14.3	5.9	32.6	25.2	5.4	Minerai d'Etain (j)
Tin metallic	1.8	3.0	2.7					Etain, métal
Rubber, crude	1	16	34	0.3	9.2	19.3	4.1	Caoutchouc, brut
ETHIOPIA								**ETHIOPIE**
Total Exports (h)	.	.	.	...	49.1	65.8	100.0	Exportations totales (h)
of which :								dont :
Coffee	...	29	41	...	27.6	38.5	58.6	Café
Hides & Skins :								Cuirs & Peaux :
Hides	...	10	4	...	4.1	1.4	9.4	Cuirs
Skins	...	5(k)	6(k)	...	3.7	4.8		Peaux
Oilseeds	...	35	44	...	4.1	5.6	8.5	Graines oléagineuses
Lentils & Beans	...	38(f)	40	...	2.9(f)	3.3	5.0	Lentilles & Fevés
Chat (mildly alkaloidal leaves)	...	1(f)	2	...	0.8(f)	2.5	3.8	Tchat (feuilles faiblement alcaloïdifères)
FORMER FR. EQU. AFR. (f)								**ANC. A.E.F. (f)**
Total Exports (a)	.	.	.	6.5	61.1	83.0	100.0	Exportations totales (a)
of which :								dont :
Wood	266	359	728	2.8	18.7	33.2	40.0	Bois
Cotton, raw	10	28	36	1.4	24.8	26.2	31.6	Coton, brut
Petroleum, crude	...	...	297(m)	...	...	5.0(m)	...	Pétrole brut
Coffee, green	2	4	4	0.3	3.7	3.7	4.5	Café, vert
FORMER FR. W. AFR.								**ANC. A.O.F.**
Total Exports (a)	.	.	.	37.4	245.3	331.0	100.0	Exportations totales (a)
of which :								dont :
Coffee, raw	15	69	115	2.2	64.4	88.9	26.8	Café brut
Groundnuts : shelled	169	196	307	6.6	42.4	67.2	20.8	Arachides : décortiquées
in shells	369	22	9	11.1	4.2	1.6		non decortiquées
Groundnut Oil, crude and refined	6	75	99	0.7	35.9	45.8	13.8	Huile d'Arachide : brute et raffinée
Cocoa Beans	53	58	66	5.0	38.6	44.0	13.3	Cacao en fèves
Palm Kernels	71	78	87	3.0	12.9	11.0	3.3	Palmistes
Bananas, fresh	65	85	115	2.1	7.3	10.3	3.1	Bananes fraiches
Tropical Wood	41	115	262	0.6	4.8	10.2	3.1	Bois tropicaux
Palm Oil	14	13	15	0.7	3.4	3.6	1.1	Huile de Palme
GHANA								**GHANA**
Total Exports (h) (exc. gold)	.	.	.	30.9	224.1	246.7	100.0	Exportations totales (h) (or non compris)
of which :								dont :
Cocoa	268	232	243	22.2	170.6	168.5	68.3	Cacao
Wood, logs and lumber	...	...	...	0.4	14.2	28.9	11.7	Bois ronds et équarris
Diamonds, uncut & unworked	1,297	1,809	2,826	2.7	11.9	22.3	9.0	Diamants, taillés ou non
Manganese Ore & Concentrates (1)	329	715	679	4.4	19.3	20.5	8.3	Minerai de Manganèse & Concentrés (1)

PATTERN OF EXPORTS : SELECTED COUNTRIES

STRUCTURE DES EXPORTATIONS DE CERTAINS PAYS

Value : million U.S. dollars Weight : thousand metric tons
Valeur : millions de dollars des E.-U. Quantité : milliers de tonnes métriques

COUNTRY - PRINCIPAL COMMODITIES	Quantity — Quantité			Value — Valeur				PAYS - PRINCIPAUX PRODUITS
	1938	1950-54 (average) (moyenne)	1955-59 (e) (average) (moyenne)	1938	1950-54 (average) (moyenne)	1965-59 (e) (average - moyenne) Value Valeur	1965-59 (e) (average - moyenne) Percentage Pourcentage	
KENYA, UGANDA & TANGANYIKA								KENYA, OUGANDA & TANGANYIKA
Total Exports (h)	.	.	.	63.3	279.7	315.3	100.0	Exportations totales (h)
of which :								dont :
Coffee	44	45	121	5.4	50.7	105.0	33.3	Café
Cotton, raw	84	80	95	19.1	74.8	68.9	21.9	Coton brut
Sisal & other agave fibres	133	189	230	9.3	52.9	36.7	11.6	Sisal & autres fibres d'agaves
Tea	4	6	12	4.9	5.6	12.9	4.1	Thé
Oilseeds, Oilnuts, Oil Kernels	152	75	82	2.5	8.1	10.9	3.5	Graines & fruits oléagineux
Hides & Skins, undressed	...	11	12	2.5	9.8	9.5	3.0	Cuirs et peaux non tannés
MADAGASCAR								MADAGASCAR
Total Exports (a) (c)	.	.	.	23.6(n)	83.6(n)	90.1	100.0	Exportations totales (a) (c)
of which :								dont :
Coffee, raw	41	39	49	7.5	37.8	37.9	42.1	Café, brut
Rice	11	21	40	0.5	4.0	7.4	8.2	Riz
Vanilla	0.4	0.5	0.4	2.1	3.1	5.3	5.9	Vanille
Tobacco (including Cigarettes)	1	4	4	0.2	5.3	5.3	5.9	Tabac (inclus cigarettes)
Cloves & Pepper	5	4	5	1.1	5.2	4.6	5.4	Girofle & Poivre
Sugar	...	...	22	...	...	3.4	3.8	Sucre
Raffia	7	4	6	0.8	1.4	2.8	3.1	Raphia
Groundnuts	...	...	10	...	...	2.4	2.7	Arachides
Peas & Beans	18	11	15	0.8	1.8	2.3	2.6	Poids & Fèves
Sisal	3	6	11	0.1	2.0	2.0	2.2	Sisal
MOROCCO								MAROC
Total Exports (a)	.	.	.	43.3	254.4	332.8	100.0	Exportations totales (a)
of which :								dont :
Calcium Phosphates	1,433	4,295	5,608	8.2	49.3	65.8	19.8	Phosphates de Calcium
Wheat, Barley & Maize	149(p)	444	452	6.6(p)	30.1	30.5	9.2	Blé, Orge & Mais
Citrus Fruits	11	121	206	0.6	11.4	26.3	7.9	Agrumes
Fish : fresh, salted, dried, smoked	17	10(g)	13	2.8	1.7(g)	3.1	6.7	Poisson : frais, salé, séché, fumé
; preserved	...	42	30	...	22.6	19.3		; en conserve
Lead : Ore (q)	22	66	101	0.7	8.6	13.5	5.8	Minerai de Plomb (q)
Lead metallic	...	28(g)	28(r)	...	6.4(g)	5.9(r)		Plomb, métal
Manganese Ore (q)	43	346	369	0.4	13.1	17.1	5.1	Minerai de Manganèse (q)
Wine, in casks	16	...	127	0.4	3.0	12.0	3.6	Vin en tonneaux
Tomatoes, fresh	...	44	72	...	5.6	11.9	3.6	Tomates fraiches
Palm Fibres	57	75(g)	77	1.5	5.1(g)	5.9	1.8	Fibres de Palmier
Wool & Animal Hair	9	4	4	2.4	4.8	4.9	1.5	Laine & Poils d'origine animale
Coal & Briquettes	103	195	253	0.3	3.3	4.9	1.5	Houille & Briquettes
Iron Ore (q)	135	459	613	0.2	2.3	4.2	1.3	Minerai de Fer (q)
Zinc Ore (q)	7	47	78	0.1	2.8	4.0	1.2	Minerai de Zinc (q)
MOZAMBIQUE								MOZAMBIQUE
Total Exports (a)(f)	.	.	.	8.0	50.4	60.5	100.0	Exportations totales (f)(a)
of which :								dont :
Cotton, raw	9	33	31	1.3	15.6	15.4	25.5	Coton brut
Sugar, raw	65	61	110	2.4	4.8	9.7	16.0	Sucre brut
Cashew Nuts	26	52	64	0.4	4.7	6.9	11.4	Noix d'acajou
Copra	39	38	42	1.2	6.3	5.8	9.6	Coprah
Tea	1	4	6	0.1	2.7	4.7	7.8	Thé
Sisal, including waste	24	21	29	1.1	5.8	4.4	7.3	Sisal (inclus déchets)
NIGERIA								NIGERIA
Total Exports (h)	.	.	.	45.3	295.8	380.7	100.0	Exportations totales (h)
of which :								of which :
Cocoa Beans	10	107	116	7.7	80.2	79.1	20.8	Fèves de cacao
Palm Kernels	317	394	440	10.6	58.5	58.2	25.3	Palmistes
Palm Oil	112	183	181	4.8	38.4	38.3		Huile de Palme
Groundnuts	183	299	439	6.4	56.8	70.3	21.4	Arachides
Groundnut Oil	...	14	40	...	4.7	11.3		Huile d'Arachide
Non-ferrous Ores & Concentrates	...	...	15(s)	...	...	22.8(s)	6.0	Minerais & Concentrés de métaux communs non-ferreux
Natural Rubber & Gums	3	19	42	0.7	3.8	21.4	5.6	Caoutchouc brut
Cotton	6	19	32	1.2	15.4	21.3	5.6	Coton
Wood & Lumber (t)	43	345	472	0.5	10.1	13.6	3.6	Bois débité ou non (t)
Bananas & Plantains	56	87	75	1.4	6.7	7.5	2.0	Bananes
RHODESIA & NYASALAND (u)								RHODESIE & NYASSALAND (u)
Total Exports (h) (exc. gold)	.	.	.	72.8	334.3	455.8	100.0	Exportations totales (h) (or non compris)
of which :								dont :
Copper	223	339	414	43.3	193.4	253.4	55.6	Cuivre
Tobacco, unmanufactured	11	45	68	6.5	54.7	79.6	17.5	Tabac, non manufacturé
Asbestos, crude	53	69	92	6.2	17.2	21.8	4.8	Amiante brut
Other base metals	11	...	...	2.8	14.0	17.6(s)	3.9	Autres métaux communs
Non-ferrous Ores & Concentrates	205	...	...	2.5	7.3	14.6(s)	3.2	Minerais & Concentrés de métaux communs non-ferreux
SUDAN								SOUDAN
Total Exports (h)	.	.	.	27.1	124.2	154.7	100.0	Exportations totales (h)
of which :								dont :
Cotton, ginned	63	74	107	17.3	84.3	91.3	59.0	Coton égrené
Gum Arabic	24	38	45	3.3	8.9	14.5	9.4	Gomme arabique
Groundnuts	6	21	44	0.2	3.0	10.4	6.7	Arachides
Sesame	...	19(v)	35	...	3.7(v)	6.9	4.5	Sésame

PATTERN OF EXPORTS : SELECTED COUNTRIES

STRUCTURE DES EXPORTATIONS DE CERTAINS PAYS

Value : million U.S. dollars   Weight : thousand metric tons

Valeur : millions de dollars des E.-U. Quantité : milliers de tonnes métriques

COUNTRY - PRINCIPAL COMMODITIES	Quantity — Quantité			Value — Valeur				PAYS - PRINCIPAUX PRODUITS
	1938	1950-54 (average) (moyenne)	1955-59 (e) (average) (moyenne)	1938	1950-54 (average) (moyenne)	1955-59 (e) (average - moyenne) Value Valeur	1955-59 (e) (average - moyenne) Percentage Pourcentage	
TUNISIA								TUNISIE
Total Exports(a)	.	.	.	39.2	114.7	132.1	100.0	Exportations totales(a)
of which :								dont :
Olive Oil	35	32	38	8.9	16.2	20.6	15.6	Huile d'Olive
Phosphates (natural)	1,567	1,851	1,938	3.8	15.3	18.2	13.8	Phosphates (naturels)
Wine (b)(w)	121	36(v)	...	4.4	4.9(v)	17.3	13.1	Vin (b)(w)
Iron Ore (x)	803	896	1,062	3.1	8.3	10.6	8.0	Minerai de Fer (x)
Wheat	97	137	75	6.0	15.2	9.0	6.8	Blé
Lead & Lead Alloys	27	25	24	1.9	8.0	6.8	5.1	Plomb & Alliages
Phosphatic Fertilizers	...	33 (f)	91	...	1.3(f)	5.4	4.1	Engrais phosphatés
Fruits : Citrus	4	16	34	0.2	1.5	3.7	2.8	Agrumes
Semolina	...	16	19	...	2.9	3.3	2.5	Semoule
Cement	...	3	263	...	0.4	3.3	2.4	Ciment
Barley	13	81	41	0.5	5.4	2.2	1.7	Orge
UNION OF SOUTH AFRICA								UNION SUD-AFRICAINE
Total Exports (h) (exc. gold)	.	.	.	134.6	731.4	1,022.0		Exportations totales (h) (or non compris)
Total Exports (h) (inc. gold)	.	.	.	490.0	1,140.5	1,589.3	100.0	Exportations totales (h) (or compris)
of which :								dont :
Gold	...	...	...	355.4	409.1	567.3	35.7	Or
Wool, greasy and other	111	99	113	43.5	181.2	161.4	10.2	Laine, en suint ou lavée
Fissionable material	...	...	...	...	26.2(g)	120.3	7.6	Matières fissibles
Diamonds, total(e)	636	2,191	1,514	11.6	58.4	90.6	5.7	Diamants, total(e)
Fruits (y)	...	244	426	15.4	43.7	78.2	4.9	Fruits (y)
Maize	200	155	911	4.7	10.8	47.1	3.0	Maïs
Lead Ore, Concentrates(z)	...	144(d)	194	...	19.7(d)	29.6	1.9	Minerais & Concentrés de plomb(z)
Copper	10	34	41	2.1	23.1	26.2	1.6	Cuivre
Asbestos, crude	20	108	138	2.0	19.7	20.5	1.3	Amiante brut
U.A.R. (EGYPT)								R.A.U. (EGYPTE)
Total Exports (h)	.	.	.	143.2	453.2	439.5	100.0	Exportations totales (h)
of which :								dont :
Cotton, raw	357	309	275	106.2	384.7	316.2	71.9	Coton brut
Rice	65	109	217	3.4	14.7	24.4	5.6	Riz
Textiles	...	9(g)	16	...	11.5(g)	20.5	4.7	Textiles
Onions	144	112	175	4.7	7.3	10.7	2.4	Oignons
Petroleum, crude & partly refined	...	65(g)	489	...	1.2(g)	4.9	1.1	Pétrole brut & partiellement raffiné

Sources : United Nations :
Yearbook of International Trade Statistics.
National Publications.

Notes : (a) Special exports, f.o.b.
(b) Quantities shown are in hectolitres (thousands).
(c) Quantities are in gross weight. The metal content is approximately 52 %.
(d) One year's data, 1954.
(e) Quantities shown are in carats (thousands).
(f) Territories whose average represents four years, i.e. 1951-54, Cameroun, Mozambique, Former French Equatorial Africa.
(g) Average of two years, i.e. 1953-54.
(h) National exports, f.o.b.
(i) In kilograms.
(j) Quantities shown are in gross weight. The metal content of the ore is approximately 72 %.
(k) Quantities in numbers (millions).
(l) Quantities are in gross weight. The metal content is approximately 48 %.
(m) Average of two years, 1957-58.
(n) Includes gold (probably negligible).
(o) Beginning 1952, excludes Comoro Islands.
(p) Wheat and Barley only.
(q) Quantities are in gross weight. Approximate metal content of each ore is : Iron 45 %; Manganese 46 %; Lead 72 %; Cobalt 10 %; Zinc 55 %.
(r) Average of 3 years, 1955-57.
(s) Territories whose average represents four years, i.e. 1955-58, Algeria, Angola, Former French Equatorial Africa, Former French West Africa, Madagascar, Morocco, Mozambique and Union of South Africa.
(t) In cubic metres (thousands).
(u) Prior to 1953, the sum of Northern and Southern Rhodesia exports. Beginning 1954, the Federation of Rhodesia and Nyasaland.
(v) Average of 3 years, 1952-54.
(w) 1952 and later years data for alcoholic beverages.
(x) Quantities are in gross weight. The Iron Content of the ore is approximately 55 %.
(y) Citrus and deciduous, fresh; grapes and preserved fruits.
(z) Quantities are in gross weight. The metal content of the concentrate is approximately 76 %.

Sources : Organisation des Nations Unies :
Yearbook of International Trade Statistics.
Publications Nationales.

Notes : (a) Commerce spécial, exportations f.o.b.
(b) Les quantités sont exprimées en milliers d'hectolitres.
(c) Les quantités sont en poids brut. La teneur en métal est de l'ordre de 52 %.
(d) Données d'une seule année, 1954.
(e) Les quantités sont en milliers de carats.
(f) Territoires dont la moyenne des exportations est calculée sur quatre années (1951-54) : Cameroun, Mozambique, Anc. A. E. F.
(g) Moyenne de deux années (1953-54).
(h) Exportations nationales, f.o.b.
(i) En kilogrammes.
(j) Les quantités sont en poids brut. La teneur en métal est de l'ordre de 72 %.
(k) Quantités en millions d'unités.
(l) Les quantités sont en poids brut; la teneur en métal est de l'ordre de 48 %.
(m) Moyenne de deux années (1957-58).
(n) Or inclus (probablement négligeable).
(o) A partir de 1952, non compris les Iles Comores.
(p) Blé et orge seulement.
(q) Les quantités sont en poids brut; la teneur en métal de chaque minerai est approximativement la suivante : Fer 45 %; Manganèse 46 %; Plomb 72 %; Cobalt 10 %; Zinc 55 %.
(r) Moyenne de trois années (1955-57).
(s) Territoires dont la moyenne des exportations est calculée sur quatre années (1955-58) : Algérie, Angola, Anc. A. E. F., Anc. A. O. F., Madagascar, Maroc, Mozambique et Union Sud-Africaine.
(t) En milliers de mètres cubes.
(u) Avant 1953, les données représentent la somme des exportations de la Rhodésie du Nord et du Sud. A partir de 1954, elles se réfèrent à la Fédération de la Rhodésie et du Nyasaland.
(v) Moyenne de trois années (1952-54).
(w) Pour 1952 et les années suivantes, les données concernent les boissons alcooliques.
(x) Les quantités sont en poids brut; la teneur en fer du minerai est de l'ordre de 55 %.
(y) Agrumes frais; raisins et conserves de fruits.
(z) Les quantités sont en poids brut; la teneur en métal du concentr est de l'ordre de 76 %.

TABLE 5 --- TABLEAU 5

DIRECTION OF TRADE : SELECTED COUNTRIES

COMMERCE EXTERIEUR DE CERTAINS PAYS PAR PAYS FOURNISSEUR OU CLIENT

Million U.S. Dollars

Millions de dollars des E.-U.

EXPORTS - EXPORTATIONS

COUNTRY	Period	Total Annual Exports — Exportations annuelles total	of which / dont: U.S.A. & Canada — E.-U. & Canada	United Kingdom — Royaume Uni	EEC — CEE	Other Western Europe — Autres Pays d'Eur. Occ.	Eastern Europe & USSR — Europe de l'Est & URSS	Africa — Afrique	Période	PAYS
NORTH AFRICA										AFRIQUE DU NORD
Algeria	1938	161.2	2.7	7.7	140.5	0.8	0.9	*5.0	1938	Algérie
	1950-54	385.7	5.3	31.9	295.5	7.9	3.0	30.0	1950-54	
	1955-59	443.8	2.1	25.2	373.7	7.5	4.2	23.3	1955-59	
Morocco	1938	43.2	0.8	2.9	28.4	2.1	0.8	7.0	1938	Maroc
	1950-54	254.3	9.4	25.8	155.1	21.6	2.5	31.5	1950-54	
	1955-59	331.5	9.6	18.7	220.7	21.2	5.6	50.4	1955-59	
Sudan	1938	29.9	0.9	13.5	3.0	0.3	0.2	5.1	1938	Soudan
	1950-54	128.4	3.2	68.3	22.6	2.6	0.4	11.2	1950-54	
	1955-59	160.2	4.1	44.4	44.2	4.4	6.2	19.4	1955-59	
Tunisia	1938	38.7	2.0	4.3	27.6	1.0	0.2	1.9	1938	Tunisie
	1950-54	119.5	2.3	15.9	75.4	5.2	0.8	8.3	1950-54	
	1955-59	132.6	2.8	11.0	94.9	8.3	2.0	8.9	1955-59	
U.A.R. (Egypt)	1938	151.0	3.9	49.9	43.9	11.0	13.8	0.5	1938	R.A.U. (Egypte)
	1950-54	462.6	38.5	65.0	131.4	46.8	48.9	5.3	1950-54	
	1955-59	446.8	15.6	14.5	73.9	46.0	152.7	25.6	1955-59	
WEST AFRICA										AFRIQUE DE L'OUEST
Cameroun	1938	7.2	0.1	0.2	6.4	-	-	-	1938	Cameroun
	1950-54	67.4	5.0	1.5	52.5	2.1	0.3	4.5	1950-54	
	1955-58	90.2	6.5	1.7	70.1	1.8	2.6	6.5	1955-58	
Former Fr. Equ. Afr.	1938	7.5	-	0.1	6.6	-	-	0.1	1938	Anc. A.E.F.
	1950-54	58.6	0.4	2.7	46.7	1.0	-	6.2	1950-54	
	1955-58	84.7	2.4	2.3	66.6	1.6	-	9.5	1955-58	
Former Fr. W. Afr.	1938	40.5	1.4	0.9	34.7	0.3	0.1	-	1938	Anc. A.O.F.
	1950-54	245.5	10.0	3.7	187.9	4.9	0.4	31.6	1950-54	
	1955-58	332.0	27.8	6.5	247.4	4.8	3.1	38.3	1955-58	
Ghana	1938	51.7	6.9	32.8	7.2	1.6	0.4	1.3	1938	Ghana
	1950-54	256.7	70.7	106.1	45.2	10.1	11.4	5.8	1950-54	
	1955-59	275.4	52.1	100.3	88.6	12.3	8.4	6.4	1955-59	
Nigeria	1938	70.3	3.2	46.8	16.9	0.4	0.7	1.5	1938	Nigeria
	1950-54	349.6	42.3	262.1	24.8	2.8	0.9	7.4	1950-54	
	1955-58	370.5	29.2	230.3	87.1	5.9	0.9	4.1	1955-58	
SOUTH AND EAST AFRICA										AFRIQUE DU SUD ET DE L'EST
Angola	1938	15.0	0.1	0.3	6.7	6.4	-	0.7	1938	Angola
	1950-54	101.5	23.5	16.1	27.1	25.4	-	7.8	1950-54	
	1955-59	116.1	31.0	17.1	31.7	25.8	0.1	7.6	1955-59	
Congo & Ruanda-Urundi	1938	64.1	1.0	0.1	60.4	-	-	2.3	1938	Congo & Ruanda-Urundi
	1950-54	380.3	52.6	32.9	249.4	4.8	-	18.3	1950-54	
	1955-59	483.9	66.6	40.2	302.9	6.3	0.3	21.4	1955-59	
Ethiopia	1938	3.1	0.2	0.4	1.7	0.2	-	0.5	1938	Ethiopie
	1950-54	51.1	9.4	3.3	7.2	0.9	-	3.2	1950-54	
	1955-59	69.4	20.7	3.1	15.0	2.8	0.3	4.0	1955-59	
Kenya, Uganda & Tanganyika	1938	...	...	...	...	...	...	...	1938	Kenya, Ouganda & Tanganyika
	1950-54	285.1	34.1	92.9	50.5	4.9	0.3	25.0	1950-54	
	1955-59	336.0	42.3	89.9	82.6	7.8	-	27.5	1955-59	
Madagascar	1938	23.5	1.2	1.3	18.8	-	0.1	1.0	1938	Madagascar
	1950-54	85.0	5.4	1.7	60.5	0.2	-	7.5	1950-54	
	1955-59	87.1	13.2	1.9	55.4	0.2	0.2	12.2	1955-59	
Mozambique	1938	5.9	0.2	1.1	1.7	2.1	0.1	0.5	1938	Mozambique
	1950-54	49.7	3.8	1.6	6.9	23.6	-	7.5	1950-54	
	1955-59	65.1	2.7	4.6	6.5	32.1	-	4.5	1955-59	
Rhodesia & Nyasaland	1938	98.2	2.7	57.2	28.4	1.0	0.3	6.2	1938	Rhodésie & Nyassaland
	1950-54	336.8	39.2	190.9	26.8	13.9	0.3	50.8	1950-54	
	1955-59	466.7	40.4	237.7	74.1	19.9	-	57.2	1955-59	
Union of South Afr.	1938	158.0	5.7	53.4	49.4	1.7	2.1	27.3	1938	Union Sud-Africaine
	1950-54	785.4	74.7	253.3	159.0	22.8	3.1	197.4	1950-54	
	1955-59	1149.0	98.0	355.0	204.0	25.1	13.2	226.8	1955-59	

Sources : United Nations : Direction of International Trade. National Statistical Publications.

Notes : E.E.C. (European Economic Community) includes Belgium-Luxembourg, France, Italy, Netherlands and Western Germany.

United Kingdom: Figures include those for Iceland and Ireland.

Other Western Europe: All the other Western European Countries not included in EEC or United Kingdom, including Yugoslavia and Finland.

(See following page)

Sources : Organisation des Nations Unies : Direction of International Trade. Publications Statistiques Nationales.

Notes : C.E.E. (Communauté Economique Européenne) se compose des pays suivants: Belgique-Luxembourg, France, Italie, Pays-Bas et Allemagne de l'Ouest.

Royaume-Uni: Y compris les données de l'Islande et de l'Irlande.

Autres Pays d'Europe Occidentale : Comprend les autres pays d'Europe Occidentale non compris dans la CEE ou le Royaume-Uni, y compris la Yougoslavie et la Finlande.

(Voir page suivante)

DIRECTION OF TRADE : SELECTED COUNTRIES

COMMERCE EXTERIEUR DE CERTAINS PAYS PAR PAYS FOURNISSEUR OU CLIENT

Million U.S. dollars
Millions de dollars des

IMPORTS - IMPORTATIONS

COUNTRY	Period — Période	Total Annual Exports — Exportations annuelles total	of which — dont: U.S.A. & Canada — E.-U. & Canada	United Kingdom — Royaume Uni	EEC — CEE	Other Western Europe — Autres Pays d'Eur. Occ.	Eastern Europe & USSR — Europe de l'Est & URSS	Selected Far East Countries — Certains Pays d'Ex. Or.	Africa — Afrique	PAYS
NORTH AFRICA										AFRIQUE DU NORD
Algeria	1938	142.8	3.0	3.4	110.9	1.1	1.2	0.9	11.6	Algérie
	1950-54	571.1	26.0	5.6	439.3	12.6	1.4	2.9	46.3	
	1955-59	963.0	39.5	6.4	800.2	24.1	5.0	5.2	61.3	
Morocco	1938	62.4	5.0	1.6	30.2	3.5	3.3	10.3	0.9	Maroc
	1950-54	454.0	41.3	10.9	279.5	25.4	3.4	15.5	23.3	
	1955-59	418.2	37.1	13.6	260.9	28.8	3.7	18.2	19.0	
Sudan	1938	31.5	0.7	8.2	1.3	-	-	6.9	8.8	Soudan
	1950-54	132.2	3.5	47.8	21.1	4.2	5.0	20.5	20.0	
	1955-59	159.8	4.2	45.4	28.8	6.1	6.5	29.0	21.9	
Tunisia	1938	44.6	1.6	1.8	29.9	1.1	2.3	0.4	2.1	Tunisie
	1950-54	171.0	8.3	2.8	138.6	4.2	1.5	0.9	8.6	
	1955-59	171.6	7.1	3.9	134.3	6.1	2.4	1.0	10.1	
U.A.R. (Egypt)	1938	185.2	12.5	42.6	59.0	14.5	17.5	9.8	0.8	R.A.U. (Egypte)
	1950-54	497.2	88.7	84.6	159.5	69.2	39.7	17.9	18.5	
	1955-59	579.3	64.7	42.7	160.7	74.1	113.6	50.6	21.8	
WEST AFRICA										AFRIQUE DE L'OUEST
Cameroun	1938	6.1	0.8	0.8	2.3	-	-	0.8	-	Cameroun
	1950-54	86.9	3.0	3.0	62.2	2.7	0.5	0.6	5.7	
	1955-58	100.3	2.9	2.9	71.5	5.9	1.1	0.7	6.9	
Former Fr.Equ.Afr.	1938	8.3	1.2	0.4	3.9	0.2	-	1.0	0.2	Anc. A.E.F.
	1950-54	95.1	9.1	3.1	65.3	2.2	0.2	0.4	7.6	
	1955-58	126.6	10.3	3.4	86.1	4.3	0.2	1.1	12.7	
Former Fr. W. Afr.	1938	46.5	2.9	2.7	30.9	1.2	0.6	2.2	0.1	Anc. A.O.F.
	1950-54	327.5	16.7	7.4	243.5	3.5	0.5	2.2	28.9	
	1955-58	402.8	19.4	10.1	297.5	8.0	0.2	7.9	31.9	
Ghana	1938	50.7	4.0	32.5	4.2	0.6	0.8	2.2	3.2	Ghana
	1950-54	180.7	11.5	98.2	27.0	4.6	2.1	14.3	11.4	
	1955-59	263.7	15.2	116.1	61.9	8.3	6.0	31.5	16.6	
Nigeria	1938	56.5	3.5	37.3	5.9	2.3	0.8	4.8	0.1	Nigeria
	1950-54	269.9	12.9	147.9	43.3	10.5	3.3	40.2	2.5	
	1955-58	425.1	21.2	194.0	74.5	18.5	7.8	79.6	3.2	
SOUTH AND EAST AFRICA										AFRIQUE DU SUD ET DE L'EST
Angola	1938	10.2	1.0	1.1	1.6	4.3	0.3	0.8	0.3	Angola
	1950-54	81.1	12.5	10.3	10.8	41.1	0.3	1.2	1.7	
	1955-59	117.7	14.9	12.4	23.5	59.4	0.3	1.1	2.3	
Congo & Ruanda-Urundi	1938	34.5	2.6	2.1	19.9	0.5	0.3	4.3	3.3	Congo & Ruanda-Urundi
	1950-54	328.0	76.5	25.7	173.0	11.1	1.5	11.5	25.0	
	1955-59	380.2	66.8	28.5	202.1	19.4	2.6	7.6	30.1	
Ethiopia	1938	16.4	0.1	-	15.5	-	-	-	0.7	Ethiopie
	1950-54	47.6	6.8	5.9	12.2	1.0	4.0	13.0	2.5	
	1955-59	72.9	8.9	7.3	24.6	3.0	1.3	16.5	4.1	
Kenya, Uganda & Tanganyika	1938	...	...	...	...	...	...	...	...	Kenya, Ouganda & Tanganyika
	1950-54	292.1	13.1	140.0	39.1	6.2	5.0	38.9	13.8	
	1955-59	372.9	12.4	150.1	60.1	11.2	1.1	53.8	30.3	
Madagascar	1938	17.4	0.9	0.4	13.3	0.2	0.1	0.5	0.4	Madagascar
	1950-54	123.3	5.0	1.8	98.3	2.5	0.8	0.8	5.5	
	1955-59	129.1	4.3	2.2	99.6	3.0	0.5	3.5	7.7	
Mozambique	1938	16.2	1.3	2.8	3.2	4.2	-	1.1	1.1	Mozambique
	1950-54	75.4	11.5	13.0	10.8	24.1	-	1.9	9.7	
	1955-58	100.2	9.0	16.2	20.2	33.1	-	2.0	10.3	
Rhodesia & Nyasaland	1938	68.6	9.2	34.5	4.3	1.2	0.5	2.6	12.3	Rhodésie & Nyassaland
	1950-54	245.8	20.9	140.4	12.3	4.5	0.8	9.1	108.2	
	1955-59	438.5	28.8	172.0	28.4	9.4	1.1	10.5	159.5	
Union of South Africa	1938	466.0	97.8	201.6	71.4	17.7	9.4	21.4	13.2	Union Sud-Africaine
	1950-54	1176.1	266.4	419.0	114.7	49.7	5.1	38.6	104.4	
	1955-59	1439.2	327.4	471.6	231.3	73.3	6.7	49.2	102.4	

Notes (cont'd) :

Eastern Europe and USSR : includes Bulgaria, Czechoslovakia Eastern Germany, Hungary, Poland, Rumania and USSR.

Selected Far East Countries : includes China, Hong Kong, India, and Japan.

Total : "Special Categories" are included in this item, i.e. segments of a country's total exports and imports that are reported by category rather than by country (i.e. ship's stores, "for order" shipments, parcel post, re-imports and products of deep sea fisheries) but are not shown separately. For Congo (Léopoldville) however, "for order" shipments reported by the Statistical Section of the General Government have been distributed by country as far as possible according to estimates published by the "Bank of the Belgian Congo" beginning 1955. For Union of South Africa prescribed materials under the Atomic Energy Act beginning 1955, are included in this special category.

Notes (suite) :

Europe de l'Est et URSS : comprend la Bulgarie, la Tchécoslovaquie, l'Allemagne de l'Est, la Hongrie, la Pologne, la Roumanie et l'URSS.

Certains Pays d'Extrême-Orient : comprend la Chine, Hong-Kong, l'Inde, et le Japon.

Total : les "Catégories spéciales" c'est-à-dire les parties du total exporté et importé d'un pays qui sont mentionnées par catégorie plutot que par pays (approvisionnement des navires, expéditions "pour ordre", colis postaux, ré-importations et produits de la pêche hauturière) sont comprises dans ce total, et ne sont pas mentionnées séparément. Toutefois, pour le Congo (Léopoldville), les expéditions "pour ordre" qui sont signalées par la section de Statistique du Gouvernement Général ont été réparties par pays dans la mesure du possible d'aprée les estimations que la Banque du Congo Belge publie depuis 1955. Dans le cas de l'Union Sud-Africaine, dès le début de 1955, les matières visées par la loi sur l'énergie atomique sont incluses dans cette "catégorie spéciale"

TABLE 6 - A --- TABLEAU 6 - A

EXPORTS OF MAJOR AGRICULTURAL COMMODITIES : PRINCIPAL EXPORTING COUNTRIES

EXPORTATION DES PRINCIPAUX PRODUITS AGRICOLES : PRINCIPAUX PAYS EXPORTATEURS

Thousand metric tons

Milliers de tonnes métriques

COMMODITY/COUNTRY	Average Moyenne 1952-55	1956	1957	1958	1959	PRODUITS/PAYS
COCOA BEANS						**CACAO, FEVES**
Total Africa	484	523	570	440	...	Afrique, total
of which :						dont :
Ghana	220.7	238.2	264.4	200.5	254.2	Ghana
Nigeria	103.2	119.0	138.0	89.0	145.1	Nigeria
Former Fr. W. Afr.	62.5	78.8	66.5	46.3	63.3	Anc. A.O.F.
Cameroun	54.3	46.0	53.5	54.4	53.4	Cameroun
COFFEE, RAW						**CAFE, BRUT**
Total Africa	356	504	514	535	...	Afrique, total
of which :						dont :
Kenya, Uganda & Tanganyika	80.7	111.7	126.8	128.0	136.0	Kenya, Ouganda & Tanganyika
Former Fr. W. Afr.	79.5	131.1	111.9	133.1	120.3	Anc. A.O.F.
Angola	56.2	84.0	72.2	77.3	...	Angola
Congo (Leopoldville)	35.8	32.2	69.2	69.4	93.0	Congo (Léopoldville)
Ethiopia (a)	34.4	33.0	44.2	39.1	41.9	Ethiopie (a)
Madagascar	41.7	52.5	48.3	47.8	37.9	Madagascar
Cameroun	11.0	17.8	16.9	26.5	29.5	Cameroun
Togo	3.4	6.4	6.1	4.6	11.6	Togo
GROUNDNUTS						**ARACHIDES**
Total Africa	732	1,030 (b)	924	1,143	...	Afrique, total
of which :						dont :
Nigeria	358.7	455.3	308.4	521.4	505.2	Nigeria
Former Fr. W. Afr.	219.1	296.9	353.5	436.2	348.2	Anc. A.O.F.
Sudan	34.1	64.1	73.2	67.7	64.6	Soudan
Gambia	52.1 (c)	38.6	50.1	63.9	...	Gambie
Union of South Africa	22.7	56.3	50.6	26.1	...	Union Sud-Africaine
Kenya, Uganda & Tanganyika	...	...	29.4	21.4	17.3	Kenya, Ouganda & Tanganyika
OLIVE OIL (d)						**HUILE D'OLIVE** (d)
Total Africa	42	32	67	50	...	Afrique, total
of which :						dont :
Tunisia	22.1	12.7	38.2	41.9	78.5	Tunisie
Algeria	12.6	9.7	5.9	5.0	...	Algérie
PALM KERNELS						**AMANDES DE PALMISTE**
Total Africa	740	736	652	706	...	Afrique, total
of which :						dont :
Nigeria	425.3	458.3	414.3	448.3	437.3	Nigeria
Former Fr. W. Afr.	79.0	86.4	78.8	99.0	84.5	Anc. A.O.F.
Sierra Leone	68.9	58.6	53.8	55.5	57.5	Sierra Leone
Cameroun	18.6 (e)	16.4	13.9	13.0	22.6	Cameroun
Liberia	12.1	10.0	10.6	11.1	19.3	Libéria
PALM OIL						**HUILE DE PALME**
Total Africa	366	[illegible]76	353	358	390	Afrique, total
of which :						dont :
Nigeria	192.7	158.9	169.5	173.2	186.6	Nigeria
Congo (Leopoldville) (f)	174.8	195.8	207.4	163.8	158.7	Congo (Léopoldville) (f)
COTTON, RAW						**COTON, BRUT**
Total Africa	602	607	557	618	770	Afrique, total
of which :						dont :
U.A.R. (Egypt) (g)	295.5	234.8	264.1	281.5	317.7	R.A.U. (Egypte) (g)
Sudan (h)	75.2	114.7	62.6	83.7	179.8	Soudan (h)
Kenya, Uganda & Tanganyika	81.4	99.7	90.1	105.1	102.1	Kenya, Ouganda & Tanganyika
Former Fr. Equ. Afr.	29.9	37.8	34.1	39.2	...	Anc. A.E.F.
Congo (Leopoldville)	44.1	52.6	39.4	34.4	53.0	Congo (Léopoldville)
Nigeria	24.4	28.3	25.7	34.2	37.5	Nigeria
Mozambique	34.9	22.7	31.6	36.0	35.1	Mozambique
SISAL						**SISAL**
Total Africa	276	303	317	344	...	Afrique, total
of which :						dont :
Kenya, Uganda & Tanganyika	204.1	224.4	224.9	240.2	259.8	Kenya, Ouganda & Tanganyika
Angola	31.7	37.3	46.4 (i)	51.9	...	Angola
Mozambique	23.2	27.9	32.4	30.3	...	Mozambique
Madagascar	7.7	9.2	11.0	12.1	...	Madagascar
WOOL AND HAIR						**LAINES, POILS ET CRINS**
Total Africa	...	...	...	...	...	Afrique, total
of which : Union of South Africa (j)	110.3	119.0	110.6	100.0	...	dont : Union Sud-Africaine (j)
WINE (k)						**VIN** (k)
Total Africa	15.0	15.3	19.0	14.7	...	Afrique, total
of which : Algeria (l)	13.7	13.3	16.1	12.3	...	dont : Algérie (l)
SUGAR						**SUCRE**
Total Africa	918	1,099	1,070	1,122	1,037	Afrique, total
of which :						dont :
Mauritius	509.2	536.3	584.0	523.2	507.1	Ile Maurice
Union of South Africa	141.2	182.5	148.3	240.5	215.8	Union Sud-Africaine
Reunion	155.0	185.1	196.7	191.2	...	Réunion
Mozambique	68.3	98.2	122.3	132.4	114.1	Mozambique
U.A.R. (Egypt)	66.2 (c)	17.3	68.9	115.9	...	R.A.U. (Egypte)
Madagascar	8.1	18.1	21.4	39.1	...	Madagascar
Angola	31.8	31.8	40.7	34.0	29.9	Angola
TOBACCO						**TABAC**
Total Africa	79	93	76	77	...	Afrique, total
of which :						dont :
Rhodesia & Nyasaland	50.8	74.9	63.0	65.0	79.8	Rhodésie & Nyassaland
Algeria (m)	17.5	14.7	7.6	11.0	...	Algérie (m)

EXPORTS OF MAJOR MINERALS : PRINCIPAL EXPORTING COUNTRIES

EXPORTATION DES PRINCIPAUX MINERAUX : PRINCIPAUX PAYS EXPORTATEURS

Thousand metric tons

Milliers de tonnes métriques

COMMODITY/COUNTRY	Average Moyenne 1952-55	1956	1957	1958	1959	PRODUITS/PAYS
ASBESTOS						AMIANTE
Principal Countries	...	230.9	248.5	230.9	...	Principaux Pays
of which :						dont :
Union of South Africa	114.0	133.1	151.0	144.7	...	Union Sud-Africaine
Rhodesia & Nyasaland	...	97.8	97.5	86.2	93.7	Rhodésie & Nyasaland
COBALT						COBALT
Congo & Ruanda-Urundi						Congo & Ruanda-Urundi
Granulated	4.6	4.6	5.1	4.8	...	Granulé
White alloys	8.2	9.9	7.2	4.3	...	Métal blanc
COPPER						CUIVRE
Principal Countries	610.4	667.1	705.7	709.4	...	Principaux Pays
of which :						dont :
Rhodesia & Nyasaland	356.8	373.6	415.1	409.3	522.6	Rhodésie & Nyasaland
Congo & Ruanda-Urundi	217.4	253.8	241.6	241.4	284.0	Congo & Ruanda-Urundi
Union of South Africa	36.2	39.7	39.1	44.4	...	Union Sud-Africaine
Kenya & Uganda (a)	...	...	9.9	14.3	15.0	Kenya & Ouganda (a)
IRON ORE AND CONCENTRATES (Iron Content)(b)						MINERAI ET CONCENTRES DE FER (teneur en Fe) (b)
Principal Countries	4,466.7	4,798.3	5,209.5	4,443.0	...	Principaux Pays
of which :						dont :
Liberia	1,006.3	1,400.7	1,470.7	1,403.2	1,841.2	Libéria
Algeria	1,672.6	1,294.5	1,427.6	1,208.2	...	Algérie
Sierra Leone	754.0	836.6	910.0	695.5	...	Sierra Leone
Tunisia	550.3	660.9	646.3	554.7	458.3	Tunisie
Morocco	196.8	174.3	214.6	205.5	...	Maroc
Former Fr. W. Afr.	286.7	441.3	540.3	176.9	100.2	Anc. A.O.F.
MANGANESE ORE (Mn Content)(c)						MINERAI DE MANGANESE (teneur en Mn)(c)
Principal Countries	849.2	906.5	897.1	743.8	...	Principaux Pays
of which :						dont :
Ghana	285.9	310.1	312.8	251.2	252.8	Ghana
Union of South Africa	208.5	186.1	202.1	179.8	...	Union Sud-Africaine
Morocco	171.3	154.6	199.2	147.8	169.7	Maroc
Congo & Ruanda-Urundi	102.1	163.8	169.7	156.2	148.0	Congo & Ruanda-Urundi
U.A.R. (Egypt)	61.4	80.1	6.2	6.2	48.5	R.A.U. (Egypte)
Angola	20.0	11.8	7.1	2.6	...	Angola
PHOSPHATES						PHOSPHATES
Principal Countries	7,471.9	8,432.2	8,183.7	9,295.1	9 959.8	Principaux Pays
of which :						dont :
Morocco	4,570.0	5,560.2	5,389.7	6,272.8	7,000.0	Maroc
Tunisia	1,859.6	1,878.3	1,841.5	2,048.5	1,960.6	Tunisie
Algeria	637.8	578.6	572.8	550.5	550.5	Algérie
U.A.R. (Egypt)	404.5	415.1	379.7	423.3	448.7	R.A.U. (Egypte)
TIN AND TIN ORE (Sn Content)(d)						ETAIN ET MINERAI D'ETAIN (teneur en Sn)(d)
Principal Countries	23.4	24.3	25.1	15.5	15.8	Principaux Pays
of which :						dont :
Congo & Ruanda-Urundi	15.3	14.5	15.1	10.0	10.3	Congo & Ruanda-Urundi
Nigeria	8.1	9.8	10.0	5.5	5.5	Nigeria
ZINC AND ZINC ORE (e)						ZINC ET MINERAI DE ZINC(e)
Congo & Ruanda-Urundi						Congo & Ruanda-Urundi
(zinc)	23.0	39.5	49.7	51.3	54.4	(zinc)
(zinc ore)	122.0	71.6	79.3	83.7	75.1	(minerai de zinc)
Morocco	80.6	63.5	103.9	55.3	...	Maroc
Union of South Africa	...	34.7	75.6	56.1	...	Union Sud-Africaine
Algeria	55.6	61.9	51.5	53.4	...	Algérie
Rhodesia & Nyasaland	24.9	29.8	30.1	28.4	31.0	Rhodésie & Nyasaland
Tunisia	9.5	11.1	8.1	6.4	6.1	Tunisie

Sources : United Nations :
Yearbook of International Trade Statistics
FAO Trade Yearbook.
National Publications.

Notes : TABLE 6-A
(a) Year starting 11th September of previous year.
(b) Data for British East Africa not included.
(c) Average of 1954 and 1955.
(d) Quantity data as given in the FAO publications, except Tunisia, 1956-58.
(e) Average of 1953-55.
(f) Crude and refined, includes palm kernel oil.
(g) Other than linters.
(h) Cotton ginned.
(i) Including waste.
(j) Wool, greasy and other.
(k) Quantity in million hectolitres.
(l) Including mistelle and aperitifs.
(m) Includes manufactured tobacco.

TABLE 6-B
(a) Copper and alloys, not refined and refined.
(b) The metal content, as a percentage of the gross weight of ore, was approximately as follows : -
Algeria : 52 %, Liberia : 68 %, Sierra Leone : 62 %,
Tunisia : 55 %, Morocco : 45 %, Former Fr.W.A. : 53 %.
(c) The metal content, as a percentage of the gross weight of ore, was approximately as follows : -
Ghana : 48 %, Union of South Africa : 40 %, Morocco : 46%,
Congo & Ruanda-Urundi : between 48 % and 50 % (the estimate of metal content is calculated on the basis of 4[illegible] % average). U.A.R. (Egypt) : 30 %, Angola : 48 % in 1954; [illegible]8 % in 1955; 33 % in 1956; 30 % in 1957. The estimate of metal content is calculated on the basis of an average of 46 % in the period 1952-55 and 30 % in 1958.
(d) Sn content of ore approximately 72 %.
(e) Figures of Zn content are available only for Morocco (55 %) and Tunisia (48 % to 55 %). For Morocco, Union of South Africa, Algeria and Tunisia, figures refer to Zinc Ore; for Rhodesia & Nyasaland, they refer to Zinc.

Sources : Organisation des Nations Unies :
Yearbook of International Trade Statistics
FAO Annuaire du Commerce.
Publications Nationales.

Notes : TABLEAU 6-A
(a) Année commençant le 11 septembre de l'année précédente.
(b) Non compris l'Afrique Orientale Britannique.
(c) Moyenne 1954-55.
(d) Quantités données selon les publications de la FAO, à l'exception de la Tunisie, 1956-58.
(e) Moyenne 1953-55.
(f) Brute et raffinée, y compris l'huile de palmiste.
(g) Non compris les linters.
(h) Coton égrené.
(i) Déchets inclus.
(j) Laine en suint ou lavée.
(k) Quantité en millions d'hectolitres.
(l) Y compris mistelle et apéritif.
(m) Y compris tabac manufacturé.

TABLEAU 6-B
(a) Cuivre et alliage, raffiné ou non.
(b) La teneur en métal, en pourcentage du poids brut du minerai est approximativement la suivante : -
Algérie : 52 %, Libéria : 68 %, Sierra Leone : 62 %,
Tunisie : 55 %, Maroc : 45 %, Anc. A.O.F. : 53 %.
(c) La teneur en métal, en pourcentage du poids brut du minerai est approximativement la suivante :
Ghana : 48 %, Union Sud-Africaine : 40 %, Maroc : 46 %, Congo & Ruanda-Urundi : entre 48 et 50 % (l'estimation de la teneur en métal est calculée sur la base moyenne de 49 %). R.A.U. (Egypte) : 30 %, Angola : 48 % en 1954; 38 % en 1955; 33 % en 1956 et 30 % en 1957; l'estimation de la teneur en métal est calculée sur la base moyenne de 46 % pour la période de 1952-55 et de 30 % en 1958.
(d) La teneur du minerai en Sn est approximativement de 72 %
(e) La teneur en Zn est seulement connue pour le Maroc (55 %) et pour la Tunisie (48 à 55 %). Pour le Maroc, l'Union Sud-Africaine, l'Algérie et la Tunisie, les données se rapportent au minerai de zinc; pour la Rhodésie & le Nyasaland, elles se rapportent au zinc.

TABLE 7 --- TABLEAU 7

PATTERN OF IMPORTS : SELECTED COUNTRIES

COMPOSITION DES IMPORTATIONS DE CERTAINS PAYS

Annual Average, 1955-1959

Moyenne Annuelle, 1955-1959

COUNTRY	Total Imports in million US$ / Total des Importations en millions de $ des E.-U.	of which : Percent of Imports excluding Miscellaneous Imports [a] / dont : Pourcentage des Importations non compris "Importations diverses" [a] — Food Beverages & Tobacco / Produits alimentaires boissons & tabac	Basic Materials / Produits de base	Mineral fuels / Combustibles minéraux	Chemicals / Produits chimiques	Textiles	Metals & Manufactures / Métaux et art. de Métal — TOTAL	of which : Machinery & Transport / dont : Machines & matériel de transport	PAYS
Cameroun	98.2	18.7	0.8	5.0	7.3	11.1	57.1	27.2	Cameroun
Congo (Léopoldville)	379.8	13.5	1.4	8.5	6.2	8.7	61.8	32.8	Congo (Léopoldville)
Ethiopia	73.0	8.3	3.5	10.0	5.0	26.3	47.0	24.0	Ethiopie
Former Fr. Equ. Afr. [d]	126.0	18.9	0.9	7.5	4.5	9.0	52.1	30.6	Anc. A.E.F. [d]
Former Fr. W. Afr. [d]	379.8	23.6 [b]	1.8	6.4	5.4	16.5	46.2	24.1	Anc. A.O.F. [d]
Ghana	263.8	21.4	0.6	6.5	7.4	19.3	44.8	19.3	Ghana
Kenya, Uganda & Tanganyika	372.6	7.4	1.3	11.4	6.0	14.8	59.0	29.6	Kenya, Ouganda & Tanganyika
Liberia	32.4	19.6	1.0	5.8	6.7	(c)	(c)	26.1	Liberia
Libya [d]	75.4	22.5	3.3	6.5	6.5	8.1	53.1	28.4	Libye [d]
Morocco [d]	418.2	25.6	13.2	8.7	5.5	7.5	39.4	23.7	Maroc [d]
Nigeria [d]	441.6	14.5	1.3	5.2	5.3	23.2	50.5	21.9	Nigeria [d]
Rhodesia & Nyasaland	438.4	9.4	4.2	5.4	7.7	8.3	65.0	35.2	Rhodésie & Nyassaland
Sudan	159.8	24.3	1.1	8.0	5.9	16.9	43.8	18.4	Soudan
Tunisia	170.8	24.3	2.5	10.0	6.9	13.3	43.0	15.5	Tunisie
U.A.R. (Egypt) [d]	579.4	20.1	11.5	10.8	12.9	4.2	40.3	21.8	R.A.U. (Egypte) [d]

Source : United Nations, Yearbook of International Trade Statistics.

Notes : Commodity grouping is approximate.

(a) "Miscellaneous Imports" correspond roughly to items included in S.I.T.C. Section 9.
(b) Excludes beer.
(c) Average 1955-59 not calculated, as complete data for groups 65, 68 and 69 not available.
(d) Annual average 1955-58.

Source : Organisation des Nations Unies, Yearbook of International Trade Statistics.

Notes : Le groupement des produits est approximatif.

(a) "Importations Diverses" correspondent approximativement aux produits contenus dans la section 9 de la C.T.C.I.
(b) Non compris la bière.
(c) La source mentionnée ne fournissant pas les données pour les divisions 65, 68 et 69, la moyenne de 1955-59 n'a pas été calculée .
(d) Moyenne annuelle 1955-58.

Sources and Notes of Table 8

Sources : F.A.O. Production Yearbook
Monthly Bulletin of Agricultural Economics and Statistics.

I.M.F. International Financial Statistics.

Notes :

Cocoa Beans : Belgium : Congo (Leopoldville), first quality, c.i.f. Antwerp. United States : Accra, spot price New York. United Kingdom : Accra, spot price in London; from 1957, nearest forward shipment, c.i.f. France : Ivory Coast, wholesale price, ex warehouse Le Havre.

Coffee : Belgium (Leopoldville) : Arabica, plantation crop, c.i.f. Antwerp. France : Ivory Coast, Robusta, ex warehouse, le Havre. Uganda : Unwashed native Robusta, f.a.q. nearest delivery date, f.o.b. Mombasa. United States : Brazilian Santos No. 4, spot price, New York.

Cottonseed : European Ports : Sudanese, black, bulk, nearest forward shipment, c.i.f. U.A.R. (Egypt) : Commercial varieties, government fixed price to producers.

Groundnuts : European Ports : Nigerian, shelled, nearest forward shipment. France : Senegal, in bulk, shelled, import price, c.i.f. Nigeria : Shelled, naked, ex scale, Kano area; government fixed minimum price.

Groundnut Oil : European Ports : a) South African, 2 %, bulk, spot price, Rotterdam; from only 1958, nearest forward shipment - b) British West African, c.i.f.: 1953, 3-8 %; January October 1956, 3-4 %; from November 1956, 3-6 %, Rotterdam; from 1957, nearest forward shipment. France : Refined, for all food uses, 1000 kg. lots delivered in drums, wholesale price, ex mill.

Olive Oil : European Ports : Algerian and Tunisian, edible, 1 % drums, 1950 through January 1956 f.o.b. North African port; March through December 1956, c. and f.; from 1957, c.i.f.

Palm Kernels : Belgium : Congo (Leopoldville), nearest forward shipment, c.i.f. European Ports : British West African, nearest forward shipment, c.i.f.

Palm Oil : Belgium : Congo (Leopoldville), 6-7 %, bulk, nearest forward shipment, c.i.f. Antwerp; from April 1956, 5 %. United States : Congo (Leopoldville), drums, f.o.b. New York; 1950 through 1957, includes 3 cents per pound processing tax.

Cotton : United States : Middling one inch, average of 10 spot markets: from 1954, 14 markets. U.A.R. (Egypt) : Wholesale prices, Alexandria. United Kingdom : Egyptian, Karnak, fully good, c.i.f. Liverpool.

Sisal : United Kingdom : British East Africa No. 1 wholesale price c.i.f. London. United States : British East Africa, No. 1 landed New York.

Tobacco : Rhodesia : Flue-cured, average price at auctions. United States : Flue-cured, types 11-14, average auction price.

Copper : Rhodesia : Unit value of exports; prior to 1954 f.o.b. exports from Nothern Rhodesia. United Kingdom : Electrolytic. United States : Domestic electrolytic; Connecticut Valley; Export New-York.

Lead : United States : Domestic pig, common grade, New-York. United Kingdom : soft foreign, duty paid. Price ex warehouse.

Tin : United States : Grade A; New-York. United Kingdom : For domestic consumption; London; standard.

Zinc : Canada : Electrolytic, Grade A. United States : Domestic, prime Western, New-York. United Kingdom : Foreign, duty paid. Belgium : 99.95 %.

Sources et Notes du Tableau 8

Sources : F.A.O. Annuaire de la Production
Bulletin Mensuel, Economie et Statistique Agricoles.

I.M.F. International Financial Statistics.

Notes :

Fèves de Cacao : Belgique : Du Congo (Léopoldville) première qualité, c.a.f. Anvers. Etats-Unis : Accra, prix comptant, New-York. Royaume-Uni : Accra, prix comptant Londres; depuis 1957, embarquement le plus proche, c.a.f. France : De la Cote d'Ivoire, prix de gros, à l'entrepot, Le Havre.

Café : Belgique : Du Congo (Léopoldville) Arabica, plantations européennes, c.a.f. Anvers. France : De la Cote d'Ivoire, Robusta courant, en entrepôt, Le Havre. Ouganda : Café type non lavé, Robusta de production indigène, bonne qualité moyenne, pour livraison à la date la plus proche, f.o.b. Mombasa. Etats-Unis : Santos No. 4 brésilien, prix au comptant, New-York.

Graines de Coton : Ports Européens : Du Soudan, noires, en vrac, embarquement le plus proche, c.a.f. R.A.U. (Egypte) : Variétés commerciales, prix à la production fixé par le gouvernement.

Arachides : Ports Européens : De la Nigeria, décortiquées, embarquement le plus proche, c.a.f. France : Du Sénégal, en vrac, decortiquées, prix à l'importation, c.a.f. Nigeria : decortiquées, sans emballage, après pesée, région Kano, prix minimum fixé par le gouvernement.

Huile d'Arachide : Ports Européens : a) Sud-Africaine, 2 %, en vrac, au comptant, Rotterdam; depuis juillet 1958, embarquement le plus proche. b) D'Afrique Occidentale Britannique, c.a.f.: 1953, 3-8 %; janvier-octobre 1956, 3-4 %; novembre 1956, 3-6 %, Rotterdam; depuis 1957, embarquement le plus proche. France : Raffinée, pour tous usages alimentaires, en lots de 1.000 kg., livrée en fûts, prix de gros, à l'huilerie.

Huile d'Olive : Ports Européens : Huile algérienne et tunisienne, comestible, 1 %, fûts, de 1950 à fin janvier 1956, f.o.b. port nord-africain, de mars à fin décembre 1956, c. et f., depuis 1957 c.a.f.

Palmistes : Belgique : Du Congo (Léopoldville) embarquement le plus proche, c.a.f. Ports Européens : De l'Afrique Occidentale Britannique, embarquement le plus proche, c.a.f.

Huile de Palme : Belgique : Du Congo (Léopoldville), 6-7 %, en vrac, embarquement le plus proche, c.a.f. Anvers; depuis avril 1956, 5 %. Etats-Unis : Du Congo (Leopoldville), fûts, f.o.b. New-York; de 1950 à fin 1957, y compris une taxe de raffinage de 3 cents par livre.

Coton : Etats-Unis : Middling 1", moyenne des cours du disponible sur 10 marchés, depuis 1954, 14 marchés. R.A.U. (Egypte) : Prix de gros, Alexandrie. Royaume-Uni : De l'Egypte, Karnak, (fully good) c.a.f. Liverpool.

Sisal : Royaume-Uni : D'Afrique Orientale Britannique, No. 1 prix de gros, c.a.f. Londres. Etats-Unis : D'Afrique Orientale Britannique, No. 1, vendu New-York.

Tabac : Rhodésie : Tabac "flue-cured", prix moyens aux enchères. Etats-Unis : Tabac "flue-cured", type 11-14, prix moyens aux enchères.

Cuivre : Rhodésie : Valeur unitaire des exportations; avant 1954 f.o.b. Exportations de la Rhodésie du Nord. Royaume-Uni : Electrolytique. Etats-Unis : Electrolytique, de production nationale; Connecticut Valley; Exportations, New-York.

Plomb : Etats-Unis : Saumons, production nationale, qualité ordinaire, New-York. Royaume-Uni : Plomb non étranger, droits payés. Prix entrepot.

Etain : Etats-Unis : Première qualité, New-York. Royaume-Uni : Pour consommation intérieure, Londres, conditions habituelles.

Zinc : Canada : Electrolytique, première qualité, Etats-Unis : Production Nationale, première qualité (Western), New York. Royaume-Uni : Etranger, droits payés. Belgique : Pur 99.95 %.

PRICES OF SELECTED EXPORT COMMODITIES

PRIX DE CERTAINS PRODUITS D'EXPORTATION

Prices in U.S. cents per kilogram.

Prix en cents des E.-U. par kilogramme.

COMMODITY : EXPORTING OR IMPORTING COUNTRY	1950	1953	1954	1955	1956	1957	1958	1959	1960		PRODUIT : PAYS D'IMPORTATION OU D'EXPORTATION
									I - III	IV - VI	
A.- AGRICULTURAL COMMODITIES											**A.- PRODUITS AGRICOLES**
COCOA BEANS											FEVES DE CACAO
Belgium	72.9	76.7	122.7	50.3	58.0	63.9	91.9	74.6	60.6	...	Belgique
France	84.9	96.0	154.5	96.6	62.7	70.8	106.2	86.3	71.8	...	France
United States	70.8	81.8	127.4	88.4	60.2	65.7	97.7	80.6	63.2	...	Etats-Unis
United Kingdom	57.5	79.3	188.8	83.2	61.1	66.2	92.5	75.?	62.1	...	Royaume-Uni
COFFEE											CAFE
Belgium	117	130	166	122	148	129	104	76	86	...	Belgique
France	-	-	122	89	84	89	92	70	69	...	France
Uganda	54	99	120	72	70	70	74	57	43	...	Ouganda
United States	111	128	174	126	128	126	107	81	81	...	Etats-Unis
COTTONSEED											GRAINES DE COTON
European ports	...	...	9.6	10.5	10.0	9.7	9.1	8.9	...	...	Ports Européens
U.A.R. (Egypt)	1.9	1.8	1.9	1.9	1.9	1.9	1.9	1.9	...	...	R.A.U. (Egypte)
GROUNDNUTS											ARACHIDES
European ports	...	22.9	31.8	20.?	21.4	16.7	17.9	18.2	...	...	Ports Européens
France	21.8	28.0	27.7	27.7	27.3	25.3	23.4	21.5	...	...	France
Nigeria	5.8	9.9	10.1	10.0	9.2	9.2	8.2	8.2	...	...	Nigeria
GROUNDNUT OIL											HUILE D'ARACHIDE
European ports :											Ports Européens :
South African	-	39.7	37.9	29.7	37.9	36.2		30.7	...	...	Afrique du Sud
British West African	...	38.6	37.1	28.8	36.9	36.0	27.6	29.9	...	...	Afrique Orient Br··.
France	63.0	72.9	70.2	69.3	61.2	57.8	54.5	50.0	...	...	France
OLIVE OIL											HUILE D'OLIVE
European ports	58.6	78.0	60.3	68.4	107.4	77.0	65.●	63.2	...	...	Ports Européens
PALM KERNELS											PALMISTES
Belgium	18.3	17.2	14.5	14.0	14.3	13.9	15.1	18.6	...	...	Belgique
European ports	...	17.6	14.6	14.3	14.6	14.1	15.4	19.3	...	...	Ports Européens
PALM OIL											HUILE DE PALME
Belgium	...	19.9	21.5	22.6	24.8	24.7	22.5	23.7	...	...	Belgique
United States	38.8	33.8	34.2	35.3	39.7	40.1	38.4	32.2	...	...	Etats-Unis
COTTON											COTON
United States (export)	95	76	77	78	74	76	76	73	71	...	Etats-Unis (exportation)
U.A.R. (Egypt) :											R.A.U. (Egypte) :
Ashmouni	148	70	78	87	102	89	85	85	...	...	Ashmouni
Karnak	183	80	94	109	127	97	86	87	...	...	Karnak
United Kingdom	...	122	132	143	160	109	78	79	110	...	Royaume-Uni
SISAL											SISAL
United Kingdom	40.4	25.6	23.5	22.4	21.8	19.8	20.0	24.8	28.2	...	Royaume-Uni
United States	40.3	27.3	24.5	22.9	22.5	20.7	20.9	25.5	28.6	...	Etats-Unis
TOBACCO											TABAC
Rhodesia	97	102	99	104	85	101	94	...	...	...	Rhodésie
United States	122	116	116	116	114	122	128	...	...	...	Etats-Unis
B.- METALS											**B.- METAUX**
COPPER											CUIVRE
Rhodesia	42.7	69.1	63.6	59.2	85.2	54.3	46.3	57.7	62.7	...	Rhodésie
United Kingdom	49.3	69.6	69.1	98.2	89.3	59.6	54.4	65.9	71.0	70.3	Royaume-Uni
United States :											Etats-Unis :
Domestic	47.6	64.0	66.1	82.2	92.2	66.8	57.9	68.6	72.8	72.8	Commerce intérieur
Exports	47.5	68.0	65.9	86.2	89.1	59.9	53.2	63.7	69.3	67.7	Exportations
LEAD											PLOMB
United States	29.3	29.8	31.1	33.3	35.3	32.2	26.9	26.9	26.5	26.5	Etats-Unis
United Kingdom	29.3	25.5	26.7	29.4	32.1	26.2	20.1	19.4	20.8	20.5	Royaume-Uni
TIN											ETAIN
United Kingdom	205.5	201.7	198.2	203.9	217.2	208.1	202.6	218.5	217.8	217.6	Royaume-Uni
United States	211.6	209.9	203.0	208.3	222.7	212.5	209.4	224.9	221.3	220.7	Etats-Unis
ZINC											ZINC
Canada	31.7	26.7	27.2	30.6	33.2	29.2	24.7	28.1	31.0	30.3	Canada
United States	32.1	25.5	24.7	28.2	30.9	27.6	23.8	26.2	29.8	29.8	United States
United Kingdom	33.0	20.6	21.6	25.2	27.0	22.8	18.3	22.7	25.1	25.2	United Kingdom
Belgium	-	25.7	25.9	28.7	30.3	26.7	21.1	26.2	29.5	28.1	Belgium

Sources and Notes : see facing page.

Sources et Notes : voir page opposée.

TABLE 9 --- TABLEAU 9

PRODUCTION OF MAJOR CROPS, PRINCIPAL PRODUCING COUNTRIES (a)

PRODUCTION AGRICOLE DES PRINCIPAUX PAYS PRODUCTEURS (a)

(Figures in brackets represent the percentage share of Africa in total world production, excluding the production of the USSR)

(Les données entre parenthèses représentent, en pourcentage, la part de l'Afrique dans la production mondiale totale, non compris la production de l'URSS)

Annual average - in thousand metric tons.

Moyenne annuelle - en milliers de tonnes métriques.

CROP	1934 - 38	1948 - 52	1955 - 59	CULTURES
A.- FOOD GRAINS.				**A.- CEREALES**
BARLEY				**ORGE**
Total Africa	2,880	3,380	3,080	Afrique, total
	(6.9)	(6.4)	(4.4)	
of which :				dont :
Morocco	1,186	1,481	1,368	Maroc
Algeria	708	808	751	Algérie
Tunisia	167	218	189	Tunisie
U.A.R. (Egypt)	225	123	133	R.A.U. (Egypte)
MAIZE				**MAIS**
Total Africa	6,200	8,400	10,580	Afrique, total
	(5.6)	(6.1)	(6.0)	
of which :				dont :
Union of South Africa	1,995	2,453	3,598	Union Sud-Africaine
U.A.R. (Egypt)	1,616	1,378	1,604	R.A.U. (Egypte)
RICE (Paddy)				**RIZ** (Paddy)
Total Africa	2,200	3,450	4,300	Afrique, total
	(1.5)	(2.1)	(1.9)	
of which :				dont :
U.A.R. (Egypt)	609	971	1,442	R.A.U. (Egypte)
Madagascar	613	829	1,048	Madagascar
WHEAT				**FROMENT**
Total Africa	3,860	4,300	5,432	Afrique, total
	(3.0)	(3.0)	(3.2)	
of which :				dont :
U.A.R. (Egypt)	1,184	1,113	1,464	R.A.U. (Egypte)
Algeria	952	996	1,287	Algérie
Morocco	648	787	1,025	Maroc
Union of South Africa	427	558	765	Union Sud-Africaine
Tunisia	385	452	485	Tunisie
ALL GRAINS (b)				**CEREALES, TOTAL** (b)
Total Africa	25,230	30,760	35,216(c)	Afrique, total
	(4.6)	(5.2)	(4.6)	
B.- BEVERAGES.				**B.- BOISSONS**
COCOA				**CACAO**
Total Africa	490	500	554	Afrique, total
	(66.2)	(66.2)	(63.5)(c)	
of which :				dont :
Ghana	280	253	259	Ghana
Nigeria	94	109	127	Nigeria
Cameroun	25	49	61	Cameroun
Ivory Coast (d)	...	53	62(c)	Cote d'Ivoire (d)
COFFEE				**CAFE**
Total Africa	140	290	552	Afrique, total
	(5.8)	(12.9)	(17.7)(c)	
of which :				dont :
Ivory Coast (d)	...	58	119(c)	Cote d'Ivoire (d)
Uganda	...	35	79	Ouganda
Angola	17	55	85	Angola
Congo (Leopoldville)	17	21	44	Congo (Léopoldville)
Madagascar	24	31	54	Madagascar
Ethiopia	20	34	52	Ethiopie
Cameroun	2	9	23	Cameroun
TEA				**THE**
Total Africa	9	19	36	Afrique, total
	(1.9)	(3.0)	(4.3)(c)	
of which :				dont :
Nyasaland	4	7	9	Nyasaland
Kenya	4	6	11	Kenya
C.- NUTS, OILS & OILSEEDS				**C.- NOIX, GRAINES OLEAG. & HUILES**
COPRA				**COPRAH**
Total Africa	100	100	120	Afrique, total
	(...)	(3.8)	(3.8)(c)	
of which :				dont :
Mozambique (e)	36	46	50	Mozambique (e)
GROUNDNUTS				**ARACHIDES**
Total Africa	1,900	2,420	3,600	Afrique, total
	(20.9)	(25.5)	(27.4)	
of which :				dont :
Nigeria	550	684	1,004	Nigeria
Senegal	491	420	169(c)	Sénégal
Union of South Africa	14	105	183	Union Sud-Africaine
Sudan	6	20	123	Soudan
OLIVE OIL				**HUILE D'OLIVE**
Total Africa	70	90	126	Afrique, total
	(7.4)	(8.7)	(10.9)	
of which :				dont :
Tunisia	45	53	70	Tunisie
Algeria	12	18	21	Algérie
Morocco	10	13	20	Maroc
PALM KERNELS				**PALMISTES**
Total Africa	690	740	832	Afrique, total
	(...)	(...)	(81.3)(c)	
of which :				dont :
Nigeria (f)	...	373	446	Nigeria (f)
Congo (Leopoldville)(g)	128	117	138	Congo (Leopoldville)(g)
Sierra Leone (h)	...	74	57	Sierra Leone (h)

PRODUCTION OF MAJOR CROPS, PRINCIPAL PRODUCING COUNTRIES (a)

PRODUCTION AGRICOLE DES PRINCIPAUX PAYS PRODUCTEURS (a)

(Figures in brackets represent the percentage share of Africa in total world production, excluding the production of the USSR)

(Les données entre parenthèses représentent, en pourcentage, la part de l'Afrique dans la production mondiale totale, non compris la production de l'URSS)

Annual average - in thousand metric tons.

Moyenne annuelle - en milliers de tonnes métriques.

CROP	1934 - 38	1948 - 52	1955 - 59	CULTURES
PALM OIL				HUILE DE PALME
Total Africa	620 (...)	820 (...)	936 (80.6)(c)	Afrique, total
of which :				dont :
Nigeria (i)	...	348	436	Nigeria (i)
Congo (Leopoldville)(g)	...	202	219(c)	Congo (Léopoldville)(g)
D.- FIBRES				D.- FIBRES
COTTON (Lint)				COTON (Fibre)
Total Africa	600 (10.0)	690 (10.5)	788 (9.6)	Afrique, total
of which :				dont :
U.A.R. (Egypt)	400	396	394	R.A.U. (Egypte)
Uganda	59	66	68	Ouganda
Congo (Leopoldville)	31	46	51	Congo (Léopoldville)
Mozambique	6	29	35	Mozambique
Nigeria (j)	10	14	33	Nigeria (j)
Tanganyika	10	10	29	Tanganyika
Sudan	56	74	104	Soudan
SISAL				SISAL
Total Africa	160 (62.7)	230 (71.9)	330 (61.6)	Afrique, total
of which :				dont :
Tanganyika	90	137	172	Tanganyika
Angola	6	21	46	Angola
Kenya	30	38	43	Kenya
Mozambique	22	19	30	Mozambique
E.- FRUITS & WINE				E.- FRUITS & VINS
BANANAS				BANANES
Total Africa	300 (3.7)	350 (3.1)	580 (4.3)(c)	Afrique, total
of which :				dont :
Somalia	...	36	70(c)	Somalie
U.A.R. (Egypt)	...	39	48(c)	R.A.U. (Egypte)
Congo (Leopoldville)	...	16	44	Congo (Léopoldville)
Ethiopia	...	23	26	Ethiopie
ORANGES				ORANGES
Total Africa	530 (6.1)	990 (8.4)	1,424 (9.6)	Afrique, total
of which :				dont :
Morocco	29	170	347	Maroc
Union of South Africa	132	199	299	Union Sud-Africaine
Algeria	91	239	335	Algérie
U.A.R. (Egypt)	184	263	296	R.A.U. (Egypte)
WINE				VIN
Total Africa	2,140 (11.0)	1,720 (9.2)	2,260 (10.3)	Afrique, total
of which :				dont :
Algeria	1,788	1,350	1,614	Algérie
Union of South Africa	133	228	292	Union Sud-Africaine
Morocco	54	64	216	Maroc
Tunisia	165	74	157	Tunisie
F.- OTHERS				F.- AUTRES
RUBBER				CAOUTCHOUC
Total Africa	10 (1.0)	60 (3.4)	122 (6.2)	Afrique, total
of which :				dont :
Liberia	2	31	41	Libéria
Nigeria	2	14	41	Nigeria
Congo (Leopoldville)	1	10	34	Congo (Léopoldville)
SUGAR (raw value)				SUCRE (valeur brute)
Total Africa	1,100 (4.8)	1,560 (5.3)	2,427 (6.1)(c)	Afrique, total
of which :				dont :
Union of South Africa	409	555	852	Union Sud-Africaine
Mauritius	278	443	555	Ile Maurice
U.A.R. (Egypt)	146	196	313	R.A.U. (Egypte)
TOBACCO				TABAC
Total Africa	70 (2.6)	140 (5.2)	182 (5.4)	Afrique, total
of which :				dont :
Southern Rhodesia	11	44	76	Rhodésie du Sud

Sources : FAO : Production Yearbook
Monthly Bulletin of Agricultural Economics and Statistics.

Notes : (a) Production statistics are not available for all of the major producing countries.
(b) Including also millets & sorghums, oats, rice.
(c) Average 1955-58.
(d) Marketed output.
(e) Exports of copra & coconut oil in copra equivalent.
(f) Purchases for export.
(g) Plantation production & production from fruit delivered by native growers.
(h) Exports.
(i) FAO estimates.
(j) Purchased by Marketing Board.

Sources : FAO : Annuaire de la Production.
Bulletin Mensuel, Economie et Statistique Agricoles.

Notes : (a) Les données concernant la production ne sont pas disponibles pour tous les principaux pays producteurs.
(b) Y compris sorgho et millet, avoine et riz.
(c) Moyenne 1955-58.
(d) Exportations vendues.
(e) Exportations de coprah & huile de coco en équivalent de coprah.
(f) Les chiffres se rapportent aux achats pour l'exportation.
(g) Production des grands domaines et production provenant de fruits livrés par les cultivateurs indigènes.
(h) Exportations.
(i) Estimations de la FAO.
(j) Achats effectués par le "Cotton Marketing Board" de la Nigeria.

TABLE 10 — TABLEAU 10

[illegible] OF MAJOR MINERALS

PRINCIPALES PRODUCTIONS MINERALES

(Figures in brackets represent the percentage share of Africa in total world production)

(Les données entre parenthèses représentent, en pourcentage, la part de l'Afrique dans la production mondiale totale)

In thousand metric tons.

En milliers de tonnes métriques.

MINERAL/PRODUCING COUNTRY	1950	1955	1956	1957	1958	1959	MINERAL/PAYS PRODUCTEUR
A.- METALLIC MINERALS							**A.- MINERAUX METALLIQUES**
ANTIMONY ORE (Sb content)							ANTIMOINE (teneur en Sb)
Total Africa	10.7 (29.4)	16.0 (52.1)	16.6 (52.1)	11.9 (41.1)	8.6 (38.9)	... (...)	Afrique, total
of which :							dont :
Union of South Africa	8.3	14.2	14.1	10	7.2	...	Union Sud-Africaine
Algeria	1.4	1.0	2.1	1.4	1.0	...	Algérie
Morocco	1.1	0.7	0.3	0.4	0.2	...	Maroc
BAUXITE							BAUXITE
Total Africa	134 (1.9)	614 (4.5)	596 (4.0)	559 (3.5)	540 (3.3)	... (...)	Afrique, total
of which :							dont :
Guinea	14	493	452	366	330	...	Guinée
Ghana (b)	117	118	140	188	210	...	Ghana (b)
CHROME ORE (Cr_2O_3 content)							CHROMITE (teneur en Cr_2O_3)
Total Africa	403 (49.8)	445 (38.0)	482 (33.2)	587 (35.3)	555 (43.6)	... (...)	Afrique, total
of which :							dont :
Union of South Africa	225	240	278	296	279	...	Union Sud-Africaine
Rhodesia (a)	175	196	195	285	270	...	Rhodésie (a)
COBALT ORE (Co content)							COBALT (teneur en Co)
Total Africa	6.2 (78.8)	10.0 (71.4)	10.9 (69.9)	10.3 (65.9)	9.2 (62.0)	... (...)	Afrique, total
of which :							dont :
Congo (Leopoldville)(c)	6.1	8.5	9.1	8.1	6.5	...	Congo (Léopoldville)(c)
Rhodesia (e)(f)	0.7	0.7	1.0	1.3	1.7	...	Rhodésie (e)(f)
Morocco (d)	0.4	0.8	0.6	0.5	1.0	...	Maroc (d)
COPPER ORE (Cu content)							CUIVRE (teneur en Cu)
Total Africa	502 (23.1)	649 (24.3)	721 (24.4)	744 (24.7)	704 (24.4)	... (...)	Afrique, total
of which :							dont :
Rhodesia (e)	281	348	390	423	381	539	Rhodésie (e)
Congo (Leopoldville)	176	235	250	242	238	280	Congo (Léopoldville)
Union of South Africa	33	43	46	46	49	49	Union Sud-Africaine
GOLD (h)							OR (h)
Total Africa	417,984 (55.8)	508,372 (60.8)	547,750 (63.1)	586,648 (65.0)	607,322 (65.2)	... (...)	Afrique, total
of which :							dont :
Union of South Africa	362,782	454,182	494,443	529,716	549,177	...	Union Sud-Africaine
Ghana	21,444	21,373	19,838	24,584	26,525	...	Ghana
Rhodesia (a)	15,944	16,320	16,684	16,703	17,262	...	Rhodésie (a)
Congo (Leopoldville) (i)	10,557	11,506	11,631	11,640	11,020	...	Congo (Léopoldville) (i)
LEAD ORE (Pb content)							PLOMB (teneur en Pb)
Total Africa	120 (8.3)	229 (13.2)	225 (12.9)	234 (12.7)	224 (12.7)	... (...)	Afrique, total
of which :							dont :
Morocco	49	89	89	93	94	...	Maroc
South West Africa	34	79	78	83	76	...	Sud-Ouest Africain
Tunisia	19	27	23	24	23	25	Tunisie
Rhodesia (e)	14	16	16	15	13	...	Rhodésie (e)
TIN CONCENTRATES (Sn content)							CONCENTRES D'ETAIN (teneur en Sn)
Total Africa	23 (14.2)	26 (15.0)	27 (15.8)	27 (16.2)	20 (17.0)	... (...)	Afrique, total
of which :							dont :
Congo (Leopoldville)	14	15	15	15	11	10	Congo (Léopoldville)
Nigeria	8	8	9	10	6	6	Nigeria
Union of South Africa	1	1	1	1	1	...	Union Sud-Africaine
TUNGSTEN (WO_3 content) (m)							TUNGSTENE (teneur en WO_3) (m)
Total Africa	501 (4.8)	3,195 (11.1)	2,186 (8.3)	1,834 (8.7)	1,260 (6.5)	... (...)	Afrique, total
of which :							dont :
Congo (Leopoldville)(i)	240	1,439	1,610	1,423	1,101	...	Congo (Léopoldville)(i)
Rhodesia (a)	35	123	143	90	62	...	Rhodésie (a)
Union of South Africa	57	387	180	167	46	...	Union Sud-Africaine
South West Africa	4	111	134	35	44	...	Sud-Ouest Africain
Uganda (b)	130	97	105	119	17	...	Ouganda (b)
ZINC ORE (Zn content)							ZINC (teneur en Zn)
Total Africa	132 (7.0)	194 (8.3)	249 (9.9)	267 (10.5)	243 (10.2)	... (...)	Afrique, total
of which :							dont :
Congo (Leopoldville)	75	64	118	107	114	...	Congo (Léopoldville)
South West Africa	12	21	27	50	41	...	Sud-Ouest Africain
Algeria	7	31	31	29	32	...	Algérie
Rhodesia (e)	23	28	29	30	31	...	Rhodésie (e)
Morocco (d)	11	43	40	48	22	...	Maroc (d)
B.- NON METALLIC MINERALS							**B.- MINERAUX NON METALLIQUES**
ASBESTOS							AMIANTE
Total Africa	175 (16.2)	236 (17.7)	261 (19.8)	292 (20.7)	300 (22.8)	... (...)	Afrique, total
of which :							dont :
Union of South Africa	79	109	124	143	159	..	Union Sud-Africaine
Rhodesia (a)	65	96	108	120	127	..	Rhodésie (a)
Swaziland	30	30	37	28	23	...	Souaziland
DIAMONDS (g)							DIAMANTS (g)
Total Africa	13,559 (88.8)	20,701 (96.1)	22,283 (96.3)	24,681 (94.9)	26,999 (96.4)	... (...)	Afrique, total
of which :							dont :
Congo (Leopoldville) A	10,148	13,041	14,010	15,647	16,713	...	A Congo (Léopoldville)
B	9,604	12,411	13,383	15,016	16,044	...	B
Ghana (b) A	944	2,276	2,519	2,931	3,281	...	A Ghana
B	...	2,114	2,353	2,750	3,049	...	B
Union of South Africa A	1,732	2,629	2,586	2,579	2,702	...	A Union Sud-Africaine
B	...	...	...	1,690	...	...	B
PETROLEUM, CRUDE							PETROLE BRUT
Total Africa	2,670 (0.6)	2,018 (0.3)	1,941 (0.3)	2,603 (0.3)	4,493 (0.6)	... (...)	Afrique, total
of which :							dont :
U.A.R. (Egypt)	2,592	1,821	1,753	2,363	3,166	3,096	R.A.U. (Egypte)
Algeria (j)	3	58	34	39	445	1,328	Algérie (j)
PHOSPHATE ROCK							PHOSPHATES NATURELS
Total Africa	... (...)	9,059 (36.5)	8,997 (31.6)	9,018 (33.8)	10,180 (35.5)	... (...)	Afrique, total
of which :							dont :
Morocco (d)	3,872	6,328	5,523	5,567	6,538	...	Maroc (d)
Algeria	685	752	610	613	565	531	Algérie
Tunisia (k)	1,525	2,200	2,077	2,067	2,280	...	Tunisie (k)
U.A.R. (Egypt) (l)	397	626	615	586	558	...	R.A.U. (Egypt) (l)

Source : United Nations : Statistical Yearbook.

Notes : A - Gems and Industrial diamonds
B - Industrial diamonds only.

(a) Southern Rhodesia only.
(b) Exports.
(c) Recoverable cobalt.
(d) Prior to 1958, former French Zone only.
(e) Northern Rhodesia only.
(f) Content of white alloy, cathode metal and ferro-cobalt.
(g) Thousand metric carats.
(h) Kilograms.
(i) Including Ruanda-Urundi
(j) Including Saharan petroleum.
(k) P_2O_5 content - Tunisia, 26-30 %.
(l) Twelve months ending 30 June of the year stated.
(m) Metric tons.

Source : Organisation des Nations Unies : Annuaire Statistique.

Notes : A - Diamants précieux et industriels
B - Diamants industriels seulement.

(a) Rhodésie du Sud seulement.
(b) Exportations.
(c) Cobalt récupérable.
(d) Avant 1958, ancienne zone française seulement.
(e) Rhodésie du Nord seulement.
(f) Contenu du "métal blanc", du métal cathodique et ferro-cobalt.
(g) En milliers de carats métriques.
(h) En kilogrammes.
(i) Y compris le Ruanda-Urundi.
(j) Y compris le pétrole saharien.
(k) Teneur en P_2O_5 - Tunisie, 26-30 %.
(l) Période de 12 mois se terminant le 30 juin de l'année indiquée.
(m) En tonnes métriques.

ECONOMIC INDICATORS

INDICATEURS ECONOMIQUES.

COUNTRY	Total External Trade, Million US dollars (US dollars per capita) — Commerce Ext. Tot. en millions de dollars des E.-U. (dollars des EU par hab)		Intern. Seaborne shipping(e) in thousand metric tons — Transp. marit. internationaux (e). Milliers de tonnes métriques.		Apparent consumption of cement. Metric tons per thousand population — Consommation apparente de ciment. Tonnes métriques par millier d'hab.		Comm. vehicles in use. Number per thousand population — Vehic. commerc. en circulation. Nombre par millier d'hab.		Passenger cars in use. Number per thousand population — Voit. particul. en circulation. Nombre par millier d'hab.		Electricity Produced. Kilowatts per capita — Production d'Electricité. Kilowatts par habitant.		PAYS
	1955	1959	1955	1958	1955	1958	1955	1958	1955	1958	1955	1958	
NORTH AFRICA													**AFRIQUE DU NORD**
Algeria	1,159 (119)	1,506 (143)	12,381	12,630	82.9	110.0	5.0	5.8(d)	9.8	10.6(d)	90	109	Algérie
Libya	53 (48)	127 (109)	389	549	...	...	3.0	5.4	5.2	10.2	56	68	Libye
Morocco	825 (85)	661 (63)	10,714	11,590	77.1	49.5(a)	5.2	5.4(d)	11.8	12.7(d)	91	92	Maroc
Sudan	285 (28)	356 (31)	1,166	1,496	8.6	9.6	1.0	1.2	0.8	1.0	4	6	Soudan
Tunisia	287 (77)	295 (76)	5,009	5,178	48.8	37.3(a)	4.1	4.8	9.1	10.0	65	69	Tunisie
U.A.R. (Egypt)	957 (41)	1,059 (42)	7,842	11,119	58.7	52.8	0.9	0.7	3.2	2.7	35	46	R.A.U. (Egypte)
WEST AFRICA													**AFRIQUE DE L'OUEST**
Cameroun	199 (63)	190 (60)	649	889	23.4	18.8(a)	4.2	5.6	1.7	2.5	7	75(c)	Cameroun
Former Fr. Equ. Africa	182 (38)	217 (43)	1,006	1,813	12.6	14.5	2.4	3.2	1.3	1.9	9	13	Anc. A.E.F.
Former Fr. W. Africa	690 (43)	578 (32)	4,503	5,420	21.4	22.4	...	...	...	...	7	10	Anc. A.O.F.
Ghana	489 (106)	602 (123)	2,843	3,062	64.0	72.0(a)	2.9	3.1	2.6	3.2	52	65	Ghana
Liberia	69 (55)	110 (88)	2,041	...	18.0	63.0(a)	...	...	...	...	24	...	Libéria
Nigeria	751 (24)	960 (29)	4,044	5,030	13.8	14.6	0.4	0.5	0.5	0.7	8	11	Nigeria
Sierra Leone	77 (36)	120 (52)	1,670	2,095	12.7	19.9(c)	0.9	0.8(d)	1.3	1.4(d)	...	17	Sierra Leone
Togo	40 (37)	33 (30)	107	107	...	...	1.2	1.6(c)	0.6	1.0(c)	2	2	Togo
SOUTH & EAST AFRICA													**AFRIQUE DU SUD & DE L'EST**
Angola	192 (44)	256 (56)	1,940	2,228	28.0	37.0	1.0	2.0	3.8	5.3	12	21(c)	Angola
Congo (Leopoldville) & Ruanda-Urundi	835 (67)	797 (58)	2,065	1,938	46.0	38.0	1.0	1.0	1.9	2.6	116	190(c)	Congo (Léopoldville) & Ruanda-Urundi
Ethiopia	131 (6)	156 (7)	358	426	1.4	1.9	0.3	0.4	0.6	0.6	2	3	Ethiopie
French Somaliland	24 (364)	20(c) (294)	850	897	...	...	6.0	7.0(d)	13.6	14.7(d)	70	78(d)	Somalie Française
Kenya, Uganda & Tanganyika	716 (35)	697 (32)	4,483	4,203	26.0	19.0(a)	1.0	1.0	3.5	4.5	20	32	Kenya, Ouganda & Tanganyika
Madagascar	204 (43)	196 (37)	719	747	30.0	15.0	2.0	3.0	2.4	3.4	12	13(a)	Madagascar
Mauritius	106 (193)	120 (195)	896	985	83.0	73.0(c)	4.0	5.0	11.8	13.0	62	79	Ile Maurice
Mozambique	144 (24)	194 (31)	5,211	6,224(c)	25.0	27.0(c)	0.7	0.8(d)	2.8	3.1(d)	9	13(c)	Mozambique
Rhodesia & Nyasaland	868 (121)	944 (118)	...	...	67.0	120.0	5.0	4.0	11.1	13.3	319	343(a)	Rhodésie & Nyassaland
Somalia	36 (28)	43(b) (32)	105	176	3.0	3.0	2.0	2.0	1.3	1.7	7	8	Somalie
Zanzibar	32 (111)	29(b) (97)	200	142	...	...	1.0	1.0	4.1	5.0	17	27	Zanzibar
Union of South Africa	2,380 (174)	2,569 (175)	11,804	13,752	170.9	180.7(a)	12.0	14.0	43.2	52.6	1,205	1,480(a)	Union Sud-Africaine

Sources : United Nations :
Yearbook of International Trade Statistics.
Statistical Yearbook.
Monthly Bulletin of Statistics.
Demographic Yearbook.
National Publications.

Notes : (a) 1959.
(b) 1958.
(c) 1957.
(d) 1956.
(e) Goods loaded and unloaded.

The data available for the various countries are not all compiled according to the same critera; indicators with similar titles are therefore not necessarily comparable between countries.

Sources : Organisation des Nations Unies :
Yearbook of International Trade Statistics.
Annuaire Statistique.
Bulletin Mensuel de Statistique.
Annuaire Démographique.
Publications Nationales.

Notes : (a) 1959.
(b) 1958.
(c) 1957.
(d) 1956.
(e) Marchandises embarquées et débarquées.

Les données disponibles pour les divers pays ne sont pas toutes calculées selon les mêmes critères; il s'ensuit que sous un même indicateur, la comparabilité entre les pays n'est pas toujours possible.