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THE MONROVIA STRATEGY AND THE LAGOS PLAN OF ACTION FOR AFRICAN
DEVELOPMENT - FIVE YEARS AFTER

BY

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I. INTRODUCTION

On 29 April 1980 history was made in Africa by African leaders and their governments when at their first-ever economic summit held in Lagos from 28 to 29 April 1980 they unanimously adopted the Lagos Plan of Action for the economic development of Africa, 1980-2000. In adopting the Plan, the African Heads of State and Government acknowledged "the tremendous effort which will be required of us individually and collectively, to attain the goals we have set for ourselves."¹ They, however, expressed their confidence in the determination of African governments to overcome the obstacles that may lie in their path and the hope that the international community will provide Africa with active support in the realization of the objectives of the Plan. Indeed, the document has been described as Africa's economic Magna Carta. It is the first time in the history of the continent - and, for that matter, of the entire international community - that 50 independent and sovereign states which differ markedly in their levels of economic development, in their political ideologies and in their social systems have subscribed to a common set of development objectives and goals and have adopted a common development priorities and strategy. The Plan is also Africa's regional approach to the economic decolonization of the continent. It provides a long-term basis for its socio-economic restructuring and development.

Yet, nearly five years after the adoption of the Plan, Africa is faced with its most serious economic crisis. The African economy, particularly since 1980, has been characterized by a persistent fall in the overall output of goods and services. The crisis has had its most devastating impact on the directly productive sectors. The fall in the outputs of food and agriculture and of mining and manufacturing sectors has been the most spectacular manifestation of the crisis. In spite of Africa's high population growth rate of about 3.0 per cent per annum, food production increased by only 1.0 per cent from 1980 to 1981, 3.7 per cent from 1981 to 1982, and 0.2 per cent between 1982 and 1983 (Table 1). These very low growth rates have had a most serious effect on per capita growth rates of food output which were -2.0 per cent between 1980 and 1981, 0.6 per cent between 1981 and 1982

1/ Organization of African Unity, Lagos Plan of Action for the economic development of Africa, 1980-2000. (International Institute for Labour Studies, Geneva, 1981); p.9.

Table 1 : Rates of growth of manufacturing, agriculture, food and mining sectors
in developing Africa (in percentages)

Period	Manufacturing	Agriculture	Food	Mining
1960-65	8.5	1.4	1.6	18.5
1965-70	7.3	3.7	3.8	16.2
1970-75	5.5	1.3	1.7	-1.8
1975-80	6.3	1.2	2.1	4.2
1980-81	3.6	1.1	1.0	-13.2
1981-82	3.7	3.4	3.7	-7.7
1982-83	0.4	0.4	0.2	-24.6 ^{a/}

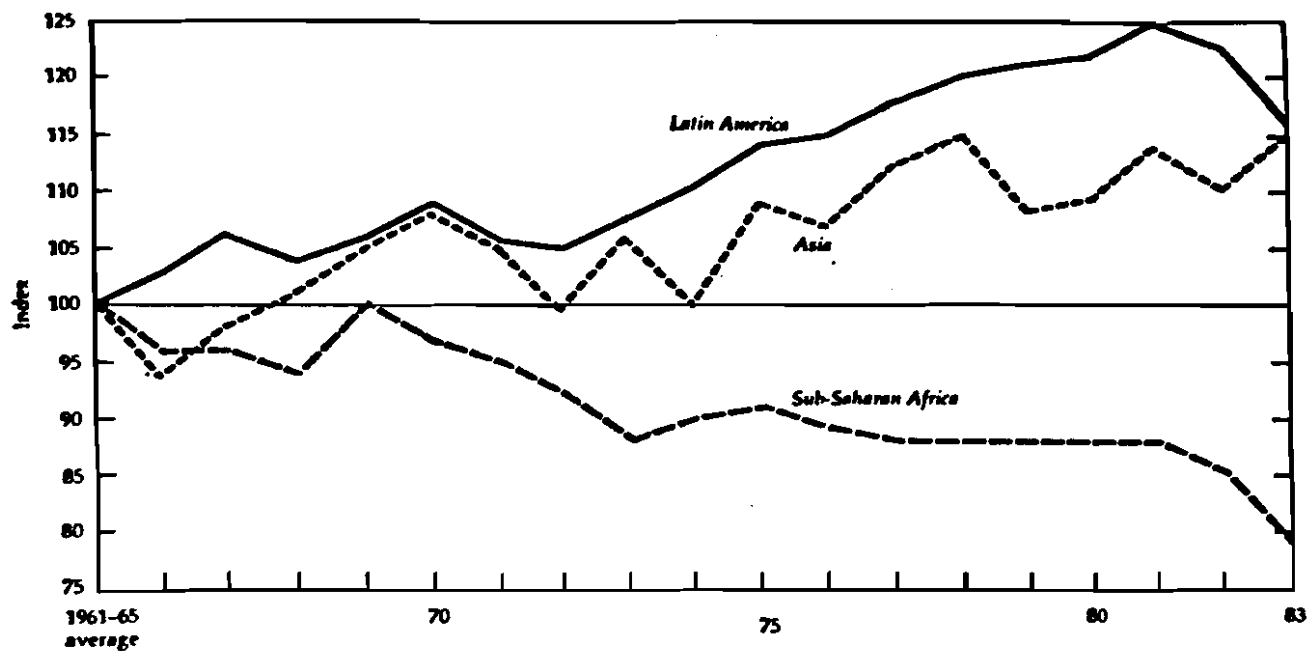
Sources: (i) The state of food and agriculture, FAO, 1966, 1981

(ii) United Nations Industrial Development Organisation, Industry in a changing world (UN, 1983); Table V.2. P.102.

(iii) Economic Commission for Africa.

a/ Provisional estimate.

Figure 1 - Index of Per Capita Food Production, 1961-65 to 1983
(1961-65 average = 100)



Source: World Bank, Toward Sustained Development in Sub-Saharan Africa
Figure 1.2, page 15.

and -2.0 per cent between 1982 and 1983 with an overall growth rate of -0.9 per cent between 1981 and 1983. When these negative per capita growth rates are set against the persistently very high growth rates of population of 3.0 per cent per annum, the reason why Africa is today faced with a major food crisis becomes abundantly clear. Figure 1 provides comparative index of per capita food production between 1961 and 1983 for Asia, Latin America and Africa, South of the Sahara.

The mining sector which in the 1970s accounted for 9.8 per cent of Africa's GDP, coming next only to agriculture in relative importance as a contributor to total output has also suffered severe setbacks since 1980. As is shown in Table 1, whereas in the 1960s its average annual rate of growth was 17.3 per cent, performance between 1970 and 1975 was a negative growth of -1.8 per cent and between 1975 and 1980 it was 4.2 per cent. Since 1980 the situation has deteriorated considerably. Between 1980 and 1981, 1981 and 1982 and 1982 and 1983, the annual rates of growth of the mining sector were -13.2, -7.7 and -24.6 per cent respectively. Yet this sector is particularly important for such countries as Botswana, the Central African Republic, Guinea, Lesotho, Liberia, Mauritania, Niger, Sierra Leone, the United Republic of Tanzania, Zaire and Zambia as a major source of foreign exchange earnings, of government revenue and of employment.

*mining
sector
important*

The industrial sector on which great hope had been pinned for bringing about the necessary transformation of the economy to attain self-sustained growth and development has performed equally badly since 1980. Indeed, there has been a persistent downward trend to performance since the 1960s which has become intensified from 1980 onwards and which reached the trough of 0.4 per cent in 1982-83 having been as high as 8.5 per cent in 1960-65. Today, the crisis facing the manufacturing sector in Africa is no less serious than that facing the food, agriculture and mining sectors.

As I said recently to the Conference of African Ministers of industry at their seventh meeting held at ECA headquarters in Addis Ababa in March 1984 and later to UNIDO IV at Vienna in August 1984^{2/} at a time when

^{2/} Statements by the Executive Secretary of ECA at the formal opening of the 7th meeting of the Conference of African Ministers of industry held at ECA headquarters, Addis Ababa, Ethiopia from 26 to 28 March 1984 and at the fourth General Conference of UNIDO on 6th August 1984.

the manufacturing sector should ameliorate Africa's present economic crisis, there is considerable excess manufacturing capacity (as high as between 60 and 100 per cent in many cases) due to shortage of imported industrial raw materials and spare parts because of the lack of foreign exchange with which to pay for them. Thus today Africa's budding industrial sector is faced with a crisis of emergency proportions similar to the one being confronted in the food, agriculture and mining sectors.

Over and above the poor performance of the directly productive sectors of agriculture, mining and manufacturing, Africa has been facing a number of other major crises: energy, balance of payments, external debt and deteriorating climatic conditions, to mention only a few. If we include the collapse in the commodity markets which has led to dramatic falls in the prices of Africa's major export commodities, the significant fall in the flow of aid and private foreign investment and the high rates of interest payable on external loans from the banking system, the pervasiveness of Africa's economic crisis becomes crystal clear.

It is therefore not surprising that for many African countries the struggle is one of sheer economic survival. So serious has the situation become that the Secretary-General of the United Nations decided in January 1983 to focus the attention of the international community on Africa's dire economic situation with a view to mobilizing international support in solving the crisis. Is it any wonder therefore that many concerned people and organizations - African and non-African - are asking the inevitable questions what has happened to the Lagos Plan of Action? Has it suffered the fate of earlier declarations and programmes of action in Africa and elsewhere? What impact, if any, has it had? And why, in any case, is Africa facing such a serious economic crisis after the hope of a better and improved future generated by the Plan? What went wrong? How, when and why? And what are the prospects for the future?

It is not possible to answer fully and comprehensively all these questions. Indeed, they are easier posed than answered. Our objective in this paper is a modest one of providing some preliminary analytical overview of developments since April 1980 and a tentative prognostication of the future. But before doing this, we shall discuss, albeit briefly, the background to the Lagos

Plan of Action, some of the theoretical and intellectual foundations of the Monrovia Strategy and the Plan as well as the main features of both documents and the criticisms, controversy and conflict which they brought about and the consensus which is beginning to emerge as to the appropriate path of development that Africa needs. We shall then review the recent ECA perspective study, the current economic crisis and the responses of both Africa and the international community to it. And in our concluding part we shall examine once again, policy options which are available to Africa.

II. BACKGROUND TO THE MONROVIA STRATEGY AND THE LAGOS PLAN OF ACTION

I have narrated elsewhere in extenso what made the ECA to lead, beginning from late 1975, the attack on inherited colonial and neo-colonial economic policy and to assume the vanguard role in search of an alternative strategy to the colonial and neo-colonial economic policies being perpetuated by independent African countries.^{3/} Suffice it therefore for me to state that it had become clear by mid-1975 that unless there was a change in economic policy, strategy and tactics, the African economies were in for a very long winter. ECA's annual survey of economic and social conditions in Africa showed unmistakably, year after year, the red danger signals and the biennial reviews and appraisals of the social and economic performance of the African economies confirmed the relentless approach of the crisis. Then in response to the United Nations General Assembly resolution 3508(XXX) which called upon ECA and the other four regional economic commissions to "prepare studies on the long-term trends in and forecasts of the economic development of their respective regions", the ECA undertook and published in 1977 a preliminary assessment of long-term development trends and prospects in Africa".^{4/}

The annual economic surveys, the biennial reviews and appraisals and the Preliminary Assessment all showed clearly not only that Africa economic performance has been on the downward slide since 1971 but also that the prospects for the future are dim if the mix of public policies were to persist and if existing international economic order in which Africa was

^{3/} Adebayo Adedeji, the Evolution of the Monrovia Strategy and the Lagos Plan of Action: A Regional Approach to Economic Decolonization (United Nations 1983), passion.

^{4/} Long-term Trends in the Economic Development of the Regions of the World - Report by the Secretary-General, Annex III - Preliminary Assessment of Long-term Development Trends and Prospects in Developing Africa prepared by the Secretariat of the Economic Commission for Africa (Document E/5937/Add.3 of 29 March 1977).

at the periphery of the periphery of the international community were to continue. It was the findings of these various studies that led us to the conclusion that if Africa is to reverse this gloomy prognostication, "we will need to install, first, at the national level, a new economic order based on the principles of self-reliance and self-sustainment. This will require confidence in our capabilities to free our national economies from the shackles of excessive external dependence, and the institution of a new socio-economic order within our countries which maximizes not only the rate of development but also social justice and equity. Regionally, there is an urgent need for concentrating on achieving an increasing measure of collective self-reliance among African States".⁵

We had also realized in ECA even as far back as 1975/76, when the demand for a new international economic order (NIEO) was loudest and most persistent among Third World countries that Africa was the least prepared to derive optimal benefits from any new international economic order. "In reviewing past performance in the region ... and in spelling out the dynamics of self-sustaining and self-reliant economic change, what has become apparent is that the Africa region appears the least prepared of all Third World regions for the NIEO. Indeed, most national development plans ... implicitly assume an increased degree of external dependence. Successive development plans fail to provide any guidance as to when policy-makers and planners foresee the beginning of the process of reduction of dependence on extra-African sources for skilled manpower ... for finance ... for raw materials ... for capital goods and services ... for technology ... and for markets."⁶

Consequently, development strategies and policies concentrated on such major economic parameters as increase in gross domestic product, massive capital formation through increase in investments and savings, and foreign aid and foreign private investment and incentives for attracting the latter with external trade as the engine of growth. These early development plans insofar as they contained any political or ideological orientation, simply borrowed one or the other of the existing ideologies.

⁵ Adebayo Adedeji, Africa, the Crisis of Development and the Challenge of a New Economic Order (ECA, 1977), p.16.

⁶ Adebayo Adedeji, ibid., p.20.

The task which was therefore before the ECA in 1975 was fourfold. First, to challenge conventional wisdom in the form of the inherited theories of development and economic growth which linked the rate and direction of international socio-economic change with export markets and with imports of skills, technology and capital goods and services and modern consumer products and which centred discussions on trade gaps, savings gaps, investment gaps with insufficient attention to indigenous factor inputs, such as national resources availability, local entrepreneurship, skilled manpower and technology and the domestic market.

Second, to put a question mark on the relevance of imitative life styles and on borrowed foreign concepts and ideologies to Africa's social and economic transformation. Instead of finding an authentic path to social and economic development, our governments and political leaderships give the impression as if we see our respective countries and societies in the image of other countries and societies. As I once had occasion to say, we give the impression that we want to create little Frances, little Britains, little Americas, little USSRs and little Chinas all over Africa. "Although we pretend to be real, to be original, to be learning and to be preparing ourselves and our countries for self-reliant development processes and for an authentically African life style, all we really have succeeded in doing is to mimic other societies and their life styles. In doing so, we use borrowed phrases and jargons and terminologies which are foreign to our people and thus succeed in beclouding the issues before us and in confusing our people."⁷

The third challenge was to undertake a cost-benefit analysis of the NIEO as far as Africa is concerned and in the socio-economic circumstances in which it was. That there was a need for a NIEO was not in doubt. Indeed, Africa, through Algeria, has been in the forefront of the demand for such a new order. But what was clear was that unless the continent successfully put its own house in order by restructuring its economy at the national, sub-regional and regional levels, it will remain the periphery of the periphery in the international economy even if a NIEO were to come into existence. A strategy that will ensure that Africa did not remain the

⁷ Adebayo Adedeji, The Evolution of the Monrovia Strategy and the Lagos Plan of Action op.cit., p.1.

"lowest caste in the international (economic) hierarchy"⁸ was therefore urgently required.

✓ It continues to be our firm conviction in ECA, even in spite of the current economic crisis that Africa faces, that in the final analysis it is only the African governments and peoples themselves that can bring about a fundamental change in their relations with the international economy. As I said in my 1976 Turkeyen Third World Lectures in Guyana, Africa and indeed the whole of the Third World "will achieve this not by political shibboleths and rhetorics, not by a welter of formulations and verbiage, but by planned, long-term action-oriented strategies whose foundation will be based first, on the ushering further of a new economic order at national level; secondly, on collective self-reliance at sub-regional and regional levels; and, thirdly, through collective self-reliance and through the forging of unity of purpose among the entire Third World countries".⁹

Finally, we had the task of making the governments - all of them - accept the need for a fundamental change in approach and strategy. As is generally known, no strategy or set of policy formulations can be expected to be adopted and implemented unless governments and their policy-makers and planners perceive a need for change. And challenging conventional wisdom was a potentially politically volatile undertaking; it can backfire and become counterproductive particularly in view of the vested interests involved. What was even more difficult was the notion that we would get fifty (in 1975 they were 48) independent sovereign African countries to subscribe to the same strategy for development. The Monrovia Strategy for the Economic Development of Africa and the Monrovia Declaration of Commitment on Guidelines and Measures for National and Collective Self-Reliance in Social and Economic Development for the establishment of a New International Economic Order which were adopted by our Heads of State

⁸ Ali Mazrui, Africa's International Relations. The Diplomacy of Dependency and Change. (Boulder, Colo., Westniw, 1977) pp.17-28.

⁹ Adebayo Adedeji, The Third World and the Search for a New Economic Order, 1976 Turkeyen Third World Lectures (Georgetwoen, Guyana, 1976); p.18.

and Government in July 1979 on the recommendations of the ECA Conference of Ministers was the culmination of four years of persistent effort. The adoption of the Lagos Plan of Action for the implementation of the Strategy was our crowning glory. ECA's dogged determination to effect a roundabout turn in African Governments' perception and understanding of policies, strategies and goals had at last paid off. All our Heads of State and Government had subscribed to a common set of goals and strategies. The halting of the unfavourable economic tide suddenly became a high probability.

III. THE INTELLECTUAL AND THEORETICAL FOUNDATIONS OF THE MONROVIA STRATEGY AND THE LAGOS PLAN OF ACTION

Nowhere in both the Monrovia Strategy and the Lagos Plan of Action were theoretical issues of development economics, political economy and public policy discussed at length. Those documents simply came out with a political declaration, a development strategy, a set of priorities, sectoral programmes of action and a blueprint for regional and sub-regional integration. But underlying all these are fundamental principles, some of which are explicit but quite a number of which are implicit and unexpatiated. Indeed, it is to the ECA Revised Framework of Principles for the Implementation of the New International Economic Order in Africa^{10/}, as well as various ECA staff papers which provided the main intellectual and theoretical foundation that we must turn for the underlying fundamental assumptions and principles. Since elsewhere¹¹ I have dealt at some length with the main features of the Revised Framework, it will suffice for me simply to state here the five main pillars on which the Monrovia Strategy and the Lagos Plan of Action were based. These are:

- (i) the deliberate promotion of an increasing measure of national self-reliance;
- (ii) the acceleration of internally-located and relatively autonomous processes of growth and diversification and the achievement of self-sustained development process;

^{10/} Document No. E/CN.14/ECO/90/Rev.3 of 25 June 1976. The first version of this document was published on 20 November 1975(?).

^{11/} Adebayo Adedeji, The Evolution of the Monrovia Strategy and the Lagos Plan of Action: A Regional Approach to Economic Decolonization - NISER Distinguished Lecture series, University of Ibadan - March 1983.

- (iii) the democratization of the development process;
- (iv) the progressive eradication of mass poverty and unemployment and a fair and just distribution of income and the benefits of development among the populace; and,
- (v) the acceleration of the process of regional economic integration through cooperation.

In other words, in the Revised Framework, we argued for a complete departure from the past and the substitution of an inward-looking development strategy for the inherited externally-oriented one. But even more significant is the fact that we were putting forward a development strategy that does not suffer from the limitations of foreign ideologies. This new strategy also puts the development of the domestic market rather than dependence on foreign market at the heart of Africa's development effort. It emphasizes the fundamental importance of indigenous factor inputs in the development process.

In the new strategy, we put the utmost emphasis on the development of indigenous factor inputs because they constitute the core of self-reliance. Without them the determination of Africa's natural resources base will continue to be left to the accidental interest of foreign companies pursuing global strategies which more often than not are determined by long-term profit considerations. The principles of self-reliance compels us to devise national, multinational and regional programmes to build up as rapidly as possible corresponding competences for the knowledge required for determining the volume, quality and quantity of our natural resources. Indigenous factor inputs are also crucial for reducing the enormous and rising cost of ~~inputting~~ foreign ones. "In Africa, we are so intensely pre-occupied with export commodity prices and commodity terms of trade that we tend to overlook the growing importance of invisibles. We gain a few cents in the price per kilo of this or that export product and a week later the unit price of imported services goes up by ten times the amount gained and we do not even notice it. We then wonder why the balance of payments will not balance, why we have so little foreign exchange to pay for imports of capital goods; why we are getting into debt and, worse still, staying in it."^{12/}

^{12/} Statement by the Executive Secretary of the Economic Commission for Africa at the formal opening of the 18th Session of the Commission on 6th April 1981 at Freetown, Sierra Leone (mimeographed); p.7.

Indeed, it is the dearth of indigenous factor inputs that has led African countries to make such a sacred cow of foreign exchange because it is directly convertible into foreign factor inputs as well as foreign consumer goods. Therefore, without a vigorous push to increase the domestic supply and quality of factor inputs, Africa's overly concern with foreign exchange earnings will continue and this in turn will perpetuate its export-orientation and external dependence. And worse still, the mobilization of domestic financial resources will not lead to investment since an economy can only convert domestic financial savings into domestic investment if indigenous factor inputs are available or are being created or both. Need we remind one another that investment really means the mobilization and application of fairly precise and relevant know-hows, technology, equipment and institutional services, etc., to the raw materials from which increases in the physical output of goods and services are to come? Indeed, without far reaching measures for enlarging the supply and improving the quality of domestic factor inputs, the achievement of an increasing measure of self-reliance will remain a will-o-the-wisp.

We have over the years in various ECA documents spelt out what to us constitute the main elements of self-sustainment. Consequently, I shall only list some of them here. They are, first, the recognition that economic growth means first and foremost increases in the physical output of goods and services and that these increases must rest primarily on the identification, evaluation, extraction and conversion of the abundant natural resources of the continent into semifinished and finished products. Secondly, the introduction of necessary measures for equipping the population with the know-how required to identify, evaluate, extract, convert and market these natural resources and their products. It has for long remained our firm conviction in ECA that it is the natural resources available for producing economic growth that must, in the first instance, determine the pattern of relevant skills developed and multiplied, the selection of technologies imported, adapted and developed locally, the type of institutional services provided and the domestic flows of financial and material resources.

Self-sustainment also requires the integration of the rural and urban sectors of the national market into one and the gradual integration of the large number of national markets through economic cooperation arrangements to accommodate economies of scale. It further demands that the pattern of enclaves, semi-enclaves and disfunctional relations should be integrated. Thus, the agricultural sector will depend on inputs from the industrial sector, on transport and communications services, on infrastructural services such as energy, etc. The industrial sector will similarly require inputs from agriculture, extractive industries, services, etc. Energy will depend on inputs from industry and provide inputs to all other sectors. In other words, sectors and sub-sectors mutually interact and support each other.

In putting forward a development strategy designed to achieve an increasing measure of self-reliance and the acceleration of internally-located and relatively autonomous processes of growth and diversification whose principal elements we have thus described, we had as it were, committed a heresy as we had rejected inherited theories of economic development which linked the rate and direction of internal socio-economic change in the developing world with the export markets, and which regarded foreign trade as the engine of growth. We had moved the discussion of engineering socio-economic change away from the usual parameters of trade gaps, savings gaps, investment gaps, growth rates in GDP, per capita income, and have instead concentrated attention on natural resources availability, local entrepreneurship, skilled manpower, and technology and the domestic and intra-African markets and the quality of life. Above all, we had put a question mark on "the much-talked-of positive link between the expansion of the economies of the advanced world and that of the Third World"^{13/} and have shown that in practice, it is the opposite that takes place. We have argued as forcefully as we could that the central concern of development must be the individuals not abstracts such as GDP per capita growth rates, investment and savings gaps and that the final objective of development must be increase in the quality of life of the people without the destruction of their culture.

^{13/} Adebayo Adedeji, "Draft Plan of Action for the Implementation of the Strategy for African Development for the 1980s"; Statement at the formal opening of the 15th Session of the Economic Commission for Africa (April 8-12, 1980, Addis Ababa); p.4.

There are three other factors which feature prominently in our development strategy because of their importance in promoting a self-reliant and an internally-located self-sustaining process of development. These are (i) rediscovery of self-confidence; (ii) mastering the sovereignty over natural resources; (iii) strengthening the leadership role of government in socio-economic engineering.

Nowhere in the now extensive literature on development economics will one ever find mention made of the significance of the discovery or rediscovery of self-confidence as a factor in development. Yet nothing could be more important a determinant of development and social change than this particularly in Africa where for centuries it has been drummed into Africans' ears that they belong to an inferior race and are therefore incapable of attaining the heights which other races have reached. If the slave trade dehumanized the black man for a long time, colonialism consistently, throughout the colonial era, undermined his self-confidence. Africans were made to believe, and indeed for a long time did believe, that the colonial masters were near super-natural while they belonged to the lowest caste of homosapiens. The neo-colonial development strategy which African governments pursued after independence by extending the dependence of their economies in virtually all areas (raw materials, manpower, technology, money finance, etc.) continued to sap whatever little self-confidence remained.

Although the achievement of political independence went some way in regenerating that self-confidence, our growing dependent economic relations soon neutralized or diffused that to the extent that Africans' incapability to run a modern society and their incapacity to sustain their political independence through the process of internally-generated and self-sustaining development was becoming the new conventional wisdom. Africa as the economic underdog of the world combines the worse possible oddities - the largest number of least developed countries, the largest number of most seriously affected, the peoples who depend on food aid and all other forms of hand-downs for mere existence had replaced political dependence of Africa and its new image was not inconsistent with the one that it had tried so hard to shed. And the tragedy is that many a highly placed African believed it.

It is for these reasons that we have put the recovery of self-confidence by the peoples of Africa in themselves and in their capacities to initiate, organize their own concepts, policies and instruments at the centre of our new development strategy. As I stated in 1976 in the Turkeyen Third World Lectures in Georgetown, Guyana, "some Western economists have made take-off into self-sustaning growth dependent^{on} a certain level of savings and investment. This is a mistake. Take-off is primarily dependent on the establishment or recovery of self-confidence in identifying, defining and solving problems of substance and relevance to socio-economic development and welfare of the mass of the people. And this self-confidence is, to a large extent, a function of mobilizing national talents and capabilities and creating the right type of environment and motivation for unleashing inventive and innovative abilities. I doubt very much if this recovery of self-confidence can be brought about in externally-oriented and excessively open economies such as we have in Africa"¹⁴ .

The steadfast support given to and the sustained loyalty received by the Lagos Plan of Action are best understood within the context of this important phenomenon - the recovery of self-confidence. Whatever may be its limitations, its defects and deficiencies, the Plan is the first undiluted efforts of African governments themselves, under the aegis of the ECA secretariat, to delineate at the continental level, how their economic destinies should be ordered. As such, the Plan is not merely a technical treatise but also a political document which took four years of preparation in the course of which a lot of emotions and loyalties developed. The fact that a draft Plan prepared for the OAU Secretariat by a group of African experts was withdrawn in favour of this present Plan in whose preparation all African governments were involved was a good indication that African governments were determined to assert their self-confidence. Since then they have individually and collectively insisted on their partners-in-development respecting their perceptions of goals, strategies and priorities and have unequivocally rejected any alternative strategy whose approaches,

¹⁴ Adebayo Adedeji, The Third World and the Search for a New Economic Order, op.cit., p. 48.

concepts and objectives are divergent from those of the Plan as being in "fundamental contradiction with the political, economic and social aspirations of Africa".¹⁵ At every conceivable opportunity, African governments have reaffirmed their commitment to the Plan: so strong is the attachment to it.¹⁶

Let us now turn our attention to another factor to which ECA attached considerable importance in the Revised Framework and in its various papers during the 1975-79 period when what later became known as the Monrovia Strategy evolved: establishing effective control over Africa's natural resources. Regretably, natural resources did not feature in either the neo-classical economic theory nor, for that matter, in the current development theory. Consequently, the link between natural resources and population - its structure, movement and growth - was either totally ignored or taken for granted. In our search for an alternative development strategy for Africa, we could ill-afford to follow suit as we know that in some quarters, African under-development is blamed on an assumed lack or poverty of the natural resource base. As the preamble to the Plan rightly asserts "Africa's under-development is not inevitable. Indeed, it is a paradox when one bears in mind the immense human and natural resources of the continent. In addition to its reservoir of human resources, our continent has 97 per cent of world reserves of chrome, 85 per cent of world reserves of platinum, 64 per cent of world reserves of manganese, 25 per cent of world reserves of uranium and 13 per cent of world reserves of copper, without mentioning bauxite, nickel and lead; 20 per cent of world hydro-electrical potential, 20 per cent of traded oil in the world (if we exclude US and USSR), 70 per cent of world cocoa production; one-third of world coffee production, 50 per cent of palm produce, to mention just a few"¹⁷.

¹⁵ The Declaration of Tripoli on the World Bank Report entitled "Accelerated Development in Sub-Saharan Africa: An Agenda for Action by the ECA Conference of Ministers at the 17th Session of the Commission held in Tripoli from 27 to 30 April 1982.

¹⁶ See, for example, the Addis Ababa Declaration on the occasion of the Silver Jubilee Anniversary Celebration of the United Nations Economic Commission for Africa made on 29 April 1983.

¹⁷ The Lagos Plan of Action, p.7.

But what is glaring in Africa is the lack of effective control by African governments over these natural resources. Many of them do not have any well articulated and integrated policies for the exploitation, conservation, transformation and marketing of these resources with a view to deriving maximum benefits from them. Effective sovereignty over natural resources within the African context therefore requires (i) increased knowledge of the object over which it is to be exercised, increased capability to determine when, how, why and by whom these resources are to be exploited and the terms and conditions of such exploitation; (ii) the capability to protect such resources from unauthorized or wasteful exploitation; (iii) special competence in the design and application of royalty and tax systems, in the economics and legal aspects of natural resources and in the analysis of market information; (iv) gradual assumption of responsibility by African governments and people for all phases of natural resources exploration and development including processing and exploitation where appropriate; and, (v) improvement in the competence of governments in negotiating the terms on which resources are extracted, processed and exported by the private sector, whether local or foreign.

Finally, we come to the most neglected of all the neglected factors in development economics literature - the domestic market. In the literature on development economics, the emphasis is on the foreign international market for the primary commodities and mineral products of the developing countries including in the case of the newly industrialized countries manufactured products for export. National domestic markets received scant attention. In a way this is consistent with the main external-orientation, export-dependent growth-generating conventional theories. But in view of our rejection of foreign trade as the engine of growth, it was but logical that we should turn to the domestic market as one of the major instrumentalities for triggering off and sustaining the massive, pervasive and multidimensional processes of development strategy we were advocating.

We were quite clear in our mind that the domestic markets in Africa cannot simply be left to look after themselves if they are to constitute an important element in the design of a new national and regional socio-economic order. Not only are these markets weak, they are minuscule and

very large in number. And combining several national markets will not automatically provide the foundation for self-sustaining development unless the dynamics of the markets are fully understood with a view to removing constraints and restructuring them to provide a broad base of homogeneous demand for industrial production, expand employment opportunities and reduce mass poverty.

And any focus on the domestic market inevitably requires having a close look at the distribution of income - both between the urban and the rural sectors and between the monetized and the subsistence sectors. The importance of income distribution is that it determines, particularly in market-oriented economies, the character and economic significance of the national market and the different sub-markets within it. It determines not only what is produced but how much is produced, how it is produced and why it is produced. And it is all these factors that determine the dynamics of markets which in turn have their impact on accelerated development, economic growth and welfare.

As for the role of government in the development strategy which we advocated, no one will be left in doubt as to the importance which we attach to it after reading the last paragraph of the Revised Framework which inter alia states that:

"...if substantial meaning is to be given to self-reliant, dynamic growth and diversification, governments are expected to play a larger role in the process of socio-economic transformation than they have explicitly and formally agreed to play so far. In view of the multiple objectives of socio-economic policy, governments will inevitably find themselves performing several roles. They will act as planners, instituting State-wide planning network, linkages, plan monitoring facilities, control mechanisms, information systems and feedback effects; as entrepreneurs running state enterprises;... and, as allocators of national resources through fiscal and monetary policies, incentives and disincentives." 18

These then are the intellectual and theoretical foundations on which the Monrovia Strategy and the Lagos Plan of Action are based. Unconventional and unorthodox they certainly are but we dared anyone to challenge their appropriateness and relevance to the African socio-economic conditions.

¹⁸ ECA, Revised Framework, op.cit., pp.53-54.

IV. CRITICISM, CONTROVERSY, CONFLICT AND EMERGING CONSENSUS ON THE STRATEGY AND THE PLAN

As was to be expected, the ECA, in preparing for submission to the Assembly of Heads of State and Government of the Organization of African Unity at their Monrovia meeting in July 1979, what later became known as the Monrovia Strategy for the Development of Africa and the Monrovia Declaration of Commitment¹⁹ was guided by the principles discussed in the preceding section of this paper. Similarly, in submitting the draft Plan of Action for the Implementation of the Monrovia Strategy for the Economic Development of Africa²⁰ to the first Economic Summit, the ECA was also guided by these basic principles, by the Strategy and by the Declaration of Commitment. Consequently, it did not consider it necessary to restate these principles in the Plan.

Unfortunately, most of the commentators on the Plan - the friendly critics as well as the not-so-friendly ones - do not appear to be familiar with the process²¹ which had preceded the Plan, nor did they appear to be familiar with the precursors of the Plan - the ECA Revised Framework, the Monrovia Strategy and the Monrovia Declaration of Commitment. Thus, when Browne and Cummings stated in their very useful little compendium entitled The Lagos Plan of Action vs. the Berg Report that the Plan's "most serious flaw as a planning vehicle... is its failure to rank unambiguously its priorities, although self-sufficiency in food is clearly number one"²¹, it was clear that they could not have linked these four documents together as constituting a

¹⁹ECA Resolution 332(XIV)- Development Strategy for the Third Development Decade request 'The Executive Secretary of the Commission to transmit to Heads of State and Government through the OAU Secretary-General both the recommended Strategy as well as a draft Declaration on Guidelines and Measures for the National and Collective Self-Reliance in Social and Economic Development for the Establishment of a New International Economic Order. The OAU in its Resolution CM/Res.722(XXXIII) endorsed in its first substantive paragraph "the development strategy for Africa ... as prepared by the 5th Meeting of the Conference of Ministers of the Economic Commission for Africa held in Rabat in the eleventh substantive paragraph of the same resolution decided that "...the strategy for the development of Africa be called Monrovia Strategy for the Development of Africa and the Declaration of Commitment be called the Monrovia Declaration of Commitment".

²⁰ECA document No.E/CM.14/781/Add.1

²¹Robert R. Browne and Robert Cummings. The Lagos Plan of Action vs. The Berg Report. Contemporary Issues in African Economic Development (Brunswick Publishing Company, Virgiana, 1984); p.24.

whole and as having been issued in a serialized sequential order. Had they done that kind of linkage, they would have been the first to agree that in view of the unambiguous listing in the Declaration of Commitment of the ten priority areas to be pursued, little would have been achieved in repeating them again. As for ranking, surely there is nothing to suggest that the list does not reflect the ranking. Reading the strategy should have removed all such doubts and convinced all concerned that the setting of priorities has not "been temporarily laid aside in the interest of obtaining agreement on the overall thrust of the document".²²

Indeed, that agreement had been obtained as far back as 1976 when the Executive Committee of ECA approved the Revised Framework - an approval that was subsequently endorsed by the OAU Summit in June 1977. The Monrovia Strategy with the Declaration of Commitment was a decisive re-affirmation two years later while the Lagos Plan of Action spells out in detail its implementation sector by sector. Surely, the sector by sector approach in the Plan - or what Benachenhon described as the "sectorization of actions to be undertaken"²³ would have been totally meaningless if there were no guiding principles and macro-analytical framework, strategies and priorities. Indeed, the consistency between the Plan and its precursors is unexceptionable.

A number of ambiguities and errors of omission and commission which have been levelled against the Plan are thus based on the lack of familiarity with this earlier document. The list of apparent omissions and ambiguities are too long to be repeated here. Let me just mention two or three to illustrate my thesis that our critics have failed to inform themselves properly. They have been contented to read only the Plan.

Benachenhon in his article just referred to stated (wrongly I must add) that "nowhere in the Plan is any supervisory system over Africa's non-agricultural land and enterprises - specifically mining enterprises - identified"²⁴ and went on to list, inter alia, four other omissions.

²² Ibid., p.24

²³ A. Benachenhon, "South-South Co-operation. The Lagos Plan of Action and Africa's Independence", Africa Development Vol. III, No.4, 1983, p.9.

²⁴ Ibid., p.12.

These are (i) the non-assessment of existing bilateral or multilateral relations of co-operation and their implications on African governments' capabilities to self-determine their domestic economic policies; (ii) the failure to appraise critically intra-African co-operation policies; (iii) the failure to consider issues concerning financing the Plan in particular and development in general; and, (iv) the existence of ambiguities concerning the role of government in the development process in Africa.

There is no doubt that criticisms have been put forward out of ignorance of the contents of the Revised Framework, the Strategy and the Declaration of Commitment. The author is also no doubt unfamiliar with the various publications of ECA particularly those issued between 1975 and 1979 on major policy matters. All these issues have been dealt with in extenso in these various documents. For example, on intra-African co-operation, we stated in the Revised Framework that while Africa is not without experience, attempts at economic co-operation may have been only partially successful partly "...because the machinery for co-operation was sometimes inadequate and the gains to be made from co-operation were too long-term or too indeterminate" or partly because "... the existence of concepts and models in some part of the world seems to have inhibited sufficient consideration of the concrete objectives to be attained and the manner of their attainment". We then went further to state that for economic co-operation arrangements to be effective, "there must be agents of production and distribution which are able and willing to exploit the opportunities which the arrangements provide. In terms of increasing self-reliance these must now more and more be interpreted to mean indigenous agents of production and distribution".²⁵

On the question of financing the Plan, if the critics had read the statement made by me in presenting the draft of the document to the fifteenth ECA session they would at least have framed their criticisms differently. Let me quote in extenso what I stated then:

²⁵ ECA Revised Framework, op.cit., p.17

"One of the critical questions which the Plan raises is the mobilization of financial and real resources for its implementation and here we must distinguish between financial and real resources and between domestic and external resources and take full account of the links among them. We must also bear in mind that the central issue is not simply the amount of resources concerned but the objects to which they are applied and the objectives prompting this application.

In so far as the mobilization of domestic financial resources (i.e. domestic savings) is concerned I believe we need to weigh the possibilities of new methods of mobilization including life insurance, unit trusts, save-as-you-go schemes, and to give greater attention to the promotion of traditional rural and small scale savings arrangements fairly well known throughout the Region. In spite of the low income money earnings of the bulk of our people, it is surprising how much of money incomes flow from the rural to the urban areas to finance housing, construction, and consumption.

It is also astonishing what rural communities have been able to do once they accept a challenge to do-it-yourself and are shown how to do it. In effect we have to take into account the savings and investment potential of different segments of our populations. We believe that inter-country sharing of experiences will make a substantial contribution to the mobilization of savings at different income levels and within different income groups. In addition to domestic personal savings there is domestic corporate savings - i.e. mainly the profit, allocation to reserves, and re-investment policies in both the private and the public business sectors.

However, the very nature of underdevelopment has created situations in which the availability of domestic financial savings is unmatched by the availability of domestic real factor inputs (particular mixes of skilled production manpower, entrepreneurial and management manpower, raw materials R & D facilities, institutional services and, more than anything else, capabilities for converting raw materials into investment goods, i.e. the capital goods producing industries). The gap, as has often been pointed out by African financial authorities, is not so much finance as real factor inputs, including sufficiently well trained and experienced managers and a sufficient spread of entrepreneurial talent and it is here that imported resources, particularly technical assistance, could be used to improve and expand supply. I do not wish to take up more time on this issue as I propose to invite not only the AACB and the African Monetary Centre but also development banks and corporations, etc., to assist us in examining the problems of mobilization of domestic financial resources."²⁶

²⁶ Adebayo Adedeji, Draft Plan of Action for the Implementation of the Strategy for African Development for the 1980s: Statement at the formal opening of the Fifteenth Session of the Economic Commission for Africa and Sixth meeting of the Conference of Ministers of Economic Development.

Of course, it was not these criticisms that brought about the controversy which developed on the Plan. Rather it was the publication by the World Bank of the Accelerated Development in Sub-Saharan Africa: An Agenda for Action a year or so after the adoption of the Plan. The controversy arose because this World Bank Report was in many ways an antithesis to the Plan. Where the Plan emphasizes self-reliance and self-sustaining development based on effective integrated and dynamic national, subregional and regional markets, the Bank's Agenda puts the emphasis on the external market and on the continuation of the colonial export-oriented economies inherited by independence. While the Agenda identifies agricultural exports as the motor for African development, the Plan recognises that the motor for development of any country will depend on the content and nature of its natural resource endowment. Because it fully endorses the perpetuation of economically dependent development strategy based on export-orientation, it was quite logical for the Agenda to argue that trade and exchange-rate policy is at the heart of the failure to provide adequate incentives for exports in much of Africa and to draw the misleading conclusion that it was the poor export performance rather than the worsening external economic environment which manifested itself in the collapse of the commodity market that was responsible for Africa's poor overall economic performance.

But even more significant was the failure of the authors of the Agenda to appreciate the strength of the attachment of African governments and their leaders to the Plan which after all, as already stated, is the first indigenous effort in the recovery of self-confidence by Africans in themselves and their capabilities to initiate and organize their own concepts, policies and strategies. The Agenda was seen, wrongly no doubt, as yet another attempt by foreigners to discourage the Africans and to abort the process of the recovery of that self-confidence. Indeed, the Agenda was viewed as the World Bank's vision of how the global economy should be ordered. According to this vision - which is also the Western vision of the global economy - the delinkage concept advocated in the Plan is "inimical to Western interests and consequently should be ignored or ridiculed"²⁷

²⁷ Browne and Cummings, op.cit., p.33

By emphasizing interdependence, the Agenda will thus ensure that Africa remains "the storehouse of natural resources necessary for the maintenance of the West's industrial power and leadership - hegemony if you wish".²⁸ It was felt that the West and the Bank saw in the self-reliant development strategy and the near-inevitable delinking from the capitalist system too much of orthodox Marxist thinking which must be counteracted.

Of course, we all know that the World Bank study was initiated at the request of the African Governors of the Bank. Therefore, it will be improper to impute motives. The Bank in responding to this request came out with a genuine and sincere analysis and prescription which were based on well established theories of development. But there is also no doubt that while the Plan is African-centred, the Agenda sees Africa from the perspective of the Western World. Chester A. Crocker, the US Assistant Secretary of State for African Affairs puts this admirably honestly and succinctly in a recent speech which he delivered at the Georgetown University Centre for Strategic and International Studies when he said:

"... there is a striking contrast between African and Western perspectives ... The African viewpoint, particularly that of politicians must assume a future that is economically viable and politically sustainable. It must assume industrialization and, at least, a promise of technological equality with the West (including Japan). It must encompass spiritual health and self-reliance as well as material well-being. The perspective is quite naturally African-centric.

"... The Western perspective is ... that of the policy-maker... Africa does not dominate his perspective, it is only one of a panoply of global concerns. Unlike the African politician, the Western bureaucrat is not compelled to assume politically viable solutions within Africa, nor does he take for granted the feasibility of rapid economic progress. Quite the contrary, he is usually more impressed by the negative, short-term implications of Africa's economic crisis, particularly its effect on political stability...

"These differing perspectives, African and Western, are reflected in two much-discussed documents, the "Lagos Plan of Action" and the report of the World Bank entitled "Accelerated Development in Sub-Saharan Africa: An Agenda for Action."²⁹

²⁸ Ibid., p.33

²⁹ Chester A. Crocker, "Expanding the Development Dialogue" in Topic No.147; pp.5-6.

As is well-known, the African governments were unanimous in their rejection of the Agenda. The ECA Conference of Ministers, the institutional architect of the Lagos Plan of Action, declared that the World Bank Strategy is in fundamental contradiction with the political, economic and social aspirations of Africa and rejected the Agenda. In contrast, the ECA Ministers in the same declaration reaffirmed that "the goals and objectives defined by the African countries for themselves in the Monrovia Strategy, the Lagos Plan of Action remain the authentic and authoritative goals and objectives for Africa".³⁰

Fortunately, since 1982 the controversy has abated; the conflict has given way to greater understanding and to the emergence of a consensus. Indeed, as subsequent World Bank reports have shown, some of the major viewpoints put forward in the Agenda have either been dropped or considerably modified. The Bank has indeed moved closer to the ECA position on a number of fundamentals. On a number of other issues there has been meeting of the mind between the Bank and the ECA so much so that the Bank could write in its latest document on Africa that "neither the essential objectives of Africa's development, nor the policy issues which need to be addressed to achieve them are in dispute, even though views on timing and priorities may differ ... The emerging consensus on policy issues dwarfs any remaining areas of dissent. Delay in action taken, whether by African governments or by donors, can no longer be justified on the grounds of major disagreements in diagnosis and prescription."³¹

³⁰ ECA, The Declaration of Tripoli, op.cit.

³¹ World Bank, Toward Sustained Development. A Joint Programme of Action for Sub-Saharan Africa, Vol.1 (Washington D.C., August 1984); p.3

V. WHAT OPTIONS ARE AVAILABLE TO AFRICA IN THE LIGHT OF ECA'S RECENT PERSPECTIVE STUDY?

Exactly three years after the adoption of the Lagos Plan of Action, on April 29, 1983, the ECA in celebrating its Silver Jubilee Anniversary published on the same day a perspective study entitled ECA and Africa's Development 1983-2008. This, the first major ECA publication since 1980 has the sole principal objective of laying bare the consequences of continuing to pursue the historical trends scenario of export-orientated and externally-dependent development strategy and the consequences of the normative development scenario as advocated in the Lagos Plan of Action.

The ECA perspective study addressed itself to a number of fundamental questions. What will Africa be like in the year 2008 - the year of ECA Golden Jubilee - in terms of its total population, the urban and rural distribution of that population, its age distribution etc. Secondly, what will these demographic phenomena mean for the human resources situation of Africa in 2008 - its educational needs in terms of places at primary, secondary and tertiary levels, in terms of books, stationaries, laboratory equipment, school uniforms and footwear for the millions who will be affected? Thirdly, what will it mean for the labour market - the number who will be joining, the number who can be absorbed into gainful employment and those who will join the already large army of the unemployed and underemployed? Fourthly, what are the implications of the population projections for Africa's current food crisis? With a billion mouths to feed in 2008 what does this mean in terms of the projected consumption of cereals, roots, tubers and pulses and meat and poultry, for example? Where will Africa food self-sufficiency ratio be and what will be the level of its per capita in 2008? Fifthly, if today's Africa is gravely short of energy, what are the projections of demand and supply for the major sources of energy - petroleum, electricity, coal, natural gas, to mention only a few? We now come to the host of questions relating to the industrial sector - capital goods, intermediate goods and inputs and industrial consumer goods. In each of these areas, we undertook the projections both supply and consumption of some representative and crucial product groups. Thus in the capital goods sector, two product groups - tractors and animal traction for agricultural machinery

and implements and passenger cars and commercial vehicles have been chosen. In the intermediate goods sector, three critical inputs - fertilizers, cement and iron and steel - are dealt with. Finally, in the consumer goods sector, textile and pharmaceuticals have been chosen as they constitute major elements of basic needs. Transport infrastructure was our seventh area of investigation and here our projections covered all modes of transport. The final sector included was the external trade sector.

The projections of supply and demand for all the sectors covered were made for each of the two scenarios, the historical trends scenario and the normative development scenario. Under the former which assumes no major changes in both the domestic and external environments, no fundamental break from Africa's unevitable economic past and present, the picture that emerges is horrendous; Africa will in 2008 become even more economically dependent than it is at present; its economy will be more open and exposed. The region would require more food imports and more food aid to feed its teeming populations; over 90 per cent of all its capital goods requirements would be imported; and, critical intermediate goods such as fertilizers and cement would be imported. On the social side, the deterioration in the quality and quantity of social services which has already set in would accelerate; access to education, health, potable water and electricity would be available to a diminishing minority; cities would become overpopulated ghettos; and diseases, famine, riots, and crimes would escalate in their incidence. In short, life would be short and brutish. Without doubt, under the historical trends scenario, the 1960s would seem like a golden age and self-reliance and meaningful and effective political independence will, to the generation of 2008, sound slogans of the past.

It is to the normative development scenario that we must perforce look for salvation - for economic survival, for the prevention of political collapse and for a turnaround in Africa's economic fortune. But such a willed future will not be built on slogans and words alone - although they are necessary to sensitize the people about the dire consequences that await them unless they mobilize and organize themselves to bring it about - but on purposeful action at all levels and on a development-oriented leadership. This indeed is what the Monrovia Declaration of Commitment

is all about and this is the raison d'être of the Monrovia Strategy and the Lagos Plan of Action.

Table 2 is illustrative of the magnitude of the task which is called for. Outputs in the strategic sectors and sub-sectors have to increase at consistently high rates per annum. Imagine the task which is involved to increase cereal production at an annual average rate of 12.0 per cent; root tubers and pulses at 9.5 per cent; meat and poultry at 11.9 per cent; electricity at 9.3 per cent; and tractors, fertilizers and cement at 28.7, 9.2 and 37.7 per cent respectively. Even with all these, supply would still fall short of demand in most cases. The implications for investment, human resources development, the mobilization of the people, the organization and management of the economy would stagger the imagination. And the qualities of leadership required are better imagined than described. These are what are required by the normative willed future scenario. Overall, we are talking about 7.3 per cent average annual growth of GDP; of agriculture and food growth rate of 4.3 per cent per annum; and of industrial output averaging 8.8 per cent per annum.

The normative scenario would thus impel African countries to "restructure their economies extensively in order to achieve the above targets. The dynamics of development would have to be based on the region's own resources and potential... The countries will have to establish... capital, intermediate and consumer goods industries. This means that foreign trade has to be perceived as a component of growth rather than as its sole determinant. Thus, the main thrust of the normative scenario is that Africa's future development should be conceived not in terms of how much GDP but rather in terms of how much physical goods are being produced with local expertise and domestic resources and how much change is being made to structure the economy in terms of diversification and greater vertical and horizontal sectoral integration."³² We cannot conclude without emphasizing again that this normative development scenario is not a futuristic adventure. It is a scenario based on developing a will to survive and - what is more - to reach greater heights and become a true and effective partner in the international economy. It is the only honourable option open to Africa.

³² ECA and Africa's Development, ibid., p.87-88.

Table 2 - Desirable Average Annual Growth Rates in Selected Sectors required to bring about the normative-future development

Sectors and sub-sectors	Current average annual requirements 1978-1980	Projected demand in 2009	Required projected average annual growth between now and 2008 (in percentage)	'Balance sheet i.e. difference between demand supply after assuming projected average annual growth rates are realized. The deficit will be met by imports
Food:				
Cereals (in millions tons)	74.8	22400	12.0	-33.6
Roots, tubers and pulses (in million tons)	85.1	202.3	9.5	± 1.2
Meat (million tons)	4.7	13.6	11.9	-
Electricity (GWH)	69985	1,019,639	9.3	-
Tractors (000s)	253.3	1,821.5	28.7	-99.7
Passenger cars (millions)	3.3	22.7	27.5	- 2.1
Commercial vehicles (millions)	1.7	44.6	11.6	- 7.6
Fertilizers (ooo tons)	2278	21,490.0	9.2	- 2,900
Cement (million tons)	28	264.0	37.7	-
Iron and Steel (million tons)	6.5	61.0	3.7	-134.0
Textiles (million tons)	0.8	5.1	25.5	- 1.0

Sources: Compiled for Tables 14 to 18 of ECA and Africa's Development 1983-2008 (Addis Ababa, April 1983); pp.64-78.

VI. THE NATURE AND SIGNIFICANCE OF AFRICA'S CURRENT ECONOMIC CRISIS
AND ITS IMPLICATIONS FOR THE STRATEGY AND THE PLAN

In a way 1984 can be seen as Africa's most unfortunate year. It is the year that natural disasters and harmful weather patterns arising from drought and dessertification spread to 36 of its 50 member states. It is the year that the devastating impact of the global economic recession with its attendant collapse of commodity prices which is accompanied by unprecedented high level of interest rates, sharp exchange rate fluctuations, increased protectionism, chronic balance of payments deficits, mounting external debt and a steady decline in the real terms of ODA all combined to give Africa, particularly Sub-Saharan Africa, its worst economic situation in modern times.

It will have become abundantly clear from the preceding sections of the paper that Africa's economic and social crisis has not developed all of a sudden. As already indicated, it was the deterioration in the economic and social conditions of Africa that led ECA to begin to look critically at Africa's development strategy in 1976 and since then the Commission has not ceased to raise the alarm, to draw attention to the evolving situation as all regular readers of its annual Survey of Economic Conditions in Africa will testify. Indeed, at its April 1981 session - that is the session immediately following the one at which it prepared the draft of the Lagos Plan of Action for submission to the Economic Summit - the ECA held a closed meeting to consider a confidential paper which the Executive Secretary of the Commission had submitted and which was entitled Africa's Rapidly Escalating Crisis - Proposals for a Short-term Immediate Programme for Survival.³³

In that report we stated inter alia "that Africa faces a critical economic crisis and challenge, more immediate in its intensity and compelling in terms of urgent demand for solutions". We then proposed an emergency programme of action in the critical areas of food and drought, energy, and balance of payments disequilibria. However, as we warned, the emergency programme of action was not meant to replace or be substitute for the Lagos Plan of Action or the international development strategy for the

³³ Document No. E/CN.14/CONF/81/01 of 2 January 1981.

Third United Nations Development Decade. Indeed, the emergency programme is envisaged to clear the ground and lay the necessary foundation for the successful implementation of the Plan. While crisis-ridden economy will have little time and resources for long-term development issues and problem, it is equally essential that in resolving such a crisis the future development prospects of the country must not be put in jeopardy.

As I have repeatedly stated, underlying Africa's persistent and long-drawn crisis is its underdevelopment and economic backwardness, its failure to achieve a clear break from its unevitable colonial economic inheritance and pursue instead a normative development path. Therefore, until it has been able to achieve a structural adjustment which will install a self-reliant and internally-generating process of development, Africa will continue to move from one crisis to another.

The three immediate ^{causes} ~~causes~~ of the present crisis are (i) the widespread severe and persistent drought which now affects 36 out of Africa's 50 independent countries; (ii) the collapse of the commodity markets and the deteriorating international economic environment; and (iii) the heavy burden of Africa's external debt.

Although they are responsible for the current social and economic crisis facing the continent, they are also the result of Africa's underdevelopment, economic backwardness and the persistence of the colonial and neo-colonial mix of economic policies.

Let us take the drought phenomenon and its impact on the food crisis. The colonial economic policy concentrated all attention and resources on production and marketing of export crops to the neglect of the production and marketing of food crops which were left largely to the subsistence sector. Post-independence Africa unfortunately followed more or less the same policy. Although initially self-sufficient in food (in spite of the neglect), as the population grew rather fast (about 3 per cent per annum), as urbanization grew even faster (at the rate of about 5 per cent per annum) and given the low productivity in the food production sector, it was not surprising that Africa evolved within the last two decades as a food

deficit region. As shown in Figure 1, there has been a steady decline in per capita food production in Africa, south of the Sahara, since 1960-65, whereas in Latin America and Asia the reverse has been the case.

Thus, even if there was no drought, the African food crisis has been in the making from the beginning of independence. Unfortunately, the drought accelerated its arrival and aggravated its intensity. Because of the neglect of the food production sector, the necessary resources required to make the agricultural sector increasingly less dependent on rainfall ~~was~~ never considered. Thus Africa's food crisis is a conjuncture of three different crises:

- a technical crisis arising from the difficult nature of farming in the continent with its fragile and easily eroded soils, less reliable rainfall and nearly non-existent irrigation (covering only 2 per cent of the arable land);
- a development crisis stemming from the highest population growth in the world, rapid urbanization, and continuing dessertification;
- a political crisis as political upheavals continue in a number of countries in Africa and these have exacerbated the food shortages.

It will thus be clear from this analysis that while emergency food aid is not only desirable but also an imperative necessity in order to save people from hunger and starvation, the long-term solution of the crisis lies in pursuing appropriate measures designed to arrest the downward trend in per capita food production with a view, eventually to the restoration of the position of food self-sufficiency. This requires a determined and single-minded pursuit of the goals and objectives of the Strategy and the Plan on the basis of the ECA normative, willed-future scenario.

In other words, whether it is in the field of combating the consequences of the collapse of the commodity market or of external debt, there is no doubt that short-term action must be consistent with long-term structural adjustment stipulated in the Strategy and the Plan and spelt out in considerable detail in ECA and Africa's Development 1983-2008.

As I have repeated again and again and most recently in a statement on the crisis at the Summer Session of the Economic and Social Council of the United Nations General Assembly, "it is highly important to appreciate that the emergency, short-, medium- and long-term implications and ramifications are not only interrelated but are closely intertwined. Any measures to be taken whether at national, regional or international level must ensure internal consistency between the different requirements, be they short-, medium- or long-term or for emergency purposes. Otherwise we may be compounding the problems posed by the crisis." ³⁴

What then are the implications of the crisis for the Plan? First and foremost, it is clear that the present crisis validates both the analytical reasons for the Strategy and the Plan and urgency of pressing ahead with their implementation. Although most analysts of the Plan have thought of it only as a perspective plan, this is only because they have failed to give the contents a detailed study. If they did, they would have realised that the Plan contains short, medium and long-term measures. Let me quote a few examples.

On food, the Plan recommended that "over the period 1980 to 1985 the objective should be to bring about immediate improvement in the food situation... Priority action should be directed to securing a substantial reduction in food wastage, attaining a markedly higher degree of food security, and bringing about a large and sustained increase in the production of food, especially cereals..."³⁵ On the drought, the Plan identifies the following areas of environmental concern as requiring immediate action: promotion of reafforestation programmes with native trees and adaptable exotic species as wind breaks, indigenous grasses for soil stabilization exploitation of underground water for irrigation, maintenance of carrying capacity of the arid lands, establishment of meteorological and hydrological monitoring stations, and enforcement of strict land management. The industrial programme is in three parts: long-term objectives up to the year 2000; medium-term objectives up to the year 1990; and, short-term objectives up to the year 1985.

³⁴ Adebayo Adedeji, The African Economic Crisis: An Agenda for Action by Africa and the International Community, (Addis Ababa, 1984); p.14.

³⁵ Lagos Plan of Action, op.cit., p.12.

Secondly, the current crisis shows how prophetic we were in the priorities contained in the Strategy. Food self sufficiency and combating drought and desertification still remain Africa's priorities among priorities. In other words, the crisis has brought into sharper focus Africa's development priorities not only in the short- and medium-term but also in the long run.

However as to the implications of the crisis ^{for} on the implementation of the Plan - which is our third point - we must admit that the crisis has had a devastating effect on the implementation of the Plan. As the World Bank stated recently, "the crisis management of recent years has resulted in widespread neglect of programmes dealing with the long-term constraints on development. Schools are unable to teach effectively because of shortages of books and other materials; clinics are frequently without medicines; deforestation, overgrazing and other environmental hazards are not being checked."³⁶

One of the inevitable consequences of the crisis, particularly the emergency part of it, is that the limited resources available have been directed to cope with the emergency situation. This is also true of the servicing of external debt. For many countries, the ratio of debt service to export earnings currently range from 30 to 60 per cent. Thus less and less resources are available to deal with medium and long-term problems of development.

This then brings us to our final point - the international community's support in solving the crisis and in the implementation of the Plan. This in itself is a major issue whose comprehensive coverage is beyond the scope of this paper. But let me make four points on this subject. First, the Lagos Plan of Action with all its emphasis on self-reliance was realistic enough to assume that substantial external assistance in terms of loans, aid and technical assistance will be required. In fact in some sectors (e.g. food and agriculture and transport and communications) the estimates of the quantum of external resources required were made. Secondly - and

³⁶ World Bank, Toward Sustained Development in Sub-Saharan Africa (Washington D.C., 1984); p.6.

unfortunately - Africa has faced stagnation in official development assistance (ODA) and a significant decrease in net capital flows since 1980. Thirdly, the World Bank projection is that this trend will continue at least up to 1987. It is estimated that net capital flows to sub-Saharan Africa will decline from the average of about US\$10.8 billion in 1980-82 to about US\$5.0 billion per annum in 1985-87 - unless special measures are taken by the donor community. Fourthly, in the emergency area, particularly in the provision of food aid to drought affected countries, the response of the international community has been encouraging. Although vital gaps still exist between needs and pledges, the response by the donor community has on the whole been sympathetic no doubt on purely humanitarian grounds. Thus there is emerging - and this is my fifth and final point - a new phenomenon in external assistance to Africa. On the one hand, a declining trend in medium- and long-term flow of resources and on the other hand a mildly positive response to appeals for emergency assistance - a mixture of polarisation of assistance and donor fatigue. If this were to continue, the African crisis situation will continue for a long time as the continent will always be short of resources for economic rehabilitation, reconstruction and self-sustaining development.

CONCLUDING REMARKS:

THE LAGOS PLAN OF ACTION AND AFRICA'S FUTURE PROSPECTS

It is clear from our analysis that while the Lagos Plan of Action remains as valid to Africa's development needs today as it was in 1980 when it was launched, its implementation has been rather slow partly because of the economic crisis that has gripped Africa since then and partly because a turnaround in economic policy and strategy and the initiation and implementation of policy changes and reform is a slow process. Finally, there is, as we have just seen, the unfortunate and persistent declining trend in net capital flows to Africa including a decline in real terms in ODA at a time when such assistance is urgently required to facilitate the turnaround in policies and strategies required by the Plan and the normative development scenario. It is no wonder that in view of the combination of these negative factors, many analysts have come to the conclusion that Africa's, particularly Sub-Saharan Africa's, future prospects are far from being bright. More specifically, that they are very dim. Indeed, Christine A. Bogdanowics-Bindert in her article entitled "Sub-Saharan Africa: An Agenda for Action" foresees "a continuation of economic stagnation and human misery, recurrent crises and stop gap measures."³⁷

As is well-known, we in ECA reject such a pessimistic prognostication although as we indicated in Part IV of this paper it conforms to what Chester A. Crocker, the U.S. Assistant Secretary of State for African Affairs, described as the Western perspective which focusses more on the negative aspects of the African economic crisis rather than on the positive, confidence-building aspects which he called Africa-centric. This persistent pessimism on the part of Western analysts may in a way be a reflection of their scepticism in the capacity and capability of Africans to sustain for long a modern state, let alone transform it economically and socially. As I said during the ECA Silver Jubilee Celebrations on 29 April 1983, "such a point of view which is put across ad nauseum by the foreign media is directed at sapping our self-confidence. Colonialism having done its worst to destroy that self-confidence, our detractors are doing everything, both subtly and openly, to make us lose whatever remains of it. The unfortunate

³⁷ Journal of World Trade Law, Vol.16 No.4, July-August, 1982; p.286.

thing is that many Africans, and one suspects, a growing number of our people are beginning to believe such propaganda."³⁸

Fortunately, we are at the ECA no longer the only ones that reject this pessimism about Africa's economic future. The World Bank has recently joined its considerably weighty voice with ours. The Bank in its latest report on Sub-Saharan Africa, puts its position unequivocally as follows:

"Against this disquieting background, is it possible to look with hope toward the future? The World Bank ... has answered with an emphatic "yes". This optimism can be justified by recent experience both in Africa and elsewhere. For instance, the despair that is now focussed on Africa was matched by a comparable feeling about India in the early 1960s. In recent years, India, despite its terrible poverty, has emerged from despair to hope in the eyes of the world. This change has been achieved largely through sustained improvement in the government's policies and programmes, with support from donors wherever their finance, technical assistance or advice could be useful. There are many other cases around the world of the mutually reinforcing roles of good domestic programmes and appropriate external assistance.

"The same combination of domestic reform and donor support can be successful in Sub-Saharan Africa."³⁹

In other words, Africa can invent or "will" for itself a future that will give rising prospects of prosperity, of economic self-determination and national and collective self-reliance and self-sustainment by the vigorous implementation of the objectives of the Strategy and the programmes and projects of the Plan. For Africa to be able to do this it needs to develop the necessary self-confidence that it can and it is essential for Africa's foreign partners-in-development not to do anything that will erode that self-confidence. And equally important, it is necessary for them to lend generous support - financial and technical - to such an effort. As the

³⁸ Adebayo Adedeji, Africa in the year of ECA Golden Jubilee, (ECA, Addis Ababa, 1983); p.9.

³⁹ World Bank, Toward Sustained Development in Sub-Saharan Africa, op.cit., p.2.

Special Memorandum by the ECA Conference of Ministers on Africa's Economic and Social Crisis which was addressed to the 1984 Second Regular Session of the Economic and Social Council of the United Nations concluded, we are convinced that given the necessary support from the international community, Africa, particularly Sub-Saharan Africa, is "capable, in the not-too-distant future of establishing at national, sub-regional and regional levels truly dynamic, self-reliant and interdependent economies, capable of functioning as effective partners in the international economic system."⁴⁰

⁴⁰ECA Document No.ECA/CM.10/37/Rev.2, op.cit., p.32.