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In this issue

United Nations Economic Commission for Africa
Public Administration, Human Resources and
Social Development Division

To our readers

Beginning with this issue, SAPAM NEWSLETTER has been transformed into SAPAM BULLETIN. The change in nomenclature marks the evolution of this publication from merely informing on activities of SAPAM to using it as a vehicle for incisive discussions and reflection on contemporary issues of public policy management in Africa. To fulfill this role, two new columns have been introduced: The Public Manager's Forum and the Interview. In this issue, the Public Manager's Forum features an article on "Public Enterprises Reform: Ghana Experience" by Mr. W.A. Adda, Executive Chairman of the State Enterprises Commission of Ghana. On the other hand, the Interview Column features five senior public servants from Uganda, Zambia, Tunisia and Zimbabwe.

A letter column has always been envisaged in this publication. We are, therefore, pleased to publish some of the letters we have received. All three meet our expectations with regard to the scope and nature of issues that public managers may write about. We encourage others to do the same.

The first issue of this publication underlined that the SAPAM Bulletin will serve as a vehicle for dialogue and analysis on public policy management issues in Africa. We renew our call to practitioners and researchers/analysts in the field of development management to submit their articles, "think pieces", papers and letters for publication in SAPAM Bulletin.

I also wish to seize this opportunity to announce that the Public Administration, Human Resources and Social Development Division (PHSD) will, within the framework of the SAPAM Project, organize a major regional conference on "Development Management in Africa: thirty years of experience, emerging challenges and future priorities." The conference is scheduled for 9 to 13, November 1992 in Addis Ababa, Ethiopia.

The conference is expected to be attended by member states, UN agencies, international and regional organizations and institutions, donor agencies, experts and NGOs.

It is evident that the effective management of the African economy and the prospect for sustained economy in the region is contingent on the effectiveness of administrative systems, institutions and practices. To this extent, development management and the reform of public management have been given increased attention in recent years.

At the same time, tremendous resources and efforts have been directed by African governments, their multilateral and bilateral development partners, private foundations, aid agencies, non-governmental agencies and national and regional organizations to enhance public management and institutional capacity in the region, through an increasing range and variety of interventions.

The importance of development management, the need for the reform and re-definition of the role of public management and all of these efforts have prompted ECA to take the initiative to bring African countries and the various actors together at a forum. The purpose is to evaluate the outcome of thirty years of development management in Africa and take a long-range view of the changing emphasis in public sector management and private sector development in the light of emerging challenges as a basis of pooling experiences as well as identifying and clarifying current and future challenges and priorities for action. It is also anticipated that a major outcome of the Conference will be the identification of practical strategies for coordinating action, sharing information and networking.

The conference will address the following broad themes

- Public Sector Management in Africa: Overview

- Meeting the challenge of Development and Structural Transformation: Implications for Public Management in the 1990s and beyond

- Democracy, Popular Participation and Accountability.

- Entrepreneurship and private sector development: A challenge for public management.

- External support for institutional and management capacity building: past trends and future priorities.

- Agenda for the future - priority areas for enhancing development management in Africa in the 1990s and beyond.

Invitations for participation at the conference have been issued. Meanwhile, I do hope that all concerned would do their best to participate effectively at the conference and ensure its success. Those seeking more information on the conference should direct their inquiries to the Chief, PHSD, ECA, P. O. Box 3001, Addis Ababa, Ethiopia.

Sadig Rasheed
Chief, Public Administration, Human Resources &
Social Development Division,
Economic Commission for Africa

SAPAM Activities

Dakar Workshop examines performance of public enterprises from nine African Countries

ECA's Public Administration Human Resources and Social Development Division within the framework of the Special Action Programme for Administration and Management in Africa, SAPAM regional project in collaboration with the African Institute for Economic Development and Planning (IDEP), Dakar organized a Senior Policy Workshop on *Improving the Performance of Public Enterprise Management in Africa: Lessons from Country Experiences* in Dakar Senegal from 14 to 17 October 1991.

The workshop was attended by 35 participants consisting of senior policy makers from the various African public enterprises including those covered by the studies as well as international organizations. The workshop was officially opened by Mr. Abdoullaye Fall, Deputy Director of Planning, Ministry of Economy Finance and Planning of the Republic of Senegal. Welcoming statements were made by Dr. J. Senghor, Director, IDEP and Dr. Asmelash Beyene, SAPAM Project Coordinator on behalf of Dr. Sadig Rasheed, Chief, Public Administration, Human Resources and Social Development Division of ECA.

The objective of the workshop was to examine the findings of the nine public enterprise case studies with a view to drawing appropriate lessons for improved management. The public enterprises covered in the studies were drawn from five sectors, namely: Agriculture, Manufacturing, Public Utilities, Transport and Mining. These were: Botswana Meat Commission (Botswana), Uganda Grain Milling Corporation (Uganda); Societe Benninoise des Textiles (Republic of Benin); Tanganyika Dyeing and Weaving Mills (Tanzania); Volta River Authority (Ghana); Nigeria Electric Power Authority (Nigeria); Ethiopian Airlines (Ethiopia); Sudan Airways Corporation (Sudan); and Compagnie Senegalaise des Phosphate de Taiba (Senegal)

The discussions also benefitted from a paper highlighting the Indian Experience in Turnaround of sick public enterprises, prepared by Professor Khandwalla, Director, Indian Institute of Management, Ahmedabad, India.

In evaluating the findings from the case studies, participants identified factors that contributed to the failure or success of the public enterprises. Some of the factors contributing to poor performance were excessive control and political interference, managerial incompetence, ineffective practice of strategic management, lack of fiduciary responsibility by governments as owners of public enterprises, poor financial base of enterprises and poor personnel policies and

practices, including over staffing, and high staff turnover.

Various managerial innovations were identified as contributory to successful public enterprises. An abbreviated list include effective executive leadership, effective communication and climate of openness, sound financial structure and good financial management, financial managerial and commercial autonomy and clarity of objectives and performance criteria.

On the basis of their experiences and the findings of the case studies, participants made some recommendations regarding strategies for improving performance of public enterprises. These include: need for strategic and corporate planning; need for capital restructuring and financial management, market orientation, simplification of lines of accountability; establishing clear objectives and performance criteria through negotiation between enterprise and government. The participants also offered suggestions regarding guidelines for assessing performance of African public enterprises.

Senior Public Servants Grapple with Problem of Ethics and accountability in African Public Services.

The ECA's Public Administration Human Resources and Social Development Division, within the framework of the Special Action Programme in Administration and Management in Africa Project (SAPAM) and The African Association of Public Administration and Management (AAPAM) jointly organized a senior policy seminar on the theme: "*Ethics and Accountability in African Public Services*" from October 28 to November 1, 1991 in Arusha, Tanzania. The Seminar was held at the Arusha International Conference Centre. The seminar was attended by senior African Public servants, academics as well as representatives from Norway and other international organizations.

The objectives of the seminar were:

- To review the state of accountability and public service ethics in Africa.
- To identify the factors inhibiting ethical performance and weakening accountability in the public services and to recommend innovative ways of dealing with them.
- To examine the impact of ethics on economic recovery and development.
- To identify the sources and types of ethical obligations to which African public administrators should respond.
- To suggest ways and means in which education and training can be used to develop commitment to ethical behaviour appropriate in the context of the African social environment.
- To review mechanisms for arresting and preventing corruption and other unethical practices in the public services and draw lessons from them; and
- To recommend concrete and implementable measures to deal with the declining standards of ethical behaviour in African public services.

The Senior Policy Seminar was officially opened by Ambassador Amon Nsekela, member of the National Executive Committee of Chama Cha Mapinduzi (CCM) and Chairman and Managing Director of the National Bank of Commerce of the Republic of Tanzania. The Seminar was closed by Mr. M. Aboud, Controller and Auditor General of the Republic of Tanzania.

The participants of the Seminar were addressed by Dr. Sadig Rasheed, Chief, Public Administration, Human Resources and Social Development Division of the U.N. Economic Commission for Africa and Mr. W.N. Wamalwa, The President of AAPAM respectively.

The participants discussed at length factors accounting for weak accountability and unethical behaviour in African Public Services and reviewed country experiences of mechanisms for enforcing and monitoring ethics and accountability.

At the end of their session, the participants urged African governments to provide public servants with commensurate incentives thereby relieving them of the temptation of resorting to corrupt practices. They also called on African governments to formulate code of ethics and accountability specifying the expected norms of behaviour

including sanctions that will apply in case of breach of code. They emphasise the need for systematic socialization process aimed at inculcating ethical values, the need to assist in developing specific training modules and packages appropriate for use in schools, training institutes and universities, the need for strengthening institutes for monitoring and enforcing accountability, need to revitalize other external agencies for ensuring accountable government, need to set up non government anti-corruption leagues to promote and monitor the observance of ethical behavior on the part of public official and follow that action by setting up an African anti-corruption or watch dog organizations.

Tunis Workshop Examines Public Service Productivity Improvement in Africa.

The Senior Policy Workshop on the theme *Improving Public Service Productivity in African Public Service* was held at the Hotel Oriental Palace in Tunis from November 11 to 15, 1991. The workshop was organised in collaboration with l'Ecole nationale d'administration, Tunis.

The workshop was attended by senior policy makers, academics and representatives from U.N. Department for Technical Cooperation for Development, ILO and UNDP. Thirty participants from 15 African countries attended the workshop.

The objectives of the workshop were:

- To provide a forum for the sharing of experiences among participants on the problems and prospects of productivity improvement in African Public Services;
- To assess the extent of productivity improvement consciousness in African Public Services.
- To examine the specific policies and practices developed for productivity improvement in African Public Services;and
- To recommend ways and means of improving the productivity of public services.

Nine substantive papers were tabled for discussion in the workshop. These were

i. An Overview of Productivity and Efficiency of African Public Services.

ii. Productivity in African Public Services: Nature, Scope and Measurement.

iii. Productivity Management Approaches and Strategies: A note by ILO.

iv. Achieving productivity through administrative reforms.

v. The role of technology in productivity improvement in Africa.

vi. Politics, Industrial Relations and Productivity in African Public Services.

vii. African Public Service Reforms and Productivity Improvement: A review of Some Anglophone Country Experiences.

viii. Les Reformes Administratives et l'Amelioration de la productive des administrations publiques en Afrique Francophone.

Country presentations were also made by the representatives of Algeria, Burundi, Egypt, Gambia, Guinea, Nigeria, Senegal, Sudan, Tunis, Tanzania, Zambia and Zimbabwe.

Following the presentations and discussion of the substantive papers, participants divided themselves into two groups to review the country presentation and to discuss and draw conclusions on various aspects of productivity improvement of African Public Services.

The working groups addressed the following issues:

- The "state of productivity" in African Public Services.
- Factors inhibiting productivity improvement in African public services.
- Administrative reform efforts and implications for productivity improvement: country experiences; and,
- Measures and strategies for improving and enhancing productivity in African Public Services.

Having reviewed the various problems relating to productivity, the participants made recommendations aimed at improving and enhancing the productivity of African

Public Services. Among the recommendation made were the need for creating/strengthening management information systems, creation/strengthening of administrative Reform Productivity Centres, improvement of management methods and introduction of modern management techniques, need for strategies for enhancing public service productivity, improved organization environment through political/institutional reform, attitudinal changes, ethics and accountability in the public service etc. The participants also made useful suggestions regarding areas in which SAPAM could engage itself in the future in its efforts to enhance productivity of the African public services.

Varsity Heads Search for Innovative Approaches to Resource Mobilization.

The United Nations Economic Commission for Africa Special Action Programme for Administration and Management Africa regional project in collaboration with the Association of African Universities (AAU) Accra organized a Senior Policy Workshop on *Resource Mobilization and Financing of African Universities.* The workshop was held in Accra, Ghana from 2 to 6 December, 1991.

The Workshop was attended by 38 participants consisting of Vice Chancellors, Presidents, Deputy Vice Chancellors, Vice Presidents, Registrars, Deputy Registrars, Bursars and Development officers from 29 African Universities, as well as representatives of ILO and UNESCO.

The Workshop was officially opened by Mrs. Esi Sutherland - Addy, Deputy Secretary for Higher Education of the Republic of Ghana.

The main objective of the workshop was to explore the range of possibilities for effective resource mobilization and financing of African Universities. In this regard, the participants examined ways to assist universities to effectively manage and utilize their financial resources; reviewed the state of resource mobilization in African universities in the face of declining support from governments and donor countries; examined experiences of universities in managing revenue generating activities and identify the reasons for their success and failure; and suggested measures for enhancing resource management and utilization of African Universities.

Participants observed that African universities had two main sources of funding: government and non-governmental. The first category consisted of subventions from governments. The latter category consisted of user fees, consultancy, financial investments, endowment, foreign donations, loans and business ventures.

Participants identified two types of income generating activities by the universities: Those directly related to the university mission and those activities not directly linked to its primary functions. Activities in the first category include extension and continuing education, consultancy services etc. Those activities belonging to the second category include Bakery, guest houses, agricultural farms, Book shop etc.

Recommendations stemming from the deliberations were organized around two main areas: resource management and innovative techniques for generating revenue.

Some of the recommendations falling within the first category are that African universities should set up mechanisms for instituting accounting and financial reporting standards; University administrations should ensure that the accounts of their institutions and enterprises are compiled and audited soon after the end of the accounting year in order to promote accountability and ensure availability of data necessary for timely monitoring of financial activities.

Some of the recommendations relating to innovative measures for resource generation were that universities should take initiative to launch endowment schemes; University Consultancy Centers should be assisted to develop the necessary skills and capacity that will enable them compete and attract contracts on through international bidding. etc.

A central lesson that emerged from the discussion was that African universities would continue to face financial resource crunch in the foreseeable future, as such they should develop mechanisms for managing, their resources efficiently and effectively.

SAPAM news bulletin is pleased to announce the introduction of an interview column which will seek from Senior Public Servants, views, comments and suggestions on various aspects of management. In this issue, we present interviews with Dr. J. Kaganja, Permanent Secretary, Cabinet Office, Zambia; Ms. Hope Sadza, Commissioner, Public Service Commission of Zimbabwe; Mrs. Hayet Zghidi, Chef de Service, Direction General de Reformes Administratives of Tunisia; Mr. John M.S. Kanakulya, Chairman of Ugandan Development Corporation and Mr. Patrick D. Chisanga, Managing Director of National Import Export Corporation of Zambia. The interviews were conducted in October and November 1991 in Dakar and Tunis respectively.

**Interview with Dr. J. Kaganja,
Permanent Secretary,
Cabinet Office, Zambia.**

SAPAM Bulletin: What are the major problems confronting the Zambian Public Service?

KAGANJA: The major problems confronting the Zambian Public Service relate mainly to an acute shortage of professional and technical manpower, inadequate resource allocations (with particular reference to funding and other necessary material support and supply systems) and loss of public confidence in the public service. Furthermore, there is the problem of loss of morale on the part of Public Service workers who rightly consider their earnings and other terms of conditions of service to be grossly inadequate given the current economic situation prevailing in our country.

SAPAM Bulletin: How do you think the current democratization process will affect the Zambian Public Service).

KAGANJA: The current democratization process will no doubt make the Zambian Public Service much more accountable to the general public. Public Service operations will be much more transparent than has hitherto been the case. Public probity will be enhanced.

SAPAM Bulletin: How did you find the Tunis Workshop?

KAGANJA: I found the Tunis Workshop very invigorating, enlightening and helpful since it gave me an opportunity to learn and appreciate that the problems facing the Zambian Public Services are not confined to any country alone. Other African Public Services are facing similar problems. Most importantly, the workshop enabled me to have an opportunity to share views and experiences with other senior public service officers, academicians and other international organisations officials concerned with the issue of promoting and sustaining productivity in African Public Services. I have also benefitted from the discussions of the various ap-

proaches adopted by other African countries which have taken specific administrative and other reforms to sustain productivity in their respective public services.

Interview With Ms Hope Sadza, Commissioner, Public Service Commission of Zimbabwe.

SAPAM Bulletin: What are some of the problems currently faced by the public service in Zimbabwe?

SADZA: The Public Service of Zimbabwe, indeed like any other public service of the developing world, faces a number of problems. Some of them could be solved by short term measures and others of a highly complicated nature by long term measures. The Government of Zimbabwe having realised some gaps in service delivery commissioned in 1987 a nine-member Public Service Review Commission (PSRC) which looked into the workings of the government machinery with a view to recommending solutions. The PSRC identified a number of problems, amongst them the following: a) a big Public Service with a huge wage bill but without the concomitant efficient service delivery system; b) lack of middle level management capacity, both financial and administrative; c) over centralization of the decision making process leading to an impersonal and unresponsive government machinery. An Implementation Unit was recommended to oversee the process of change towards a better functioning public service.

SAPAM Bulletin: Are women adequately represented in Senior positions in the Public Service in Zimbabwe?

SADZA: The Public Service Commission has now embarked on a policy of advancement of women where those identified as having academic qualifications will be given management training before they are promoted. The training of women in management and government's policy of favourable treatment of women (preferential policy) go a long way in redressing imbalances of women in senior positions in government.

The following statistics will demonstrate the number of women in various categories in the Zimbabwe Public Service: Public Service Commissioners 2 out of 5 (40%); Permanent Secretaries and Equivalent Grade 12.8%; Deputy Secretaries and Equivalent Grade 12.1%; Under Secretaries and Equivalent Grade 15.6%; Assistant Secretaries and Equivalent Grade 22.6%; Senior Administrative Officer 27.0%. Institutions other than government can emulate the Zimbabwe government stance and help to increase the number of women in senior posts.

SAPAM Bulletin: How did you find the Tunis Workshop on Improving Public Service Productivity in African Public Service?

SADZA: For Zimbabwe, the Tunis workshop would not have been called at a more appropriate time especially as Zimbabwe enters into its own brand of Economic Structural Adjustment Programme (ESAP). The Public Service is called upon to play a major role in implementing some aspects of the programme. In order to make the Public Service more responsive, efficient and effective a reformed Public Service is needed. The Tunis workshop was able to throw some light and provide experiences of other nations who have tackled the ESAP programme and what problems they have faced. With a few rearrangements of the recommendations of the workshop, the Zimbabwe government can adopt some of the ideas and put them into practice to help the programme succeed.

Interview with Mrs. Hayet Zghidi, Chef de Service, Direction Générale de Reformes Administratives, Tunisie.

SAPAM Bulletin: What are some of the problems currently faced by the Public Service in Tunisia?

ZGHIDI: Like all countries of the third world, the public services in Tunisia suffer from several problems the most important of which are: (a) poor distribution of staff with certain services being bloated while others are short of staff; (b) overly centralized decision - making; (c) lack of staff motivation as a result of poor working conditions, relatively low salaries, proliferation of agencies creating substantial differences in the remuneration of staff having the same level; (d) absenteeism; (e) laxism; and (f) lack of productivity and efficiency. The notion of efficiency, has, however emerged in Tunisian

administration since the Government became aware of the role it could play in economic and social development. Among the various criteria on which the administrative reforms have been based, as a matter of extreme political urgency are the bringing of services closer to citizens through a process of reorganization to decentralize decision making, improve the quality of services, simplify formalities, ease up procedures, reduce delays, and save on costs. In Tunisia, the work has only just started but there is every hope of success given the political commitment and the quality of administrative staff.

SAPAM Bulletin: How did you find the Tunis Workshop?

ZGHIDI: The workshop has achieved positive results because it has enabled African administrators to get to know each other, compare their systems of administration and learn lessons by sharing the experiences of their respective countries.

SAPAM Bulletin: Are women adequately represented in Senior Positions in the Public Service in Tunisia?

ZGHIDI: The number of female civil servants in Tunisia is relatively low as is the case throughout the world but their number has been increasing. Indeed, statistics show that the percentage of female civil servants within the following categories increased as follows from 1984 to 1989: in category A1 from 9.3% in 1984 to 14% in 1988; in A2 from 24.7% to 30.7%; and in A3 from 22.4% to 27.3%.

Female civil servants have a dual responsibility: one towards their home and the other towards their job. This may be the reason why the number of female civil servants still remains low. In order to improve the situation, the following measures have to be taken: (a) They should be trained through courses, seminars, continued education and by other means; (b) living conditions should be improved in order to alleviate the problems with which women officials and women in general have to cope. This could be done by setting up adequate structures for day care, transportation and other facilities; (c) men should be educated about the role they have to play in helping women to become more active.

Interview with Mr. John M. S. Kanakulya, Chairman of Ugandan Development Corporation

SAPAM Bulletin: What do you consider the major problems facing public enterprises in you country?

KANAKULYA: Excessive control & political interference; poor financial base of enterprises; ineffective practice of management by strategy; and adverse impact of external factors.

SAPAM Bulletin: How has the Workshop helped to provide insights into addressing some of these problems?

KANAKULYA: The workshop has further helped me to realise that African Public Enterprises face similar problems and some countries have already addressed the problems and some solutions have been found. Experience has been gained on how to tackle the problems in every African country.

SAPAM Bulletin: What should SAPAM do to assist public enterprises in Africa?

KANAKULYA: Organise joint seminars/workshops for Enterprise Chief Executives and Policy makers /owners of Public Enterprises, i.e. Government Chief Executive Officers, as far as possible at Regional level.
Make available at ministerial level also decisions and recommendations of seminars.
Involve the World Bank in your seminars to encourage cross-fertilization of ideas.

Interview with Mr. Patrick D.Chisanga[1], Managing Director of National Import Export Corporation of Zambia

SAPAM Bulletin: What do you consider the major problems facing public enterprises in your country?

CHISANGA: There is a variety of problems facing different types of Public Enterprises in Zambia, but I would cite the following as some of the more basic and widespread problems. *First:* **Lack of stability and continuity at Chief Executive level.** Not many Chief Executives are given an opportunity to remain long enough at one post to be able to fully plan, develop and implement their ideas. A classic example is myself, who in the last 4 years has served as chairman of the

prices and Incomes Commission; Managing Director of National Hotel of Development Corporation and Managing Director of the National Import and Export Corporation - could be transferred any time from now! As a result, it is my view that Public Enterprises in Zambia are in a permanent state of transition! *Second:* **Over Employment.** In some ways the Public Enterprises in Zambia have been perceived by Government as vehicles for employment creation in the country. Over the years therefore, employment levels in most parastatals have swelled disproportionately to the corresponding growth in output levels. The result has been that employment costs have grown to unmanageable levels and have become a serious drain on profits. Many Public Enterprises have as a result slipped into loss making. Reduction in manning levels has become a major priority as a means of restoring profitability. This process has however not been easy because of the rigidity of labour laws which are against retrenchment. *Third:* **Capital Deficiency.** Due to the fact that most Public Enterprises in Zambia are 100% owned by Government, coupled with the lack of a well developed capital market, many Public Enterprises are grossly under capitalised. The share holders - the Government - simply does not possess cash resources to enhance initial investments in the Public Enterprises. As a result, many Public Enterprises have been experiencing stunted growth and have not been able to expand. In addition, working capital management is often a source of nightmare to most companies

SAPAM Bulletin: How has the workshop helped to provide insights into addressing some of the problems in (1) above?

CHISANGA: Participation in this workshop has helped to widen the horizon of my appreciation of the myriad of problems being faced by other public enterprises in other parts of Africa and beyond. In comparison, I have drawn the comforting observation that the Zambian situation is not the worst. This is in fact a source of solace.

SAPAM Bulletin: What should SAPAM do to assist public enterprises in Africa?

CHISANGA: SAPAM should continue to host seminars such as this one. They are very eye-opening! More Chief Executives, however, should be encouraged to participate. SAPAM should find a way of reaching governments in order to illuminate and advise them on the various problems as well as ways of improving the performance of public enterprises.

[1] SAPAM has learnt that Mr. Chisanga has since left the Corporation

Public Enterprise Reform: The Ghana Experience[2]

by W.A. Adda, Executive Chairman, State Enterprises Commission, Accra-Ghana

The State Enterprise Sector

The state enterprise sector includes at present more than 340 enterprises, statutory boards, authorities and corporations. SOEs are dominant in the mining, energy, utilities, business and financial services sectors of the total economy, and, in the modern formal sector, are predominant in construction, transportation and communications as well as in wholesale and retail trade. More than 240,000 workers were employed in public enterprises as at the Census of 1984, of which nearly 60,000 are in Cocoa Board (COCOBOD) and its subsidiaries alone.

The state enterprise sector includes a number of very large enterprises and a much larger number of smaller ones. More than half of public enterprise employment is concentrated in some 40 SOEs having an average employment (excluding Cocobod) of 1,336 in 1990. About one public enterprise employee in four was hired after 1983, the year in which the Ghana's Economic Recovery Programme (ERP) officially began.

Historical Background

The present dominant position of state enterprises in the economy has its origins in the period following Independence when it was the view of Government that the state should play a dominant and active role in the development of the economy. It was during the first half of the 1960s that many of the largest SOEs were created. By 1966 cocoa marketing and mining had become virtual state monopolies and state enterprises dominated the financial and insurance services sectors.

More than half of all imports were controlled by the Ghana National Trading Corporation (GNTC) and the Ghana National Construction Corporation dominated the construction sector. The State Farms Corporation had established a number of highly mechanized farms and Government also owned a number of palm oil and rubber plantations. The number of state-owned manufacturing enterprises also increased in the context of Governments' import substitution strategy for industrialization. Between 1957 and the end of 1966 employment in public corporations increased more than tenfold, rising from

11,052 to 115,826.

Between 1966 and 1972, subsequent Governments pursued, more or less consistently, a policy of shifting the emphasis in development to the private sector. Even so, the public enterprise sector continued to grow. The Ghana Industrial Holding Company (GIHOC) was established in 1967 at which time it assumed the functions of the State Enterprises Secretariat. Under this umbrella were consolidated a number of state-owned manufacturing enterprises established in earlier years. A similar consolidation of enterprises took place in the agricultural sector. An additional element of this period was the separation of a number of Government Departments from the main Civil Service and their establishment as public enterprises. Examples include the Post and Telecommunications Administration (now Corporation) and the Electricity Corporation of Ghana.

As of 1972, when another change in Government occurred, the non-financial SOEs were generally in a very weak financial state although much improved compared to the low point of 1969/70. Even so the financial returns to Government from its investments in enterprise were negligible; about half of the dividends paid to Government in 1972 originated with the National Lotteries. At that time the poor performance of public enterprises was attributed to such factors as lack of managerial skills, over staffing, and inappropriate pricing policies, and undercapitalization.

In 1972 the new Government's policy shifted to one of "gaining control of the commanding heights of the economy". At this time Government acquired majority interests in all significant mining and timber industries and progressively restricted participation by foreign investors. In the late 1970s Government also moved to confiscate a large number of private enterprises accused of financial malpractice of one kind or another.

Thus, by the end of 1981, Government had accumulated a large portfolio of state-owned enterprises whose poor performance had become a threat to the economic and financial stability of the country. Subsidies, subventions and loans to SOEs averaged some 12% of total government expenditures over the 1980/82 period, seriously undermining the new government's ability to address the serious problems of the economy.

These circumstances are the background to Ghana's decision to launch the Economic Recovery Program in 1983. This program has had the support of the IMF and World Bank/International Development Association (IDA) through a series of structural adjustment credits, and of the UNDP and other aid agencies in specific areas. The reform of the state enterprise sector is an important part of the national recovery effort, supported domestically and externally as an integral component of the ERP.

The adoption by the PNDC Government of the principles incorporated in the ERP and its SOE reform component marks a significant departure from the strongly interventionist role characteristic of most Governments of the preceding 35 years. Moreover, the strategy adopted for restructuring and reform implied a substantial departure from the perspectives which had informed Government's development strategy from Independence to 1983, with the sole exception of a brief and aborted effort at reform in the late 1960s and early 1970s.

Our understanding of the reasons for the generally poor performance of public enterprises were important to the setting of priorities and objectives in the early stages of the reform programme. It is important to note that as our experience widened some of those early perceptions have altered. The inadequate performance of SOEs over the preceding decade was attributed to a number of factors:

(a) the poor policy framework (including the overvalued cedi, extensive price controls, labour laws restricting layoffs, and import licensing restrictions) that prevented or discouraged SOEs from operating in a commercial manner;

(b) the management of most SOEs has been inadequate due to both a lack of competent managers (low pay, delays in appointments and lack of clear objectives and targets have been contributing factors) and a virtual total absence of management information due to poor accounting and budgeting systems; as well, superior pay in the

private sector has made it difficult to recruit and retain SOE managers;

(c) the ineffectiveness of government agencies in the past State Enterprises Commission (SEC), Ministry of Finance and Economic Planning (MFEP) and sector ministries) to play their respective roles vis-à-vis SOEs, together with the lack of a process for monitoring and evaluating performance have resulted in a lack of managerial accountability for SOE performance;

(d) the large size of the SOE sector and its dispersed nature has made it difficult for Government to monitor and manage the sector with the limited resources available to it; and

(e) many SOE capital projects were undertaken without adequate feasibility studies demonstrating economic justification and financial viability. The most common problems have been overestimates of the size of the domestic market, overly sophisticated capital-intensive technology, wrong location, no assured supply of local raw materials and an excessive reliance on imports.

The first phase of reform (1985-1990)

In developing its Economic Recovery Program in 1983, Government recognized the need to undertake a comprehensive reform of SOEs in Ghana. To assess the problems of the sector and prepare a reform program Government and IDA agreed that a comprehensive diagnostic survey of the SOE sector should be undertaken. UNDP provided the financing for the diagnostic study and, in parallel, IDA approved a Project Preparation Facility (US$400,000) in August 1984 for related project preparation activities.

Using the studies as a base and reflecting discussions with the World Bank/IDA, a Government Task Force formulated a comprehensive SOE reform program whose major thrusts included:

(a) policy reforms to ensure that SOEs operate in a commercial manner, including decontrol of prices, increased competition, new policies and procedures on government financial support for SOEs, and strict limits on the creation of new SOEs;

(b) institutional and legal reforms to ensure that SOE managers have autonomy in day-to-day operations while also strengthening their accountability to Government through restructuring the State Enterprises Commission, Ministry of Finance and Economic Planning and Sector Ministries.

(c) rationalization of the SOE sector through divestiture (sales or liquidations) and mergers to reduce the financial and managerial burden upon Government;

(d) rehabilitation of selected priority SOEs which have the potential to be financially viable and are deemed critical to the success of ERP;

(e) improvements to SOE management and efficiency through staffing reductions, training programs for managers and accountants, installation of Management Information Systems, and the preparation of corporate plans, budgets and financial audits; and

(f) restoring financial solvency and discipline by clearing cross-debts and arrears and by establishing clear guidelines and procedures for Government-SOE financial relations.

In developing the action program, it was clear that, given the very large number of enterprises in which Government had a majority holding, it would not be possible to address all SOE problems within the two-year time frame of the first structural adjustment credit (SAC I). Accordingly, the medium term strategy formulated involved establishing an appropriate policy framework for all SOEs and targeting specific actions to a core group of 17 priority SOEs, selected on the basis of their financial and budgetary importance, which would be the focus of Government's primary attention to improve performance.

The 18 SOEs accounted for approximately 140,000 employees, about 72% percent of the total SOE Sector employment.

The major reform actions taken in this initial phase of reform included: strengthen-

ing the State Enterprises Commission as Government's agency to oversee the reform program; the divestiture (liquidation or privatisation) of 32 SOEs in the first phase of a rationalization program; sector-wide staff reductions (target of 5 percent annually over two years); preparation of up-to-date audited financial statements, medium-term corporate plans, and performance agreements with Government (based on the corporate plans) for the 18 priority SOEs; design and implementation of a performance contract, monitoring and evaluation system to be administered by the SEC; clearance of cross-debts for the 18 priority SOEs; establishment of guidelines on Government-SOE financial relations and agreed levels of financial support; and a review of the legal and institutional arrangements with a view to increasing SOE autonomy and clarifying the respective roles of the SEC, MFEP, sector ministries and sector commissions and boards vis-a-vis the SOE sector.

By July 1987 Government had made substantial progress in most of the priority areas and a Public Enterprise Reform Project had been negotiated with the World Bank/IDA and the reform program had entered a second phase.

At this point it is appropriate to look more closely at some aspects of the program in order to better understand some of the problems encountered and our approaches to their resolution.

SOE Adjustment to Macro-Economic Policy Reforms

The structural adjustment program incorporates a number of policy reforms intended to remove price distortions in the domestic economy and to restore incentives for both individual and enterprise effort. These include the introduction of a foreign exchange auction system and the removal of many administrative controls over imports. Trade liberalization will intensify the competitive environment for state enterprises.

Also over the past few years reforms of individual and corporate taxation have been introduced that lower marginal rates and raise income thresholds at which they apply in a continuing effort to improve the structure of incentives in the economy.

Of particular importance to the SOE have been measures to reduce the extent of price control and to assure that where price controls remain they are set at levels that fully recover the costs of production and incorporate a reasonable producer margin.

At this intermediate stage of reform, direct price controls affecting the manufacturing and trading sectors are applied to only three items: cement, wheat flour and printed cotton textiles, although the Prices and Incomes Board and much of the pre-existing framework for price administration remains in place.

Public enterprises have been slow to respond to the changing environment for price administration. The change from a regime in which the responsibility for pricing decisions lay with PIB to one in which enterprise management is responsible is a major part of the effort to increase accountability in the public enterprise sector. At the enterprise level this change has stimulated a new emphasis on managing production costs and administrative overheads so as to be efficient and competitive, and is forcing attitudinal and behavioral changes on public enterprises that many find uncomfortable. This forcing of change is, of course, a central objective of the reform program.

However, progress in this area continues to be constrained by a generally inadequate financial management capacity at the enterprise level, including a very underdeveloped capability for cost accounting. Strengthening of this capacity at the enterprise level is the current emphasis in this area.

In the petroleum, electric energy, postal and communications and transportation sectors tariffs and prices continue to be set by the National Energy Board, the Ministry of Fuel and Power and the Ministry of Transport and Communications respectively and compliance is enforced. In these areas price administration is one aspect of the problem of regulating monopolies. While prices will continue to be established by Government they may not reflect the real costs of services as they will be subjected to continuing pressure from sector ministries to constrain those costs.

Reforms to the Institutional Framework

A major thrust of state enterprise reform continues to be one of enhancing enterprise autonomy and accountability. From the beginning it has been understood that this would require revision of the legal framework for enterprise operations. The existing legislation has been added to and amended in piecemeal fashion over the years and is in need of modernization.

At various times as well, Governments have issued decrees to override existing legal provisions, as, for example, to abolish Boards of Directors and replace them with interim management committees or joint consultative committee.

At the present time, the reform of legal frameworks in a way that places state enterprises on essentially the same basis as a private enterprise and in which responsibilities and accountabilities are clearly defined has become a major concern. In this area of reform, it is important that legal instruments define in a more consistent manner the powers and responsibilities of management, boards of directors and shareholders. At this point it is appropriate to note that in conjunction with the negotiation of the third structural adjustment credit, Government is committed to improving the legal and institutional framework for the private sector, a framework within which public enterprises will also be expected to operate.

A second area of institutional reform addresses the interface between Government and enterprise. New procedures and rules governing financial support to enterprises are already in place and direct subsidies and subventions have been greatly reduced. Indirect financial support for enterprises is, at present, mainly in respect to Government's assumption of liability for foreign debts incurred previously by enterprises, and which, inflated by successive cedi devaluations, are beyond the ability of the enterprises to discharge. Related to this area is a renewed emphasis on the collection of taxes and social security contributions owed by enterprises.

The more important initiative in redefining the relationship between Government and enterprise has been the introduction in 1989 of performance contracts between priority enterprises, the sector ministry and the Ministry of Finance and Economic Planning. These performance contracts, based on corporate plans, specify mutual undertakings including enterprise performance targets and the commitments and undertakings of Government. These agreements are monitored by the State Enterprises Commission and an evaluation report submitted annually to Government.

The evaluation of performance in 1989 has been completed; that for 1990 will begin in April of this year. At the moment negotiations for the 1991 contracts are underway. These contracts cover some 15 of the largest state enterprises, accounting for nearly half of total employment in the sector. You might be interested in the overall performance improvements realized in 1989 by those enterprises covered by performance contracts that could be evaluated by the Commission. Operational results showed marked improvement over 1988:

- provisional profits before tax increased from cedi 6.4 billion to cedi 34.1 billion;
- provision for tax increased from 0.5 billion to 1.2 billion;
- gross profits to sales ratio improved more modestly, from 37% to 42%.

Other institutional reforms in the framework for managing the SOE Reform Program have strengthened the capacity of the State Enterprises Commission. The Commission now carries major responsibilities for monitoring and evaluating SOE performance, preparing appropriate recommendations for Government action, and in assisting the SOEs to improve managerial capabilities.

Redeployment and Work force restructuring

Over the years staffing levels in most SOEs reached excessive levels, levels completely out of touch with the work requirements of the enterprise. The rationalization of excessive staff complements through redeployment is an important measure for restoring enterprise viability. The Ghana Cocoa Board was the first SOE to experience a substantial reduction of its work force. About 30,000 of a total of 60,000 workers were redeployed over the 1985/87 period. An addi-

tional 15,000 workers have been redeployed from other SOEs through mid-1990. While SOE managers reported an average of 25 percent over staffing at the end of 1989, further redeployment has slowed considerably because of the high financial costs of end-of-service benefits.

As noted earlier the substantial accrued liabilities for end-of-service benefits have proved to be a major barrier to work force reduction. It has been the case that in many SOEs the inability to pay these benefits has meant that excess staff, with essentially no work to do, have been kept on and their entitlement growing, in some instances for several years. The commitment by Government of the financial resources required to discharge the end-of-service liabilities for redeployed workers has been at best a short term measure pending a more thorough review of the framework for determining labour/management relations and obligations. An important area of reform relates to the problem of work force rationalization and restructuring. One of the earliest pressures for reform under structural adjustment was a substantial reduction in staffing levels across the sector. While precise numbers were not clear in 1987 when the public enterprise project was begun, it was clear that private sector enterprises had substantially reduced their work forces between 1982 and 1984 but that public enterprises had not. This effort to mount a large scale redeployment exercise in the state enterprise sector encountered a number of problems rooted in the existing framework for labour management relations.

One of these was the substantial amount of accrued end-of-service benefits to which redeployed workers were contractually entitled. These were largely unfunded and, in many cases, exceeded the net worth of the enterprise. Moreover, the per worker cost of redeployment escalated sharply from less than cedi 200,000 for those redeployed by COCOBOD between 1985 and 1987, to more than cedi 600,000 in 1988 and 1989 and to a level estimated at close to cedi 1,000,000 at the present time.

Severe as this unexpectedly high cost of redeployment was, it merely concealed a more fundamental problem: a virtual absence of responsible collective bargaining that had resulted in legally enforceable labour agreements that greatly exceeded the ability of the enterprise to pay. Excessively generous provisions for retirement gratuity and severance pay threatened not only the redeployment program but the restructuring and rehabilitation of enterprises that would remain in the public sector as well as the divestiture of others as going concerns.

A broad reaching review and reform of the legislative framework governing labour management relations is clearly required to assure that measures are taken to restore discipline to the collective bargaining process in public enterprises. Among the reform measures taken to improve the framework for workers' welfare has been the introduction of a national pension scheme administered by SSNIT. This pension scheme effectively replaces the retirement gratuity provisions of collective agreements and thus eases the future payroll cost burden for employers in both the public and private sector.

The transition from the old system to the new national pension scheme presents difficulties of its own. All public enterprises are now required to negotiate with their workers the payment of outstanding end of service benefit entitlement as part of this transition. The costs of this exercise cannot be estimated precisely but they almost certainly fall in a range between cedi 100 and 200 billion. The discharge of these liabilities will seriously strain the already weak financial condition of many enterprises and make it difficult to finance their restructuring and rehabilitation requirements.

Considerable work remains to be done: to improve work force management practices at the enterprise level; to assure enterprise autonomy in decisions about staffing and worker compensation, and, to separate employment and compensation issues in the public enterprise sector from decisions made in the completely different environment of the Civil Service.

Divestiture

The divestiture, through sale or liquidation, of a state enterprise tends to be one of the more controversial aspects of reform. Ghana's experience has not been an exception.

To initiate the divestiture process Government approved an initial list of some 30 SOEs in 1987. The original expectation was that many of these would be sold. As of the end of 1989, of the original list of 32 enterprises: the sale of 7 had been approved; 19 were in liquidation; negotiations for the sale of the remaining 6 had been completed. Considerable delay in selecting a second set of candidates for divestiture slowed the process somewhat during 1989/90. But, as of now an additional 45 SOEs are being prepared for divestiture.

A number of representative difficulties have been encountered in the divestiture process. The identification of suitable candidate companies has been one. In general terms the process of identification has established, first, that the SOE does not perform a significant policy purpose. The second consideration has been a judgement as to whether the enterprise was adaptable to operations in the private sector in competition with both domestic producers and imports. This process has required the preparation of comprehensive files on each enterprise, a process that has been both time consuming and frustrating because of the often poor quality of enterprise records and accounts, and the difficulties in recruiting the professional skills required to carry out the exercise.

Some specific problem areas might be noted briefly. The valuation of assets is a lengthy process. Often the title to land and other assets is uncertain and hard to establish. The accumulated end-of-service benefits of workers proved to be a large hurdle, often greater than the net worth of the enterprise and a significant barrier to sale or liquidation. As well, the initial list of 32 candidates for divestiture contained very few enterprises that could be expected to be attractive to private investors and indeed the majority of those were in fact liquidated rather than sold as going concerns. The current schedule does include a number of SOEs which should prove more attractive to investors. A number of changes in taxation legislation have been approved to ease the tax consequences of the sale of a state enterprise to the private sector; the previous legislation operated to discourage investor interest.

One final problem area to mention is the undeveloped nature of Ghana's capital markets, a circumstance that makes it difficult to raise the capital required to purchase a more or less viable SOE and to rehabilitate its productive capacity. The establishment of a national stock exchange and the preparation of new legislation respecting foreign direct investment are indicative of the momentum building in this area.

A further measure to clarify Government's policy concerning the public ownership of enterprises is currently underway. In progress is a major classification of the 340 or so state-owned enterprises, statutory boards, commissions and authorities. When completed, the distinction between enterprises intended to remain in the public sector and those that are candidates for divestiture will be made more explicit.

It will be the responsibility of the State Enterprises Commission to address the restructuring and rehabilitation requirements of SOEs remaining in the public sector and to formulate, in cooperation with the DIC, a strategy and program for accomplishing the privatisation of the much larger number of other commercially oriented SOEs which serve no significant policy purpose at the present time.

Financial Discipline and Government-SOE Financial relations

From the beginning of the reform program it has been obvious that the financial affairs of most SOEs were in poor condition. The preparation of annual accounts was generally several years in arrears and reliable data on the true financial status was virtually impossible to put together.

Among the first steps taken to correct this situation was an analysis of the cross-debt situation among 18 major SOEs and with the Government. This situation, while not completely resolved because of the large sums involved, is now much improved. A cross debt clearing system has been established in the Ministry of Finance and Planning to manage the process. A second measure has been a concerted effort to bring up-to-date the preparation of annual financial accounts and year end audits. Here too considerable progress has been made and target dates for

preparation of year end accounts are now a routine part of performance contracts with the major SOEs. Finally, the preparation of guidelines under which government support for commercially oriented SOEs is being phased out and the insistence on higher levels of cost recovery has succeeded in greatly reducing the financial burden on Government.

Conclusion

This has been a brief overview of the principal components of Ghana's State Enterprise Reform Program. It is worth emphasizing in these concluding remarks two things which have made state enterprise reform a difficult exercise. In tackling them head on a foundation has been laid for more efficient enterprise performance and management by Government.

First, the poor state of the economy and of Government's financial position at the beginning of the reform program should not be allowed to obscure the fact that most state enterprises lacked basic management information, both financial and operational, that is essential to good management. The absence of reliable information has delayed progress on many fronts; but the measures now in place are beginning to yield results. In the restructuring and rehabilitation pnase of enterprise reform which we are now entering, the development of good management information systems is a high priority. If the problems of the 1980s are to be avoided in future the maintenance of these information systems and their effective use by enterprise management will be essential.

Second, Ghana's political history is well known. Less appreciated is the fact that one of the casualties of this history has been an inconsistent concern for fundamental institutions such as the legislative framework governing enterprise operations and accountabilities. Much of the basic legislation had not been reviewed or modernized for years.

In the area of labour management relations and collective bargaining the system was clearly incapable-of disciplining the process. An essential part of the foundation for the future is the thorough review and modernization of the legislative and institutional frameworks for enterprise operations. The need for these reforms is fundamental and the effort required is large. Ultimately, it will be the successful rehabilitation of these institutional frameworks that will be the real test of our reform efforts.

[2] This article is a revised version of a paper presented at the Senior Policy Workshop on Improving the Performance of Public Enterprises in Africa, held at Debrezelt, Ethiopia, November 1990

I am writing this short note after attending Senior Policy Workshop on the theme "Improving the Performance of Public Enterprise (PE) Management in Africa" which was held at IDEP, Dakar, Senegal 14-17 October 1991.

I have taken this long because I was meditating seriously whether my concern had any validity at all since if did not, it would be unfair for me to waste your precious time.

The workshop's objective was of course improving the performance of PE's management and my observation was that the full focus was uni-directional and lacked the flexibility to introduce the concept of "What if it cannot be improved?"

In one of my remarks during the workshop I said PE's do not have a personality and as a consequence they cannot succeed in a highly commercialized world!

In a way I understand that all the papers prepared were in that light and geared towards that objective and for the professionals to divert from what they have already documented, I concede it might have been difficult. Granted that the above objective was a fixed discussion venue for the workshop, I must say that the deliberations and the outcome of the Dakar P.E. workshop was very successful and specially the organizers should be highly commended for their tireless efforts and outstanding achievement.

Taking this as a springboard I believe that ECA should also consider the other side of the coin, the orientation of Africa's Human Resources towards running Private Enterprises instead. We observe that this concept has largely been employed by the so called "developed sector of global society" and they have been to a great extent more successful than Africa and other less developed nations.

Perhaps there is a merit in changing the current P.E.'s of Africa into private Enterprises through methodologies that may be brain stormed by the same professionals that contributed the current papers.

In the Dakar Workshop we had a priori conviction that P.E.'s misdeeds could be corrected, "Turn around I believe was the terminology used". We scratched our brains for approaches that might do that.

We even ventured to strategise lessons of what was conceived as success into enhancement of organizational performance.

The logic makes a lot of sense intellectually but I believe we are perpetuating this approach in an attempt to preserve PE's from dying a natural death. Perhaps we are doing this rehabilitation at a considerable cost to nations, because ECA's opinion is considered as authoritative and the outcome of such workshops will definitely

be tried by many organizations as a solution.

But does the perpetuation of PEs warrant the exorbitant resources expended?

I am sure the experts are keen in conducting the necessary research given the opportunity but I believe in the expenditure of time and resources in as much as the research seeks alternate solutions to the elimination of PEs.

In my profession, I always marvel the Bumble Bee. By all mathematical or aeronautical reckonings, because of its large body compared to its wing, this animal should not fly. But it does against established concepts. In a way, using this analogy, one can infer that there is nothing impossible to achieve provided deliberate effort is made.

In the case of PE conversion into private enterprises, it is true that the equation for the transformation is complex, as it involves multi-dimensional variables of expertise, finance; equipment, commitment and dedication, etc., but it must be possible.

Let us face it, such an esteemed organization like yours can influence changes provided it is convinced.

Africa's professionals can influence transformation of the current PEs but it may require sacrifice on their part. All of them believe in improvement of the continent's technological and commercial systems and even talk about the requirement of enhanced regional trade.

Do we sincerely believe in the development of technological capacity and a working inter-trade with the notable efficiency of PEs? It will be pretty difficult.

I believe it is a high time that a study be launched to find a substitute to PEs. In fact I believe all future studies must be geared towards this change-over because in the final analysis the development of good quality human resources is a product of the environment in which it functions.

Jatany Mudda,
Director Resources Planning,
Ethiopian Airlines, Addis Ababa

Editors' Note

We find Mr. Jatany's letter most provocative and hope that it would generate further discussion on the role of public enterprises in future issues of SAPAM Bulletin.

While we share the writer's frustrations and disillusionment with the performance of many public enterprises in Africa, we are unable to agree with his proposition that privatization can be a panacea for all ills. Private firms fail in much the same way as pubic enterprises; even though their failure causes less furore than public enterprises. Very few policy advisers now counsel on wholesale privatization as tool of economic reform. Increasingly, the accent of public policy is to consider privatization on sector by sector, and case by case basis.

The main reasons for public enterprise failure in Africa are fairly documented and were echoed at the Dakar Workshop. A sample list include: Political interference, under-capitalisation, non-merit based managerial appointments, conflicting objectives assigned to public enterprises, pervasive corrupt practices by public enterprise managers, and lack of fiduciary responsibility by governments. Absent these malaise, public enterprises would perform better. There is a respectable body of evidence which suggest that public enterprises that have avoided these problems do better than others. It is no surprise that the Ethiopian Airlines at which Mr. Jattany works is regarded as a success story. The Dakar Workshop was intended to improve the performance of public enterprises by drawing lessons from the findings of nine case studies.

In Africa, as in many other world regions - including the industrialized democracies - governments will continue to rely on public enterprise to carry out certain tasks - be they in utilities, research etc.

Hence the challenge is to reduce or eliminate the root causes of poor performance rather than eliminate the category of public sector institutions called public enterprises.

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I acknowledge receipt of the two seminar reports; Enabling Environment for Enhanced Entrepreneurship in African Public and Private Sector and the role of the Informal Sector and NGO's in African Recovery and Development.

The suggestions and recommendations are quite practical and should they be observed and implemented, Africa could be assured of recovery.

I endeavor to channel the views of the two reports to everybody that is concerned. As a Bank employee, I do try and instill the preparedness to financing local private entrepreneurs, NGOs and the informal sector in my colleagues. The Banks in Botswana annually arrange essay competitions for secondary schools. I have been elected to this year's organising committee. One of the topics that we have selected is for students to critically discuss the role of commercial Banks towards the socio-economic development of Botswana.

The idea here is to sensitise students of the contribution banks are making and should be making towards the development of the country.

I will keep you posted of the developments in this line.

Ms. Tekola M. Modiko,
Manager, Training Standard Charter Bank,
Botswana.

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I must thank you on behalf of the Government of Zimbabwe and specifically the Public Service Commission for mounting a very successful workshop. It came up with practical and concrete proposals which, if adopted by other developing governments can go a long way towards improving productivity of public services.

Mrs. Hope C. Sadza,
Public Service Commissioner,
Government of Zimbabwe.

Announcements

Forthcoming publications

1. Improving the Performance of Public Enterprise Management in Africa: Lessons from Country Experiences.
2. Ethics and Accountability in African Public Services.
3. Improving the Productivity of African Public Services.
4. Resource Mobilization and Financing of African Universities.

Tentative programme of SAPAM activities for first half of 1992

- Senior Policy Workshop on strengthening the viability of the African University in the 1990s and Beyond, Mbabane, Swaziland.

Call to readers

The SAPAM Bulletin is intended to serve as a forum of exchange and information on current trends and issues in Public Administration and Management in Africa.

We hope that the newly introduced "Public Service Managers Forum" will accord African Public Servants and Academics the opportunity to reflect on management problems facing Africa and share their views with fellow professionals

We therefore, encourage our readers to send news and comments that they feel should be shared with fellow professionals.

Correspondence should be addressed to: *The Editors, SAPAM Bulletin, United Nations Economic Commission for Africa, P. O. Box 3001, Addis Ababa, Ethiopia*