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UNITED NATIONS ECONOMIC
COMMISSION FOR AFRICA

STATEMENT AT THE FORMAL OPENING OF THE 20TH SESSION OF
THE COMMISSION AND 11TH CONFERENCE OF MINISTERS

BY

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It is indeed a pleasure and a privilege for me to join the distinguished representative of the Government of Revolutionary Ethiopia in welcoming you, Honourable Ministers, Distinguished Delegates and Dear Colleagues, to the 20th Session of the Commission and 11th meeting of the Conference of Ministers. I should like, on behalf of myself and my colleagues in the ECA secretariat, to express my most sincere appreciation to His Excellency, Comrade Mengistu Haile-Mariam, General Secretary of the Central Committee of the Worker's Party of Ethiopia, Chairman of the Provisional Military Administrative Council and Commander-in-Chief of the Revolutionary Armed Forces of Socialist Ethiopia, to his Government and to the revolutionary people of this great country for their continued support to ECA. Without such support, needless to add, our task would have been impossible.

Eleven months ago in this very hall, your Conference at its 10th meeting and 19th Session of the Commission adopted the now well-known ECA Special Memorandum which puts clearly and unambiguously the African perception about the African economic and social crisis. In these days and age when too many well-meaning people and institutions, in their no-doubt genuine desire to help us, are only too anxious to tell us what is wrong with Africa economically and socially and what should be done about it, it would have been extremely embarrassing if the Commission had not, at its session last year, pronounced definitively on how the African governments and people themselves see the economic crisis that has engulfed their continent and how it should be tackled.

Although the ECA has been monitoring the crisis as it has evolved over the years and has never minced its words in sounding the warning signals and in putting forward concrete proposals, at last year's session, it was especially important that a definitive review of the underlying causes of the crisis be undertaken because of the additional complication which the widespread severe and persistent drought that began in 1982/83 had added to the crisis equation. In fact as it subsequently happened, 1984 turned out

to be Africa's worst economic year since the Great Depression of the 1930s, with hardly a day passing without concern being publicly or privately expressed about our worsening economic situation. We were therefore very fortunate that early in the year, the African Ministers responsible for economic planning and development had given to the world their collective views on the crisis.

But the ECA Special Memorandum did more than this. It analysed at great length the nature and causes of the crisis and put forward measures, in concrete terms, for dealing with its multidimensional, complex and inter-related aspects - with the drought-related emergency as well as with short- and medium-term development issues. And in putting forward these proposals, it clearly stated who should do what. It identified what must be done at the national level, and at sub-regional and regional levels. Finally, it identified the international support measures required by Africa to contain the emergency situation and pull it out of the economic quagmire in which it has found itself.

The usefulness of the Special Memorandum to the international community in general and the various organs of the United Nations in particular, notably the Economic and Social Council and the General Assembly has been referred to briefly by the distinguished Secretary-General of the United Nations in his message to this Conference which I had the honour and privilege to deliver a few minutes ago. Indeed, the Special Memorandum provided the basis for the Declaration of Africa's Economic Situation which was adopted last December by the General Assembly of the United Nations at its 39th Session. And as you are all aware, our Heads of State and Government put their full weight behind the ECA Memorandum by fully endorsing it at their 20th Summit meeting held in November last year. We, in the ECA secretariat, have given such a wide circulation to it that the entire international community can no longer be in doubt about the considered collective views of Africa on the emergency problems and on short and medium term development issues. The

voice of Africa has been heard, clearly and unmistakably on these issues.

Mr. Chairman,

While the emergency situation is still very much with us, while 21 countries are still suffering from the ravages of the drought of the past three years, while an estimated 30 million people are currently seriously affected and 10 million have become displaced persons because they perforce have had to abandon their houses in search of food, water and pasture for their cattle, it is consoling to be able to say the response of the international community to the drought-induced emergency has been extremely positive. Thanks to the effort of television networks in Europe and North America which brought the picture of starving African children and women into millions of homes, the seriousness and urgency of the emergency is no longer the subject of doubt and scepticism and humanitarian response to it is no longer confined to governments. Millions of individuals and hundreds of voluntary organizations throughout the world have dipped their hands into their pockets and have been contributing generously. Indeed, such spontaneous and generous response has strengthened the belief of most Africans and their governments in the oneness of our world, in the common destiny of our one planet and in the essential humanity of man.

Mr. Chairman,

Honourable Ministers,

Distinguished Delegates and Observers,

This spontaneous and generous humanitarian response has thus up till now saved us from some of the worst consequences of the impact of the drought. Lives and properties we certainly have lost and continue to lose; severe economic dislocations have certainly occurred and continue to occur; and malnutrition and starvation still remain a nightmare for millions of

people in our continent while other several millions have, in their desperate effort to survive, abandoned and are still abandoning their ancestral homes. But in spite of all these, in spite of the fact that we are not yet at the end of the dark and very cold emergency tunnel, at least the situation is very much under control today than it was at the time of our 19th session. That is why it was not necessary for me to convene an emergency session of the Commission which you had instructed me in the Special Memorandum to convene if the emergency situation deteriorated.

In this connection, we cannot express too often our sincere appreciation to the distinguished Secretary-General of the United Nations, H.E. Mr. Javier Perez de Cuellar, who has ceaselessly continued to focus the attention of the international community on the emergency situation. The United Nations Conference on Emergency Situation in Africa which took place on 11 and 12 March 1985 is one of the most recent of the Secretary-General's persistent efforts to continue to focus international attention on the drought situation and to mobilize resources in aid of the affected countries.

Mr. Chairman,

But even as we worry about the drought situation and other natural calamities and as we mobilize resources to provide aid and sustenance to its victims, there is no gainsaying the fact that drought-related emergency situation is, - as I have had cause to emphasize many a time - both a consequence and a cause of the African development problematique. It is the most dramatic indicator of the continent's poverty and underdevelopment. Desertification and Demography, Debt and Dependency and Disequilibrium and Destabilization are the other factors whose combined effects have led to the present paralysing and debilitating crisis that engulfs not just the drought-affected countries but the whole of Africa, particularly sub-Saharan Africa. Therefore in our continued determination to reverse present trends and resume the process of development which will bring about an increasing

measure of self-reliance, we must attack at root these seven causes - the SEVEN Ds - of the debilitating paralysis of the African economy. This means that in spite of the emergency or even because of it, our governments and people must give priority attention to medium- and long-term development and structural issues.

And this, Mr. Chairman, is precisely the objective of this year's session of the Commission. It has indeed been the focus of the Sixth meeting of the Technical Preparatory Committee of the Whole which ended only yesterday night. Indeed, because of the depth and detailed nature of TEPCOW's examination of the issues involved, and of preparing specific and detailed proposals for action, the duration of its meeting has had to be extended by two days.

Mr. Chairman,
Distinguished Ministers,

May I take this opportunity to express my great admiration for the dedication and commitment of this most important organ of the Commission. TEPCOW is a most unique institution in Africa. It brings together expertise from all the major development sectors and from all member States and at very high levels. No wonder since it was created by you, at your Rabat Session in 1979, it has distinguished itself by its dedication, creativity, resourcefulness and tirelessness. This organ of the Commission has proved beyond doubt its capacity to be responsive to Africa's concern and to rise to the challenge. It prepared the draft of the Lagos Plan of Action in 1980; the Tripoli Declaration in 1982; the Addis Ababa Declaration in 1983; and, the Special Memorandum last year. As I said at the opening of the Committee's meeting a week ago, even the most bigoted cynic cannot but admit the proven capacity of TEPCOW to reflect on the problems of Africa and to make proposals thereon. It is a unique African store house of knowledge and expertise par excellence. And I must seize this occasion to doff my hat to them.

The two major documents which they have worked hard to prepare and which their Chairman will formally present to your Conference for your consideration and adoption will show beyond doubt the quality of their work. The first of these documents is entitled Recommendations of the ECA Conference of Ministers concerning the Economic Issues on the Draft Agenda of the 21st Ordinary Session of the Assembly of Heads of State and Government of the Organization of African Unity while the Second is a special memorandum addressed to the 1985 Second Session of ECOSOC taking place from 4 to 26 July 1985.

Mr. Chairman,
Honourable Ministers,
Distinguished Delegates,

As is to be expected, the economic issues coming before the 21st Summit of the Assembly of Heads of State and Government of the OAU dominated TEPCOW's session as it will indeed dominate yours. The presence here among us of so many Ministers - with some countries sending not just one but two, three or even four Ministers - underline the importance our respective Governments attach to the economic issues coming before the Summit and of their high expectations of the input of the Commission. I am particularly happy that my good friend and chairman of the Steering Committee of seven countries set up by the 20th Summit of the OAU to prepare the 21st Summit, the Honourable Ben Mkapa, Minister of Foreign Affairs of the United Republic of Tanzania is with us. His powerful statement delivered a while ago with a lot of feelings will provide this Conference with a lot of food for thought.

Mr. Chairman,

In tackling the development problems of Africa at their root our starting point must be an assessment of the Lagos Plan of Action (LPA) and

the Final Act of Lagos (FAL). What have we achieved since April 1980? How far are we from the realization of the objective of the LPA and the FAL? Where have we gone wrong? And what must we do at the national, sub-regional, regional and international levels to put Africa's economies back on course - back on the narrow but rewarding path of growth and development, of dynamism and self-sustainment, of national and collective self-reliance and of equity and justice? In other words, measures for the accelerated implementation of the LPA must be based on the realistic appreciation of the causes of the gulf which currently exists between our promise of April 1980 as contained in the LPA and FAL and our poor and dismal economic performance from 1980 to 1985. The debate on this issue at TEPCOW was very rich and exciting and as was to be expected was also controversial.

However, the unanimous conclusion which was reached was that five years after the adoption of the LPA the drastic departure from past socio-economic structures and patterns and the internalization of the development process that had been hoped for are yet to take place. Our dependency syndrome has remained and in many cases intensified. We are even today more dependent on foreign factor inputs than we were in 1980.

Africa has suffered a loss in per capita output of 10 per cent; overall investment as a proportion of GDP has fallen progressively since 1981; for Africa as a whole, agricultural output has grown at the stagnating rate of 0.1 per cent per annum against an average annual population growth rate of 3.0 per cent during 1981-1984 period; in the mining sector, the fall in prices well below the marginal costs of production has led to widespread closures of mines and the curtailment of production and investment resulting in a fall in mineral production by as much as 20 per cent in some years since 1980; as far as the manufacturing sector is concerned, the annual growth since 1980 averaged only 1.6 per cent as against our target of 9 per cent per annum; and, exports have contracted at the rate of 3.7 per cent per year since the LPA was launched.

Unfortunately, in spite of that warning which I gave three years ago, we in Africa have continued to believe that the international economic crisis was transient in nature, that recovery was around the corner and that once recovery is achieved its spread effects would reach our overly economically-dependent continent. The result is that while we continue to wait for improvement in the international economy, our economic conditions deteriorate very rapidly every day.

It is against this background that you must consider the ECA response to the economic issues coming before the 21st session of the OAU Summit in July and the second Special Memorandum which has been prepared for submission to the international community through ECOSOC. It is also against this background that you must assess and evaluate implementation of the Special New Programme of Action for the Least Developed Countries which was adopted by the United Nations Conference on the LDCs in September 1981. As you will see from the report which the Conference of Ministers of African LDCs will shortly be submitting to you, the international community has failed to discharge the commitments which it solemnly entered in 1981 even for these poorest countries of the world.

Thus not only is the world economy going through a process of structural change, there is also at least among the major donor countries a discernible change in attitudes and policies towards international cooperation. What are the implications of these for Africa? In answering that question, I cannot resist the temptation of quoting from my Tripoli 1982 Statement when I said that:

"It is therefore reasonable to expect that, in the process of such structural changes, the developing countries of Africa will continue to be faced with sluggish demand for export commodities, with unfavourable terms of trade with high cost of imported manufactured goods, with minimal foreign aid and technical assistance with the conditions and terms of the limited volume of loanable funds available in the international money and

capital market being such as to place them beyond the reach of most of African countries; with multilateral aid and loans becoming less and less in volume and the conditionality terms of the IMF becoming more and more stiff and rigorous; with food aid becoming less and less generous as the political leverage of food aid and not humanitarian considerations dominate its availability and allocation; and, with protectionism becoming even more marked and widespread in industrialized countries than it is at present."

I must add however that the spontaneous response of the international community to the emergency needs of the drought-affected countries during the past year has shown that food aid continues - to the credit of the donors - to be motivated largely by humanitarian considerations and not by political expediency. But such a possibility that cannot be totally ruled out as humanitarian fatigue begins to set in, just the same way as development aid fatigue is believed to have set in already.

Mr Chairman,

Therefore, for African Governments and people, this may be our last chance to put our devastated economies on the path of rehabilitation, revitalization and recovery. It may be our last chance to save our economies from total collapse. It may also be the last opportunity for us to go back to those basic principles which were the pillars around which the LPA and the FAL was built - self-reliance, self-sustainment, rediscovery of self-confidence, the democratization of the development process and equity and justice in the distribution of the fruits of development. In other words, this is our golden opportunity to take exceptional measures for the accelerated implementation of the Plan.

Indeed, in Tripoli, I made bold to suggest inter alia that all our Governments must put our economies on a war footing and, if I may quote "adopt a siege approach to development by which we will mobilize our entire resources (natural and raw materials; entrepreneurial talents and capabilities - public, private and communal - research and experimental development, institutional infrastructures, physical infrastructures, etc.); turn our backs against imports of luxuries and non-essentials

and strive with all the powers at our command to produce essential goods domestically at national and multinational levels. To begin with, such a siege approach to development will have the effect of accentuating the hardship of our people but the long run effect of this will lead to higher standard of living and better quality of life. As I have always stated, there can be no costless development nor can we expect others to bear the cost for us. A period of purposeful development-oriented austerity is therefore inevitable. The earlier we introduce it ourselves as part of our strategy for winning the war for economic survival, the shorter it will be but if it is imposed upon us as a crisis or panic measure the impact may well be shattering, economically, socially and politically."

I must conclude today's statement by confessing that I have nothing to add to this advice - three years after it was first proffered. It is my earnest hope that it will be heeded before long.

I thank you for your attention and wish you every success in your deliberations.