

UNITED NATIONS
**ECONOMIC
and SOCIAL
COUNCIL**



28416

Distr.
LIMITED

E/CN.14/CAP.3/19
18 May 1970

Original: ENGLISH

ECONOMIC COMMISSION FOR AFRICA
Conference of African Planners
Third session
Addis Ababa, 20-29 May 1970

SOME NATIONAL ACCOUNTS PROJECTIONS

SOME NATIONAL ACCOUNTS PROJECTIONS

FOR THE YEARS 1975 AND 1980

1. Explanation of the work done and assumptions on which the projections are based

The five tables attached to this note represent the provisional and still incomplete results of the 1975 and 1980 projections of certain national accounts in respect of developing Africa for each of the four existing sub-regions. This work comes within the broad framework of the strategy for the second United Nations Development Decade. The assumptions on which these projections are based differ from those proposed by the Centre of Development Planning, Projections and Policies (CDPPP) in that they are not based exclusively on the CDPPP macro-economic model. In our projections, this is completed by including the major projects. We do not automatically apply to all countries the assumptions previously used for the GDP or investment rates. On the contrary we use individual case studies showing the potential of each in the event of favourable and increased foreign assistance (see the ECA document on the second Development Decade). The results we obtained in using this method closely resemble the recommendations proposed by the Preparatory Committee for the developing countries as a whole (see paragraph 3).

2. The results obtained, as listed in the tables, are still provisional and incomplete:

- provisional because we are awaiting the comments of the United Nations organizations directly concerned with these projections, such as CDPPP and FAO, since the projected product affects private consumption and, consequently, agricultural production;
- incomplete because certain items are still lacking particularly the volume of local savings and the growth rate of agricultural production. The latter has already been calculated for most of the countries, but does not yet permit the assessment of regional or sub-regional rates. Local savings will be more difficult to assess, as few countries issue statistical series on the subject. We think we can project the investment financing by using other sources of information.

3. Our conclusions are as follows:

- 1) As regards the GDP: an average annual growth rate of 6.1 per cent for the decade, as against a rate of only 3.8 per cent for the period 1965-1970; overall production can be doubled in 12 years for the region and for each of the sub-regions, provided that the rates remain virtually unchanged;
- 2) So far as investments are concerned, the rate should increase steadily from 15.9 per cent of the GDP in 1965 to 21.5 per cent in 1980. The anticipated investment rate is directly connected with the capital coefficients retained. These are expected to decrease in comparison with the figures for 1965-1970, falling from 4.4 per cent to 3.2 per cent. Should this assumption prove inaccurate, the African countries would have to invest 26 per cent instead of 21.5 per cent of their GDP in order to achieve an average growth rate of 6.1 per cent;
- 3) The exports-imports balance surplus at the regional and sub-regional level is due to the fact that some countries have a favourable balance which, because of their relative importance, affects the region and the sub-region as a whole. Many countries will indeed continue to show a deficit in their balance during the next decade;
- 4) If the model is regarded as valid in the case of investments, acceptable progress in consumption will ensue: private consumption expenditure will increase by 5.0 per cent annually during the decade, as compared with 2.6 per cent for the period 1965-1970; the increase in government consumption expenditure will be 6.9 per cent, as against 5.2 per cent.

It should be remembered that the conclusions drawn from these projections are still provisional

COUNTRY: TOTAL OF SUE REGIONS

Millions of \$US at 1960 prices.

	1965	1970	1975	1980		1965	1970	1975	1980
1.1.1 GDP at factor cost	29,362				1.3 Private consumption expenditure	22,600	25,753	32,391	41,915
- agriculture	10,530				1.4 Government consumption expenditure	4,833	6,232	8,738	12,223
- non-agriculture	18,832				1.5 Gross investments (i.e. GDCF)	5,160	6,775	10,591	15,362
1.1.2 Indirect taxes net of subsidies	3,156				1.6 Exports of goods and services	7,865	10,869	16,494	22,670
					1.7 Imports of goods and services	7,940	10,365	15,069	20,882
GDP at market prices	32,518	39,264	53,145	71,288	Expenditure on GDP	32,518	39,264	53,145	71,288

VARIABLES AND PARAMETERS

		1965- 1970	1970- 1975	1975- 1980	1970- 1980		1965	1970	1975	1980
Iz	Growth rate of GDP - at factor cost					Iz Gross investments as percentage of GDP at m.p.				
S	- at market prices					S Gross domestic saving (in million of \$)				
Sz	Growth rate of agricultural GDP	3.8	6.2	6.1	6.1	Sz Saving as percentage of GDP at m.p.	15.9	17.3	19.9	21.5
Gz	" " "	3.1	5.2	5.6	5.4	Gz Government consumption as percentage of GDP at m.p.				
Pz	" " "	2.6	4.7	5.3	5.0	Pz Private consumption as percentage of GDP at m.p.	14.9	15.9	16.4	17.1
Ez	" " "	5.2	7.0	6.9	6.9	Ez Exports consumption as percentage of GDP at m.p.	69.5	65.6	60.9	58.8
Mz	" " "	5.6	9.3	7.7	8.5	Mz Imports consumption as percentage of GDP at m.p.	24.2	27.7	31.0	31.8
Fz	" " "	6.7	8.7	6.6	7.6	Fz External saving consumption as percentage of GDP at m.p.	24.4	26.4	28.3	29.3
Nm	Elasticity of imports	5.5	7.8	6.8	7.3					
K	Marginal propensity to save	1.4	1.3	1.1	1.2					
	ICOR (average of the period)	4.4	3.0	3.4	3.2					

AFRICA West Africa

COUNTRY:

ACCOUNT No 1 OF THE UNITED NATIONS SYSTEM OF NATIONAL ACCOUNTS

Millions of \$US at 1960 prices

	1965	1970	1975	1980		1965	1970	1975	1980
1.1 GDP at factor cost	8,426				1.3 Private consumption expenditure	7,129	7,687	9,666	12,693
- agriculture	3,887				1.4 Government consumption expenditure	991	1,276	1,753	2,474
- non-agriculture	4,539				1.5 Gross investments (i.e. GDCF)	1,390	1,720	2,721	3,602
1.2 Indirect taxes net of subsidies	855				1.6 Exports of goods and services	1,802	2,704	4,091	5,547
					1.7 Imports of goods and services	2,031	2,512	3,610	5,018
GDP at market prices	9,281	10,875	14,621	19,298	Expenditure on GDP	9,281	10,875	14,621	19,298

VARIABLES AND PARAMETERS

	1965-1970	1970-1975	1975-1980	1970-1980		1965	1970	1975	1980
rz Growth rate of GDP					Iz Gross investments as percentage of GDP at m.p.	15.0	15.8	18.6	18.7
- at factor cost					S Gross domestic saving (in million of \$)				
- at market prices					Sz Saving as percentage of GDP at m.p.				
Growth rate of agricultural GDP					Gz Government consumption as percentage of GDP at m.p.	10.7	11.7	12.0	12.8
rp " " " (1.3 + 1.4)	3.2	6.1	5.7	5.9	Pz Private consumption as percentage of GDP at m.p.	76.8	70.7	66.1	65.8
rp.o " " " (1.3)	2.0	5.0	5.9	5.4	Ez Exports consumption as percentage of GDP at m.p.	19.4	24.9	28.0	28.7
rg " " " (1.4)	1.5	4.7	5.6	5.1	Mz Imports consumption as percentage of GDP at m.p.	21.9	23.1	24.7	26.0
ri " " " (1.5)	5.2	6.6	7.1	6.8	Fz External saving consumption as percentage of GDP at m.p.				
rs " " " S	4.4	9.6	5.8	7.7					
re " " " (1.6)	8.5	8.6	6.3	7.4					
rm " " " (1.7)	4.3	7.5	6.8	7.1					
En Elasticity of imports	1.3	1.2	1.2	1.2					
Marginal propensity to save									
ICOR (average of the period)	4.8	2.8	3.2	2.9					

AFRICA Central Africa

COUNTRY:

ACCOUNT No 1 OF THE UNITED NATIONS SYSTEM OF NATIONAL ACCOUNTS

Millions of \$US at 1960 prices

	1965	1970	1975	1980		1965	1970	1975	1980
1.1 GDP at factor cost	2,122				1.3 Private consumption expenditure	1,497	1,661	2,118	2,668
- agriculture	669				1.4 Government consumption expenditure	457	607	763	958
- non-agriculture	1,453				1.5 Gross investments (i.e. GDCF)	380	495	743	1,060
1.2 Indirect taxes net of subsidies	201				1.6 Exports of goods and services	569	907	1,381	2,027
					1.7 Imports of goods and services	580	906	1,344	1,876
GDP at market prices	2,323	2,764	3,661	4,837	Expenditure on GDP	2,323	2,764	3,661	4,837

VARIABLES AND PARAMETERS

	1965-1970	1970-1975	1975-1980	1970-1980		1965	1970	1975	1980
rz Growth rate of GDP					Iz Gross investments as percentage of GDP at m.p.	16.4	17.9	20.3	21.9
- at factor cost					S Gross domestic saving (in million of \$)				
- at market prices					Sz Saving as percentage of GDP at m.p.				
ra Growth rate of agricultural GDP	3.5	5.8	5.7	5.7	Gz Government consumption as percentage of GDP at m.p.	19.7	22.0	20.8	19.8
rp " " " (1.3 + 1.4)	3.0	4.9	4.7	4.8	Pz Private consumption as percentage of GDP at m.p.	64.4	60.1	57.9	55.2
rp.o " " " (1.3)	2.1	5.0	4.7	4.8	Ez Exports consumption as percentage of GDP at m.p.	24.5	32.8	37.7	41.9
rg " " " (1.4)	5.8	4.7	4.7	4.7	Mz Imports consumption as percentage of GDP at m.p.	25.0	32.8	36.7	38.8
ri " " " (1.5)	5.4	8.5	7.4	7.9	Fz External saving consumption as percentage of GDP at m.p.				
rs " " " S									
re " " " (1.6)	9.8	8.8	8.0	8.4					
rm " " " (1.7)	9.3	8.2	6.9	7.5					
nm Elasticity of imports	2.6	1.4	1.2	1.3					
α Marginal propensity to save									
K IOOR (average of the period)	4.9	3.3	3.7	3.5					

AFRICA East Africa

COUNTRY:

ACCOUNT No 1 OF THE UNITED NATIONS SYSTEM OF NATIONAL ACCOUNTS

Millions of \$US at 1960 prices

	1965	1970	1975	1980		1965	1970	1975	1980
1.1 GDP at factor cost	5,879				1.3 Private consumption expenditure	4,427	5,501	7,004	9,153
- agriculture	2,462				1.4 Government consumption expenditure	840	1,190	1,660	2,468
- non-agriculture	3,417				1.5 Gross investments (i.e. GDCF)	933	1,362	1,926	2,988
1.2 Indirect taxes net of subsidies	518				1.6 Exports of goods and services	2,059	2,290	3,116	4,413
					1.7 Imports of goods and services	1,862	2,183	2,999	4,312
GDP at market prices	6,397	8,160	10,707	14,710	Expenditure on GDP	6,397	8,160	10,707	14,710

VARIABLES AND PARAMETERS

	1965-1970	1970-1975	1975-1980	1970-1980		1965	1970	1975	1980
rz Growth rate of GDP					Iz Gross investments as percentage of GDP at m.p.	14.6	16.7	18.0	20.3
- at factor cost	5.0	5.6	6.6	6.2	S Gross domestic saving (in million of \$)				
- at market prices	4.8	5.4	6.1	5.7	Sz Saving as percentage of GDP at m.p.				
Growth rate of agricultural GDP	4.4	4.9	5.5	5.2	Oz Government consumption as percentage of GDP at m.p.	13.1	14.6	15.5	16.8
rp " " " (1.3 + 1.4)	7.2	6.9	8.3	7.6	Pz Private consumption as percentage of GDP at m.p.	69.2	67.4	65.4	62.2
rp.o " " " (1.3)	7.9	7.2	9.2	8.2	Ez Exports consumption as percentage of GDP at m.p.	32.2	28.1	29.1	30.0
rg " " " (1.4)					Mz Imports consumption as percentage of GDP at m.p.	29.1	26.8	28.0	29.3
ri " " " (1.5)					Fz External saving consumption as percentage of GDP at m.p.				
rs " " " S									
re " " " (1.6)	2.1	6.4	7.2	6.8					
rm " " " (1.7)	3.2	6.6	7.5	7.0					
Nm Elasticity of imports	0.7	1.2	1.1	1.1					
α Marginal propensity to save									
K ICOR (average of the period)	3.1	3.1	3.0	3.1					