

**SECOND SPECIAL MEMORANDUM BY  
THE ECA CONFERENCE OF MINISTERS: INTERNATIONAL ACTION  
FOR RELAUNCHING THE INITIATIVE FOR LONG-TERM  
DEVELOPMENT AND ECONOMIC GROWTH  
IN AFRICA**

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**UNITED NATIONS  
ECONOMIC COMMISSION FOR AFRICA**

## I. INTRODUCTION

1. Because of our grave concern for the very alarming and significant deterioration in the economic and social conditions of our continent and of the decision of the Economic and Social Council to focus during its summer 1984 session on the economic and social crisis in Africa we, the African Ministers responsible for economic development and planning, convening in Addis Ababa for the tenth meeting of the Conference of Ministers of the Economic Commission for Africa and the nineteenth session of the Commission, addressed a Special Memorandum on Africa's economic and social crisis to the Economic and Social Council and the 20th Ordinary Session of the Assembly of Heads of State and Government of the Organization of African Unity, in which we highlighted the main characteristics of the crisis and suggested measures for dealing with the emergency, short and medium-term, and long-term structural adjustment requirements.

2. We are indeed gratified that a good number of Member States of the United Nations and international organizations have shown great interest in the deteriorating situation of our continent by their active participation in the Council's debate on the crisis and that at the subsequent debate in the General Assembly of the United Nations, not only was the strong international expression of support for action observed at the 1984 summer session of the Council's maintained, but a strong declaration on the critical economic situation in Africa was adopted calling on the international community and specialized agencies and organizations of the United Nations system to take specific measures to assist African countries to deal with the intolerable situation. Indeed, the response of the international community at large and of the agencies of the United Nations as shown in the documents made available to us at our present meeting and in the message of His Excellency Mr. Javier Perez de Cuellar (whose untiring efforts to mobilize the support of the whole international community for Africa's cause we should like to acknowledge again here) has done international co-operation a great credit.

3. We are also gratified that the momentum for mobilizing international support has been maintained. In this connection, we should like to express our profound gratitude to the Secretary-General and his collaborators in the Office for Emergency Operations in Africa for the successful international conference on the emergency situation in Africa, held in Geneva on 11 and 12 March 1985, which has led to the mobilization of a substantial amount of financial resources to satisfy the unmet needs of the affected countries in 1985 and for the follow-up meeting held with groups of the countries affected with a view to determining more concretely their needs and how the funds raised and the pledges in kind could be allocated to meet these needs. We are also gratified by the efforts of the World Bank not only in proposing a Joint Programme of Action for attacking the African crisis but also in managing to raise substantial funds for the implementation of the Joint

Programme. We are equally gratified by the untiring efforts of the Director-General of the Food and Agriculture Organization of the United Nations to mobilize funds for specific projects in favour of the twenty-one most seriously affected countries. Our gratitude also goes to the donor countries which have continued to support Africa during the past twelve months since our last session.

4. It is also gratifying that Africa has achieved much nationally, sub-regionally and regionally to address the critical economic situation. Thus, many of our member States now understand better the issues involved and have accordingly improved their capacity and capability to deal with emergency situations. They have also continued, in spite of their poverty, to put into practice the principle of self-reliance. Some Governments have imposed special levies on their people and announced measures to improve the use of scarce resources. Scientists have been mobilized at the level of groups of countries to pool together their knowledge about drought and desertification and propose possible solutions.

5. At the regional level, the Assembly of Heads of State and Government of the Organization of African Unity not only approved our Special Memorandum but also decided to devote the greater part of its twenty-first session, now scheduled to take place in July 1985, to economic matters and established a seven-member State Steering Committee with the technical support of the secretariat of its Organization and that of the Economic Commission for Africa, to prepare for the Summit. At the first meeting of the Steering Committee in February 1985, a draft provisional agenda on economic items for the Summit was established. The draft provisional agenda was approved by the Organization's Council of Ministers at its forty-first session held in Addis Ababa in February/March 1985, at which the Ministers called on our Conference to devote its present meeting to those items they have identified and to make recommendations including arrangements for follow-up and monitoring of the recommendations.

6. When stock is taken of the action already undertaken and being initiated at the national, subregional, regional and international levels, we cannot but be grateful for the timely and generally adequate response to the critical humanitarian needs of Africa. But having arrived at this conclusion, we shall be less than candid and fall short of our responsibility if we fail to say that in our first Special Memorandum, we made certain recommendations with respect to short and medium-term measures that have not yet received the attention they deserve. Thus, our pleas for special short-term arrangements to ensure that the export earnings of African countries are stabilized at remunerative levels and for measures to be adopted for the implementation of the Integrated Programme of Commodities, especially the entry into force of the Common Fund, remain largely unattended to. While the commodity arrangements agreed to in the Lomé III Convention are slight improvements on those of the past, the results of their implementation are still in the future. Similarly, our appeal that at its

sixth replenishment IDA should be restored to and maintained at a level of at least US\$12 billion and that the indicative planning figures of the third UNDP programming cycle should be kept at previous levels has so far been ignored. If our plea concerning the sixth replenishment of IDA has been ignored as a result of the decision of the Government of the most economically powerful country in the world, should one be surprised about the lack of progress on the seventh replenishment? In the same vein, the appeal to countries to attain the target of 0.7 per cent of GNP devoted to the developing countries and 0.15 per cent to the least developed countries in accordance with the international development strategy for the third United Nations Development Decade and the Substantial New Programme of Action for the Least Developed Countries in the 1980s, has not been heeded. SDR allocation is probably a dead issue since the group of Western industrial countries led by the Government of the United States continues to oppose the idea. And IFAD was only saved from the threat of bankruptcy by an agreement in principle on funding for its second replenishment. In any case, the maximum expected is far less than the amount tentatively agreed in early 1984. Thus, despite the recognition by all that multilateral concessionary financing is a major source of development financing for African countries in economic crisis, our problems have not yet received due consideration.

7. In the complementary areas of increased balance-of-payments support, the building-up of domestic capabilities in project preparation, the selection of appropriate technical assistance and project experts, including the use of local experts and the provision of less costly, more appropriate equipment and machinery utilizing local material, a shift away from bilateralism to multilateralism in aid and technical assistance and industrial redeployment for crisis management, our hopes are still deferred. Indeed our proposal for a high-powered special commission to review the impact of multilateral and bilateral assistance to Africa is yet to be taken up by the Secretary-General of the United Nations. We sincerely hope that our Executive Secretary and the Secretary-General's Special Representative on Africa's Economic Crisis will ensure that this proposal is given the attention it deserves. It will thus have become clear that a lot still remains to be done with respect to the immediate and short-term aspects of the crisis in our continent.

8. In spite and perhaps because of what remains to be done to cope with the immediate and short-term aspects of the crisis, we have been so emboldened by the overall positive results so far that we have decided to prepare a second Special Memorandum for your attention, this time with the focus on the long-term aspects of the crisis.

9. Indeed, while the present crisis was precipitated by drought which has adversely affected the production of food and agriculture, foreign exchange earnings, energy supplies and government revenues and has consequently led to increased food and fuel imports, exacerbated balance-of-payments problems,

increased idle industrial capacity and accelerated the displacement of persons in search of food and shelter, the origins of the African crisis are deep and go back many years. The current drought-related emergency is only a symptom - no doubt a dramatic one - of already weak, fragile and unsustainable levels of underdevelopment in Africa.

10. In this connection, we should like to draw your attention to the fact that the drought has actually affected 34 out of the 50 States members of the Economic Commission for Africa in varying degrees, and only in the last three years. Yet poor agricultural performance, balance-of-payments difficulties, budget deficits, idle industrial capacity due to non-availability of raw material inputs occasioned by shortage of foreign exchange, adverse terms of trade, etc. have been with almost all African countries, including those not affected by the drought, since the 1960s.

11. If the present crisis is to be attacked at the root, the international community must join African Governments in focusing on means of relaunching the initiative for long-term development and economic growth in the continent. How this can best be done is the question which prompted us to submit this Second Memorandum. We sincerely hope that our collective considered views contained herein will be given serious consideration by the Economic and Social Council in its deliberations in July 1985. But first let us review, briefly, the nature and scope of the crisis.

## II. THE NATURE AND SCOPE OF THE AFRICAN CRISIS

12. The current drought-induced emergency is the worst economic and human disaster in the recent history of our continent. Over a million people have already lost their lives and as many as 10 million have been displaced because of the drought. The drought has, furthermore, caused severe losses of livestock; widespread famine and diseases; major crop losses and food scarcity; water and energy shortages; and has severely destabilized the fragile African economies. To-day, 20 sub-Saharan African countries are still drought stricken; nine of these are severely affected. In all some 150 million people are faced with extreme hunger and malnutrition in Africa; of these 30 million are in a precarious situation. Suffice it to mention here that despite the inflow of emergency assistance at appreciable levels in the past year, it is estimated that the unmet emergency needs in 1985 of the 20 drought stricken countries for food and water, for essential medicines and relief survival items and for logistical support amount to US\$1.5 billion with food requirements alone accounting for US\$893 million of this total.

13. It is only natural under such tragic circumstances that the first topic of concern, both of the affected countries and the international community, should be the continuing battle to save lives, to relieve human suffering and to reduce the impact of hunger and famine on the affected populations. While heroic attempts have been made by our Governments and peoples to face the challenge posed by the emergency, we are very grateful for the positive and growing humanitarian response by many foreign Governments, hundreds of voluntary organizations and agencies, million of individuals in the United States, Canada and Western Europe, among others, as well as organizations and agencies of the United Nations system to the emergency situation in our continent. We are also hopeful that every effort will continue to be made by the international community to ensure the provision of adequate humanitarian assistance for the affected countries and to assist them with the revitalization and reconstruction of their economies in the short and medium terms.

14. The rapid deterioration in the international economic environment that took place in the early 1980s - as manifested in the collapse of commodity prices, the stagnation and subsequent decline in official development assistance (ODA) in real terms, increased protectionism and the prevalence of unprecedentedly high interest rates - and the excessively heavy debt burden of African countries have dealt a further serious blow to the already weak African economies and greatly diminished the ability of all African countries especially the drought-affected ones to cope effectively with the additional burden created by the emergency. We do not need to dwell here on either this aspect of the crisis or the situation induced by drought, as they have been amply dealt with in our first Special Memorandum.

15. We must, however, reiterate that the crisis is but a manifestation of deep underlying structural imbalances, which have themselves been seriously aggravated by the events of the past few years. Almost all the indicators of the socio-economic situation have been pointing to extremely disturbing long-term trends since the early 1970s. As a result of sluggish growth and a high rate of population growth, per capita income, which was growing at negligible rates during the 1970s, has consistently declined since 1980 at an average annual rate of 4.1 per cent and average per capita income is now between 15 and 25 per cent less than 15 years ago.

16. Hidden within these low and declining per capita income figures is a highly skewed pattern of income distribution. About 70 per cent of the total African population is currently either destitute or below the poverty line with per capita incomes equivalent to less than US\$59 and US\$115 at 1972 prices respectively. Despite some modest gains in the quality of life in Africa over the past two decades, social conditions are still far from being acceptable and have shown a tendency towards serious deterioration in recent years. About one half of the labour force is unemployed or underemployed; the African population living in slums and/or squatter settlements is close to 60 per cent of the total population; the availability of water still remains a critical problem, for only one African in four has access to safe drinking water; child mortality in sub-Saharan Africa, which was 50 per cent higher than the average of developing countries in 1950, is now almost double the average; the number of severely hungry and malnourished people is estimated to have increased from close to 80 million in the early 1970s to over 100 million in 1984; health facilities are grossly inadequate and unevenly distributed in favour of urban areas; and social unrest and instability and the rates of crimes and juvenile delinquency have been on the rise.

17. Consequently it emerges that at the root cause of Africa's economic and social crisis and Africa's underdevelopment in general are the internal structural imbalances of African economies and their excessive outward orientation and overt dependence - an unenviable legacy of our colonial past. Regrettably, post-independence development policies have not brought about significant changes in this colonially-inherited, lopsided production structure which is heavily dominated by export-oriented agriculture, a small industrial base - fractured and only minimally linked with the region's natural resource base - and a mining sector which is not only dependent on external finance, technology and management but whose output is also predominantly destined for export. Africa has inherited the most open and dependent economy in the world, where external trade constitutes the single major stimulus to development and is itself dependent on a small number of agricultural and mineral commodities. Equally regrettable is the fact that the performance of the predominant agricultural sector has been very disappointing indeed, reflecting a long-term deteriorating trend in both agricultural production and per capita food production. With respect to the latter, Africa is in fact the only region where food production has

been losing the race with population growth. When Africa's population was growing at an average annual rate of 2.8 per cent, during the 1970s, total food production in the region as a whole was growing by no more than 1.5 per cent with the result that food self-sufficiency ratios dropped from 98 per cent in the 1960s to 86 per cent in the 1980s. During 1980-84, while population in Africa grew at a rate of 3 per cent, food production increased by a mere 1 per cent thus implying a further deterioration in food self-sufficiency ratios. Consequently, the value of cereal imports increased from US\$0.6 billion in 1970 to US\$5.4 billion in 1982 and currently food imports constitute almost a fifth of the region's food requirements, while dependency on food aid has increased over the years. Furthermore, Africa's real export earnings from crops and livestock have steadily declined, by 2 per cent per annum during the 1970s. The value of agricultural exports declined by 20 per cent between 1980 and 1983 at an annual rate of approximately 5 per cent.

18. Africa's overdependence on external markets through an inflexible export structure characterized by overspecialization in and concentration on the production of a few agricultural and mineral products, whose prices have been sliding downward, and the fast growth in imports - whose prices have been steadily increasing - have resulted in serious trade and financial imbalances and a sharp depletion in foreign exchange reserves, which stand today at highly precarious levels. The current account deficits of the African countries rose to US\$27.3 billion in 1983/84. Foreign exchange reserves, which were adequate in the 1970s, fell sharply in the 1980s to levels where they could cover only slightly more than one month's imports in many African countries.

19. The structural internal and external disequilibrium of the African economies, the inadequate and poor conditions of Africa's transport and communications infrastructure, energy imbalances and problems; the steady and increasing desertification of the continent; the colonial neglect of human resource development; and inappropriate post-independence economic strategies and policies; the inefficient management of the African economies; and political instability and socio-economic destabilization have compounded Africa's problems and contributed to the gravity of the crisis, in spite of the efforts made by member States to redress the situation.

20. The excessive dependence of the African economies on foreign inputs has also had serious repercussions on Africa's cost structures, production efficiency, exploitation of natural resources, development of domestic technology and the comparative advantage of surplus labour relative to capital. Exogenous constraints, such as the predominance of perverse international financial and monetary arrangements; the monopolistic technology markets; and the declining prices for African raw materials while prices of manufactured imports from the developed countries constantly rise, have also been at the root of Africa's economic crisis and have frustrated genuine efforts by the independent countries of Africa to achieve economic independence and accelerated growth and development.



21. Our member States, neighbours of South Africa, have been the victims of economic and political destabilization and acts of military aggression by the Pretoria regime, which have severely limited their ability to proceed effectively with their socio-economic development. As long as this situation of violence and conflict remains, the prospects of maintenance of lasting peace and stable socio-economic development for these countries will be greatly undermined.

22. We are deeply convinced that unless the factors underlying Africa's economic and social crisis are attacked at the root through durable and long-term structural transformation measures - as enunciated in the Lagos Plan of Action and the Final Act of Lagos - the current emergency will become a permanent, structural phenomenon and the hope of transforming Africa from its current pitiful state into a viable economic community capable of achieving a growing measure of self-reliant and self-sustained growth and development, will be a fantasy.

23. The time is most opportune for an attack on the root causes of Africa's underdevelopment and a start on the required long-term structural adjustment measures. Unless we act with the seriousness that the problem deserves and act now, Africa will have no future to speak of or to look forward to. Of particular concern to us in this regard is the recognition that the current rapid growth of the African population constitutes a factor to be taken into account in Africa's socio-economic development prospects, given the obvious implications of such a rapid rate of population growth for the demand for food, employment opportunities, the level of per capita incomes, income distribution, the demand for foreign exchange, housing requirements, the demand for social services, educational requirements, urban growth, dependency burdens, and the socio-political atmosphere.

24. It is abundantly evident that Africa's economic and social crisis is of such a multidimensional, complex and extensive nature that it is beyond the capacity of our African Governments and our people to tackle it unaided. The positive and growing response of the international community to the immediate humanitarian aspects of the crisis has been as we have already acknowledged, very effective and highly commendable. But it cannot be too often said that limiting our attention to this aspect is a grievous mistake. The assistance of the international community must be geared towards relaunching the initiative for long-term development by supporting Africa's efforts to attack the root causes of the pervasive socio-economic crisis and the continent's underdevelopment. It is our fervent hope that the same spirit that animated international response to the humanitarian needs created by the emergency will also manifest itself in efforts to engineer socio-economic transformation in Africa.

### III. MEASURES FOR LONG-TERM STRUCTURAL CHANGE

25. The Lagos Plan of Action and the Final Act of Lagos spell out the long-term measures required for the restructuring of African economies on the basis of the principles of national and collective self-reliance and self-sustaining development; the promotion of the physical integration of the African economies; and the creation - at the national, sub-regional and regional levels - of a dynamic, interdependent African economy. We wish to seize this opportunity to reaffirm our commitment to both the philosophy and objectives of the Lagos Plan of Action and the Final Act of Lagos. We recall, in particular, that our Governments have committed themselves to the promotion of an increased measure of self-reliance and self-sustainment - which implies making economic growth and development more dependent on internal demand stimuli, increasing the substitution of factor inputs from within the system for those derived from outside, deliberately introducing patterns and processes of development and economic growth in which different components support and reinforce each other and pooling resources, manpower, markets, institutions, finance, etc. at the sub-regional, regional and other multi-national levels in order to achieve the objectives of the Lagos Plan of Action; altering the nature and type of goods and services to meet the basic needs of the mass of our peoples; involving - at all stages of the formulation and implementation of development plans - all the principal agents of development; developing indigenous entrepreneurial capabilities, both public and private; adopting an integrated approach to development which covers different economic and social activities, takes into account the effective interdependence of these activities and recognizes the special roles played by food and agriculture and industry as two leading production sectors; and strengthening sub-regional and regional co-operation and integration to overcome, inter-alia, the present balkanization of the region and permit the co-ordinated exploitation and utilization of the vast resources of our continent for the benefit of our people.

26. We are fully aware that central to the successful implementation of this development strategy is the recognition of the important role played by human resources. It is not only vital that policies should be pursued to ensure the effective development and utilization of human resources in all fields and sectors, but also that effective measures should be taken to ensure the full participation of our people in all dimensions of development; create equal opportunities for all; establish a sound basis for political, economic and social justice; restore the self-confidence of the African man and strengthen his abilities for endogeneous creativity; and ensure the effective democratization of the development process in general.

27. We are also aware that such an effort requires us to improve the management of our economies through, inter-alia, the efficient use of resources; improvement of public management systems, institutions and practices; improvement of the performance of public enterprises; the strengthening of

personnel management systems and management development institutions; improvement of financial management, fiscal administration and control of public expenditure; reduction of foreign exchange leakages and better management of the foreign debt; re-orienting the public services to become more development-oriented services; and proper allocation and use of resources.

28. Fully cognizant of the foregoing, we therefore resolve to accelerate the necessary long-term structural changes. While it is not our intention to detail here the measures that need to be undertaken - those have been amply elaborated in the Lagos Plan of Action and the Final Act of Lagos as well as our 1983 Silver Jubilee publication entitled ECA and Africa's Development 1983-2008; a preliminary perspective study - we wish to outline those measures that should constitute priority areas for action in the section that follows. We sincerely hope that prompt, effective and adequate international support will be forthcoming in support of these priority areas in the same manner and spirit in which the international community has responded to the humanitarian needs of Africa.

#### IV. INTERNATIONAL SUPPORT MEASURES IN PRIORITY AREAS

##### A. SUPPORT FOR ACTION AT THE NATIONAL LEVEL

##### 1. African population dynamics and implications for development and economic growth

29. Observed trends and projections under present conditions of the demographic situation in most African countries confirm that there is growing competition between population and economic growth and development. Therefore, the demographic factor is one of the main problems which are at the heart of the African socio-economic development problem. The region's population which is now growing at an estimated average annual rate of 3 per cent is expected, from available projections, to reach 888 million by the year 2000 and 1.90 billion by 2025. These growth trends have far-reaching and dramatic implications for our ability to raise incomes, provide adequate food supplies, raise agricultural and industrial production, ensure gainful employment, and match essential services such as education, health, water sewerage, transport and housing with the population's requirements. In a nutshell, all our efforts to direct population "towards its own self and its own development" will come to nought.

30. We therefore consider that each African country should accord importance to population policy that will, inter alia, address the issues of high fertility, morbidity and mortality, rapid urbanization and migration, and the problems of children and youth in a way that will ensure compatibility between demographic trends and the desired pace of economic growth and development. In this regard we reaffirm our endorsement of the Kilimanjaro Programme of Action on Population adopted by the ECA Second African Population Conference held in January 1984 in Arusha (United Republic of Tanzania). We consider that Programme a step in the right direction which all African countries should immediately translate into specific national action, and call upon the international community, donor agencies, international organizations - especially the United Nations Fund for Population Activities (UNFPA) - and regional and subregional bodies concerned with population problems in Africa to co-ordinate their activities and to assist African countries individually and collectively in the implementation of the Kilimanjaro Programme of Action. We relaunch the appeal to Governments and donor agencies to increase significantly the resources available to UNFPA in order to enable population assistance to African countries to be delivered effectively and efficiently. Donors should also continue to provide increased financial and technical support to individual African countries in their population programmes. Assistance is especially urgently needed in the areas of policy and programme formulation, population information activities, the integration of population variables in development and the implementation of programmes aimed at reducing mortality and fertility and supporting better population redistribution and training.

## 2. Food and agricultural development

31. The war to regain the momentum for economic growth and development will have to be waged first and foremost in the food and agriculture sector. The poor performance in this sector has been at the root of the economic backwardness, stagnation and decline in many African countries. What we need is nothing short of an agricultural revolution in Africa, corresponding to the green revolution in Asia in the 1970s.

32. We need to put in place immediately, a mix of policies and measures aimed at creating a stimulating environment for the revitalization of the sector with a view in particular to an increased measure of self-sufficiency in food. The benign neglect to which the sector has long been subjected will have to be reversed. Appropriate pricing, credit and incentive policies will have to be adopted to turn the domestic terms of trade in favour of agriculture in general and food production in particular. Measures will have to be taken to raise land productivity through increased use of fertilizers, improved varieties of seed, suitable agricultural implements, effective extension services and the establishment of appropriate land-holding systems and adopting the necessary policies that would motivate farmers towards higher productivity and raise living standards in rural areas. Improved methods of managing and conserving water will have to be introduced to reduce the current overdependence on rains in many parts of the region. Cropping patterns will have to change not only to favour increased food production, especially of more drought-resistant grains and crops, but also to provide expanded opportunities for rural employment, ensure greater ecological balance and increased export earnings. These measures will have to be accompanied by substantial improvements in physical infrastructure, especially transport, marketing, preservation and storage facilities. Research and Development (R and D) activities will have to be stepped up significantly for breakthroughs in appropriate agricultural technologies, and for innovations to combat drought and decertification, improve animal and fish production and the management of existing forests and reafforestation programmes.

33. International development assistance will be a crucial supplement to the efforts of our own Governments and peoples to bring about the Green Revolution in Africa. Such assistance will have to change in both form and substance in accordance with our established priorities. We estimate that if Africa is to achieve a green revolution in food production the annual investment required from now until the year 2000 is between - 5 billion and 6.5 billion dollars. We urge donor countries to underwrite this revolution by increasing the flow of resources to and investment in the food production sector correspondingly and increasing their collaboration and co-ordinating their activities with African Governments not only in the food sector but also in the related fields of livestock, fisheries and forestry so as to strike the right balance between food crops, forests, animal husbandry and production for exports in an integrated package. Such sustained financial

and technical support will need to be free of administrative and procurement constraints. We urge donor agencies to shift emphasis towards increased production of food, which has suffered at the expense of their preoccupation with large-scale projects for cash crops and raw materials for exports. Assistance should also increasingly be directed towards measures for securing substantial reductions in food wastage and attaining a markedly higher degree of food security. The assistance we are asking for will have to favour the steady modernization of traditional patterns of production including more effective utilization of surface and underground water, soil conservation, land reclamation and other measures to expand arable land especially in arid and semi-arid zones, restoring and expanding grazing lands and reforestation, and increasing total areas under cultivation.

34. We cannot over-emphasize the fact that these objectives cannot be achieved unless and until international resource transfers have been stepped up to permit the expansion and increased effectiveness of agricultural extension services. Additional resources will also be needed to provide credit to farmers, maintain effective and remunerative price and fiscal policies and ensure the availability of agricultural inputs generally.

35. We further call upon the international community to support and strengthen research and development activities with both expertise and financial resources. Support needs to be given especially for the development of quick-maturing as well as drought-, disease- and pest-resistant crop varieties, the selection and development of drought- and diseases-resistant animal species, the exploration of new farming systems and new crops adapted to different agro-ecological zones. Research into post-harvest technologies and marketing practices needs also to be supported. The application of new technologies, genetic engineering and biotechnology especially, for increasing food production, and enhancing preservation, protection and processing, deserves special attention.

### 3. Industrial development

36. The Lagos Plan of Action sets out the broad framework for the long-term development of the industrial sector in Africa. This framework has been translated into practical operational terms in the programme for the Industrial Development Decade for Africa, 1980-1990. The programme and the guidelines for priority action during the preparatory phase of the Decade spell out the short-, medium- and long-term measures to be taken by African countries themselves, by regional and subregional organizations and by the international community to develop the industrial sector in Africa. The Decade, which entered its implementation phase in January 1985, has a substantial component of technical co-operation with African countries and relevant intergovernmental organizations.

37. We are convinced that the successful implementation of the programme for the second phase will significantly restructure the industrial sector in our countries, relating industrial production to indigenous factor endowments for the satisfaction of the basic needs of the population and spurring growth in other sectors of the economy, especially agriculture, through forward, backward and lateral linkages. We therefore reiterate our firm commitment to the programme and call upon donor countries and institutions to increase their contributions and to take the requirements of the Decade programme fully into account.

38. Specifically, we ask donors and development and finance institutions to channel their collective and co-ordinated efforts, in the first instance, to measures for the rehabilitation, revitalization, rejuvenation and rationalization of Africa's ailing manufacturing enterprises during the current emergency situation. Massive international support is needed for national programmes to rehabilitate existing plants and factories and make use of available excess capacity. These are necessary first steps to arrest the evident process of de-industrialization in the region and to set in motion activities for reorienting industry.

39. Secondly, we ask for development assistance to be concentrated on intensive training for the acquisition of essential skills. This would include training for both industrial management and operations at the factory level. Increased support will have to be given to the major specialized training institutions at the national, subregional and regional levels.

40. Thirdly, a programme of assistance for the rationalization and reorientation of the industrial sector will have to be formulated and activated at the same time as measures for the short term. Such a programme will have to concentrate on reallocating resources on the basis of reappraised industrial policies and strategies and the required institutional machinery. Thus, priority will have to be given to prospecting for, and processing local raw materials, making intermediate inputs for local use and developing linkages throughout the economy, especially with agriculture. Emphasis will also have to be put on activities that foster the optimum utilization of industrial capacity through subregional and regional groupings and the creation of resource-based industries that use local skills and domestic raw materials. Of crucial importance in this regard are the promotion of small-scale agro-processing industries in the rural sector, the promotion of entrepreneurial capabilities and the development of technical and managerial skills. Particular emphasis will be given to the development of core industries, especially of the metallurgical, engineering, chemical, building materials, capital goods and pharmaceutical types. Special consideration will also have to be given to the enhanced development of small-scale industries, especially those feeding and supporting medium- and large-scale industries.

#### 4. Infrastructural development

41. The development of integrated infrastructures, particularly transport and communications is a precondition for sound socio-economic development. Like the programme for the Industrial Development Decade for Africa, the programme of the United Nations Transport and Communications Decade in Africa translates into operational terms the broad framework set out in the Lagos Plan of Action. The successful implementation of the Decade programme will substantially reinforce the links between the productive sectors of agriculture, mining and industry and the development of rail, road, air and inland transport and basic communications facilities. The programme is basic to the easier distribution and marketing of basic commodities and the expansion of domestic markets in general.

42. It is important to emphasize that while new capacity will have to be built, there is an immediate need for assistance in maintaining and rehabilitating existing infrastructure. The poor state of rural transport infrastructure and services also calls for special attention. Technical assistance must, in particular, be directed to manpower training in all aspects of transport through the expansion or creation of training facilities and institutions.

#### 5. Trade and finance

43. The long-term trends in the external sector of most African countries are obviously unsustainable and are therefore a cause for grave concern. We cannot hope to realize the required national economic transformations by over-specializing and heavily concentrating, as we now do, on the export of a narrow range of agricultural and other primary commodities at prices which are forever fluctuating, and the external market for which is progressively diminishing. Likewise, we cannot hope to make the necessary transformations if we continue to obtain increasing quantities, not only of our basic factor inputs, but also consumer goods and a substantial amount of our food from outside sources at ever increasing prices. The resultant adverse movement of the terms of trade, the ever-widening deficits in the current account of African countries' balance of payments and the intolerable and mounting debt burdens must, in the face of dim prospects for a substantial rise in capital inflows and official transfers, continue to choke off all our efforts at effective resource mobilization for national development and progress. We must therefore take urgent and effective measures now to diversify our export commodities and markets and to control and rationalize imports through sound and efficient import substitution strategies. We are convinced that these and the adoption of more stringent fiscal policies and measures to mobilize more domestic resources for development will go a long way towards a lasting solution to our balance-of-payments and debt problems. While domestic efforts are paramount, they will have to be complemented and reinforced by sufficient external support from developed countries and international financial institutions.



44. The policy of commodity diversification will lay emphasis on the search for, and development of other exploitable natural resources suitable for export, while keeping in mind domestic needs. It will seek to improve the quality and competitiveness of African exports through more processing and increased productivity. Market diversification will aim at exploiting the potential in non-traditional areas such as the Socialist countries of Eastern Europe with which Africa has maintained a persistent trade deficit, other developing countries and, particularly, intra-Africa trade. African countries need maximum support in developing the capabilities required in trade promotion, market research and analysis and in the strengthening of intra-African trade.

45. Parallel efforts will have to be made to continue to reduce imports. Policies must be directed towards a vigorous restructuring of import substitution programmes with a view to ensuring self-sufficiency in major import items such as food (particularly cereals), energy, and intermediate inputs, especially fertilizers, cement, iron and steel, chemicals and pharmaceuticals. Dependence on the outside world for essential services, which has been the cause of much foreign exchange leakage, must also be reduced significantly. Other areas where savings can be made include the creation of African equivalents to overseas professional qualifications, establishment of appropriate mechanisms for education by correspondence, the improvement of education and health facilities at home, rationalization of overseas representation, control over the operations of transnational corporations - especially their practice of overinvoicing imports and under-invoicing of exports, - and the development of mechanisms for identifying alternative sources of supply and joint bulk purchases by member States.

46. In spite of difficulties with the major productive sectors, we are convinced that considerable scope still exists for increasing the level of domestic financial resources now available for development. Greater efforts will, for instance, have to be made to tap the potentially lucrative taxable areas which in many countries are still outside the tax net. The role of inland revenue services will have to be critically reviewed with a view to making them more effective. The judicious use of government securities and the whole array of monetary and financial instruments, incomes and pricing policies, etc. will have to be intensified to yield more revenues. In particular the role of financial intermediaries such as savings banks, commercial banks, pension funds, insurance companies, etc. will have to be reviewed with a view to making them more effective instruments for mobilizing additional savings particularly in the rural and urban informal sectors.

47. As already stated, the measures mentioned above will no doubt alleviate the acute pressure on internal and external balances. However, lasting solutions to the balance-of-payments and debt problems will materialize only with substantial support from the international community. Our guide-

line in this regard remains the Addis Ababa Declaration on Africa's External Indebtedness, adopted by the African Ministers of Finance at their meeting on Africa's external indebtedness held at Addis Ababa in June 1984 and annexed to our first Special Memorandum. That Declaration stipulates the measures that need to be taken at the national, subregional, regional and international levels in respect of the debt problem, especially debt relief measures; balance-of-payments support; increased resource flows into Africa; measures against rising interest rates; and alleviation of external debt through fair trade practices. We take this opportunity to renew our call to Economic and Social Council and the international community at large to offer material support for the implementation of the proposals contained in that Declaration. We call upon them in particular to give serious and favourable consideration to proposals on specific debt relief, balance-of-payments support, increased resource flows into Africa, measures against rising interest rates and the alleviation of external debt through fair trade practices. In this connection it might be appropriate to remind the international community that a one per cent rise in the rate of interest amounts to an additional burden of some US\$1.5 billion in annual debt servicing charges - an amount equal to the unmet emergency needs of drought-affected African countries in 1985, which were the subject of an international conference in Geneva in March of this year.

6. The development of natural resources

48. A most pressing requirement is to exercise effective control over Africa's natural resources. This is important for enhancing the level of their development and utilization and for promoting the effective linkages that natural resource development can generate within national economies. This of course implies the need to deepen knowledge of their existence, exploitability and potential end-uses.

49. International technical and financial assistance will be needed for the development or strengthening of programmes for the inventory of water, forestry, minerals, energy and livestock resources. Both bilateral and multilateral assistance will be required for the preparation and interpretation of basic geological, geophysical, geochemical and metallogenic maps to guide surveys at the national level. Assistance will increasingly have to be directed to the creation or review and strengthening geological and mining services. Of equal importance will be support in soil analysis and testing and the preparation of soil maps including land utilization and soil stability maps. Finally, a programme of assistance in natural resources development will have to pay particular attention to the utilization of information on natural resources as a basis for the formulation of national development plans and programmes within the framework of self-reliance and self-sustainment.

50. The support of the international community in the attainment of an improved energy balance will be crucial. Assistance is particularly needed in the exploitation of alternative energy resources such as coal, natural gas, hydropower and new and renewable sources such as solar energy, wind, biomass and geothermal energy for which great potential exists. These developments will greatly promote the shift from oil, the region's requirements for which are being met only at high opportunity costs in terms of foreign exchange.

#### 7. Combating drought and desertification

51. The current drought-induced emergency is both a consequence and a cause of Africa's underlying structural problems. Drought itself is closely associated with desertification which in turn is to a great extent the result of population pressures, overcultivation, overgrazing, deforestation and unskilled irrigation. The widespread nature of these phenomena throughout Africa and the tendency for drought to recur with increasing virulence have increased our fears that we may be faced with permanent, structural hunger, famine and underdevelopment. While at present, efforts are necessarily concentrated on emergency measures to mitigate the impacts of drought and desertification, appropriate measures to deal with the long-term problem must be embarked upon immediately. It is obvious that the scientific and technological inputs we need to face the problem squarely and successfully will derive in a large measure from international assistance. Such assistance will have to be substantial, consistent and sustained, and furnished within integrated national programmes for combating drought and desertification.

52. We require scientific and technical support, especially for strengthening national manpower and institutional capabilities for climatic research and applications. Assistance will have to be directed especially towards enhancing and sustaining a network of institutions for training, the co-ordination of data collection, analysis and dissemination through the expansion and modernization of existing national and subregional meteorological and weather observation stations to cover micro-climatic types, enhancing existing climatic data processing facilities, updating where necessary, the inventory of national, subregional and regional weather data stations and reinforcing the existing mechanism for increased collaboration in matters related to the collection, analysis and dissemination of meteorological and hydrological data and information.

53. Assistance will also be required in improving water, land and forest utilization and management practices. Joint programmes developed in this regard will have to take due cognizance of local, social and cultural conditions including population dynamics, local perceptions of drought conditions and their causes and traditional adaptation to drought and desertification.

54. The application of space science and technology, especially remote sensing, satellite communications and meteorological know-how, will increasingly have to come to bear on the control of drought and desertification. The manpower and institutional capabilities needed to internalize the sources and uses of information derived from this technology, are considerable, and require substantial external support.

#### 8. Science and technology

55. The importance of science and technology as instruments for generating and sustaining development and economic growth is recognized in the Lagos Plan of Action. This importance is underlined by the fact that the science and technology chapter is the longest in the Plan. The reinforcement of autonomous capacities so that science and technology can be put at the service of development is the over-riding objective of the Plan in this field. Priority areas for joint action include strengthening of national technological capacities, increasing awareness of the importance of science and technology in socio-economic development, evaluating the impact of new and emerging technologies on development aspirations, and developing technologies suited to African countries. Measures are needed to ensure the application of science and technology for spear-heading development in agriculture, transport and communication, industry, health and sanitation, energy, education and manpower development, housing, urban development and the environment.

56. Assistance to member States will thus have to focus on the formulation of national technology policies and plans, within the framework of reappraised strategies for technological transformation and in line with the economic and social requirements of individual countries. Special attention will inevitably be said to projects aimed at the development and demonstration of technologies particularly for rural areas, the reduction of pre- and post-harvest losses in food, the development and utilization of alternative, especially, renewable sources of energy and the development of methods and machinery for mobilizing the adaptive technology potential in the informal and rural sectors. In all these efforts, the requirements of self-reliance and self-sustained development, especially with regard to products processes and natural resources, will have to be borne in mind.

57. We wish in particular to call for support for the continued existence of the United Nations Financing System for Science and Technology Development (UNFSSTD). About 40 per cent of this fund should in principle be channeled towards the development of science and technology in Africa. The fund constitutes a vital instrument for the attainment of the objectives of the Lagos Plan of Action.

9. Human resources development and utilization

58. We recognize fully the central role that the effective development and utilization of human resources will have to play in effecting the requisite changes. Not only do we have to generate and effectively utilize critical skills, now in short supply, to design institute and sustain the kinds of internally generated self-sustaining processes of economic development and growth envisaged in the Lagos Plan of Action, we must at the same time ensure the full participation of all segments of the population in gainful and productive employment and in all dimensions of development so that the benefits of social progress are equitably shared. These objectives we must achieve primarily through our own efforts within the framework of the principle of co-operation and collective self-reliance. However, as explicitly stated in the Lagos Plan, international support is welcome and indeed essential as a supplement to our own self-reliant efforts. Such assistance, as stated in the Plan, should be regarded as reinforcing national, regional and multinational development efforts that member States must make in order for there to be development and progress. We therefore renew the call made in the Plan for international agencies within the United Nations system and other international, inter-governmental and non-governmental bodies to co-ordinate their support and actively participate in the implementation of our various programmes for human resources development and utilization.

59. The main elements of a programme for human resources development and utilization to meet the requirements of the reoriented development strategy, those where we would welcome donor intervention in both material and financial terms, include measures to strengthen human resources planning and programming, the integration of human resources planning and utilization within the framework of overall national development policies and plans, and measures to enhance the management and utilization of human resources.

60. In this regard priority will have to be given to the continuous assessment and development of the manpower needed in such crucial areas as natural resource exploitation, science and technology, industrial development, the transformation of the rural sector, the development of energy resources, transport and communications, entrepreneurship and management. Special attention will also have to be paid to the need for radical change in educational systems at all levels so that the relevant skills, knowledge and attitudes required for accelerated and diversified development are generated. The role of mass literacy and adult learning programmes, both formal and non-formal, will have to be re-examined with a view to making them more effective tools for raising productivity in agriculture and rural industries and for enhancing the participation of the masses in decision-making and in the general development process. Another area for priority action is the strengthening of employment planning capabilities at all levels, especially at the level of first entry into the labour market.

There will be need to integrate human resources planning and development at all levels of project design and implementation as part of a policy for developing local expertise and entrepreneurship. Finally, priority will have to be given to a thorough analysis of the nature and causes of the brain drain and measures to be taken to reduce it. In this regard, bilateral donors and multilateral institutions have a significant role to play by providing more training and infrastructural facilities to enhance the working environment for highly skilled Africans. They should also assist member States in their effort to attract highly skilled nationals back home.

B. SUPPORT FOR ACTION AT THE SUBREGIONAL AND REGIONAL LEVELS

61. It is clear from the orientation of the Lagos Plan of Action and the Final Act of Lagos that what our Governments are seeking is a complete restructuring of the African economies so that progress is based on the use of the region's own resources and potential. While the greatest efforts and actions will have to be taken at the national level, the small size and fragmented nature of markets in individual countries and the uneven distribution of natural resources among the 50 member States of the Commission make it difficult for many of them to establish viable production capacities and enhance capabilities for the adoption and adaptation of technology or successfully implement national measures which are highly dependent on the success and effectiveness of economic and technical co-operation at the subregional and regional levels. As the economic crisis deepens and threatens to weaken the fragile economies of our individual countries even further, we are more than ever convinced that we need to intensify our collective action in tackling the problems that face our countries. We wish therefore to call upon the international community to increase its support for programmes at these levels substantially.

1. Combating drought and desertification

62. The integration of our plans and activities for combating drought, drought-induced emergencies and desertification is an urgent task. In this regard, we wish to renew our appeal to the international community, including bilateral donors, organizations of the United Nations system and non-governmental organizations, to intensify their support for the successful implementation of the medium- and long-term subregional and regional components of the Regional Plan of Action to combat the impacts of drought in Africa, adopted by our Conference at its 10th meeting in May 1984 and in accordance with General Assembly Resolution 39/280. Assistance is particularly needed to establish or strengthen regional research and training centres and other institutional capabilities for the development of manpower and services relevant to drought and desertification control. The early establishment of the proposed regional African Satellite Communication System and the African Centre of Meteorological Applications for Development will greatly enhance the progressive use of space science and technology as well as that of computer science in the collection, analysis and dissemination of ground-based and weather satellite data not only for combating drought and desertification but for development in general.

2. Strengthening sectoral integration

63. Collective action at the subregional and regional levels needs to be intensified and pursued with vigour, especially in the food and agriculture sector. There is a need to formulate and effectively implement a regional food strategy that will eventually render the region self-sufficient in food. Such a strategy must take into account possibilities for cross-

country specialization in food production and exchange. National food security programmes will have to be integrated and harmonized for greater efficiency and cost-effectiveness. Similarly, the successful development of livestock and animal disease control will depend in large measure on the extent to which national programmes are harmonized and jointly executed. Co-operation will also be essential in research, training and the diffusion of technology, the production and distribution of agricultural inputs, the provision of incentives and pricing policies. Greater use will have to be made of the potential for the joint development of river and lake basins and shared water resources for irrigation, navigation, municipal and industrial water supply, flood control and drainage.

64. The joint development and exploitation of natural resources, raw materials and energy is a prerequisite for the successful development and exploitation of intra-African trade in raw materials and the establishment of basic industries. Measures will also have to be taken to establish and strengthen centres for the transfer, adaptation and diffusion of imported technology and the development of indigenous technology. There is, finally, an urgent need for joint measures in the transport sector to enhance the physical integration of the African continent.

65. The potential for subregional and regional co-operation is immense; we call for increased support from the international community to harness this potential. Support for inter-country subregional and regional co-operation has not been encouraging due partly to the overwhelmingly bilateral nature of international co-operation with Africa. There is now an urgent need for the major donors to show more support for intra-African co-operation and integration programmes, projects and activities.

### 3. Support for Africa's economic independence and stability

66. It is obvious that the underlying objective of the long-term strategy we have charted is the complete decolonization of our economies. The old approach to development, which has made the region's future and fortune excessively dependent on external demand stimuli, is leading us nowhere. We must take effective measures to internalize our sources of factor inputs through the rational exploitation of the continent's abundant resources, the development of domestic technology and the increased use of the region's comparative advantage in surplus labour. The realities of the international economic system have made it plain that we cannot hope to survive by depending solely on exporting primary products whose prices remain low, if not decline in order to import semi-finished and finished goods at ever rising prices. There is a need to develop an effective system of intra-African trade and to strengthen, restructure and reorient our financial and monetary institutions to enable them better to meet regional needs.



67. To achieve these and other objectives, Africa needs an increased measure of political stability. While we will continue to do all that is possible to strengthen our solidarity in all fields, taking advantage of our common culture, traditions and resources, the international community should realize that a weak and divided Africa is a threat to world peace and stability. We therefore call upon the international community to create the conditions necessary to achieve our set objectives without distraction, in an atmosphere of political, economic and social stability.

68. We cannot, in this connection, refrain from pointing specifically to the aggressive destabilization of the countries of Southern Africa now being pursued by the Republic of South Africa through the destruction of economic infrastructure, economic sabotage and blackmail, the harmful practices of South African transnational corporations and the prevention of attempts to pursue independent socio-economic development. The international community in general, and the major trading partners of South Africa in particular, have a responsibility to ensure that that regime puts a stop to these acts, which aggravate the economic problems of the countries concerned and threaten international peace and stability.

V. CONCLUSION

69. While we fully accept that the prime responsibility for turning the tide rests with our Governments and peoples, Africa's economic and social crisis is of such a ramified, complex and extensive nature that indigenous efforts to attack the root causes of Africa's pervasive socio-economic crisis and underdevelopment, no matter how bold and genuine, cannot succeed without the prompt and active support of the international community and a firm belief in international interdependence.

70. We have outlined in this memorandum measures that should constitute priority areas for long-term structural change. It is our fervent hope that, in the same spirit that the international community hastened to respond to the humanitarian needs of our continent, members of this community will commit themselves to helping fully in the economic recovery and development of Africa and will provide prompt, effective and adequate assistance in support of these measures. We do sincerely hope that the Economic and Social Council will not only give our second memorandum serious consideration but also add its voice to our appeal for effective international solidarity to bring about a new Africa which is capable of standing on its own feet, an effective partner in the international economic system.