from economic morass. It was the "New Deal" that took America out of depression and put it on the path of economic growth which today has made her the most economically powerful country in the world.

62. The African governments may not be as powerful and as efficient as the U.S.A. government was in 1933-36, but one thing is clear: America, which today is the leading champion of the market, did not rely on the market when it was faced with economic problems which were much less than are facing the African countries today. Rather, America accepted that one of the duties of the state in such circumstances was to care for its citizens who found themselves the victims of adverse economic circumstances which denied them the necessities for existence.

63. The African governments, or those of them that have the will, must use state powers to stop the recurrent devaluation of their currencies by returning to fixed exchange rates. They should control the escalating rates of interest, assist agriculture, industry, and commerce, and pursue a policy of full employment, alongside mass literacy and good public school education. The national resources of Africa are second to none in the world. The African countries must rapidly develop the physical resources as well as the equally large human resources for the benefit of its people, rather than for the benefit of those countries and people that already have an unfair share of the wealth of the world.

References

1. Julio de Santa Ana (ed.), *Sustainability and Globalization* (Geneva, Switzerland: World Council of Churches Publications, 1998).
2. Michel Chossudovsk, *The Globalisation of Poverty: Impact of IMF and World Bank Reforms* (London: Zed Books Ltd., 1998).
3. Rob Van Drimmelen, *Faith in a Global Economy, A Primer for Christians* (Geneva: Risk Book Series, WCC Publications, 1998).
4. Ulrich Duchrow, *Alternatives to Global Capitalism* (Germany: International Books, Kairos Europe, 1995).
5. Friedrich List, *Outlines of American Political Economy* (Wiesbaden, Germany: Dr. Böttiger Verlags, 1995).
6. *Annual World Bank, Conference on Development Economics, 1998 and 1999,* Boris Ploskovic and Joseph E. Stiglitz, eds. (Washington, D.C.: The World Bank, December 1999 and December 2000).
7. *African Development Indicators: 1998/99* (Washington, D.C.: The World Bank, 1998).
8. *Profiles of Africa's Severely Indebted Low-Income Countries: February 1996 (London: Debt Crisis Network (DCN), 1998).*
9. *The Economist Diary* (London, 1998, 1999).
10. *Adjustment in Africa: Reforms, Results, and the Road Ahead* (New York: Oxford University Press, 1994).
11. *Fidelio: Journal of Poetry, Science and Statecraft* (Washington, D.C.: Schiller Institute, Summer-Fall 2000).
12. *Economics: A Biannual Collection of Recent German Contributions to the Field of Economic Science,* Institute for Scientific Cooperation, ed., Tübingen, Federal Republic of Germany: Vol. 17, 1978; Vol. 31, 1985; Vol. 36, 1987; Vol. 40, 1989; Vol. 46, 1992; Vol. 55-56, 1997; Vol. 57, 1998; Vol. 59, 1999; and Vol. 60, 1999.
13. *The Economist* (weekly), London, 1990-2000.
14. Olu Ajakaiye and Bayo Akimbinu (eds.), "Strategic Issues in Nigerian Development," in *A Globalizing and Liberalising World* (Ibadan, Nigeria: Nigerian Institute of Social and Economic Research, 2000).

Uwe Friesecke

Globalization Left A Suffering Africa

EIR*'s Uwe Friesecke spoke to the Jan. 14-17 conference on "Peace through Development along the Nile Valley," in Khartoum, Sudan. His address was entitled, "The Economic and Political Failure of Globalization in Africa." Subheads are the author's.*

The state of affairs on the African continent clearly shows the utter failure of those economic policy prescriptions, that were implemented by the old Bretton Woods institutions, more than 20 years ago, as so-called market reforms and structural adjustment programs. The process of globalization has ruined one African economy after another. The resulting suffering of the vast majority of the African people is the clearest indictment of the incompetence and injustice, which is inherent in the post-1971 world economic system and which the governments of the G-7 group fanatically insist must be continued, at all costs.

According to the "Least Developed Countries 2000 Report" of UNCTAD [UN Conference on Trade and Development], the number of really poor countries, LDCs, has almost doubled between 1974 and 1998, from 25 to 48. Today, of these 48 LDCs, 33 are situated in Africa. On a list of countries ranked in descending order of their estimated 1998 under-five mortality rate, UNICEF's "State of the World's Children 2000" report ranks 41 African countries among the first 60.

If these figures reflect some of the results of the development of the world economy in respect to Africa, then who must take responsibility for it?

Was the direction of the world economy during the last 25 years decided in Lagos, Nairobi, Khartoum, or Addis Abeba? Where was the power situated that determined interest rates, borrowing conditions, or the prices of raw materials on the world market?—clearly not in Africa, but in London, Washington, and Paris, with the other G-7 governments always getting in line.

The lack of development, the abysmal and, in most countries, deteriorating standard of living for the overwhelming majority of the people, the rampant poverty, the widespread breakdown of health and education systems, and the seemingly unrestrained spreading of old and new diseases, such as malaria and AIDS, are the result of the brutal austerity that the IMF/World Bank policy has forced upon African countries, since the middle of the '70s.

Today, we must realize that African countries gained formal independence starting during the 1950s, but never accomplished true economic independence and sovereignty. The old colonial system, of condemning Africa to export raw materials at the lowest possible world market price, and preventing the substantial development of infrastructure, agriculture, and industry inside Africa, was continued under the reign of the IMF [International Monetary Fund] and the World Bank to this day. The decade of the '80s was rightly called the "lost decade."

But whoever hoped, at the beginning of the '90s, that the end of the Cold War and the end of apartheid in South Africa would finally create more favorable conditions for Africa's development, was thoroughly mistaken. Not only did the economic exploitation of Africa continue unrestrained, but additionally, another aspect of Western strategic policy started creating havoc within and among African countries: geopolitics as strategy of tension. Unresolved political conflicts, often with an ethnical dimension, were fomented, to set Africans against fellow Africans. This has engulfed the Congo and most of its neighbors, in what the *Financial Times* and the outgoing U.S. Secretary of State gloatingly called "Africa's first world war."

It can be shown in detail, that the purpose of this strategy of tension is to guarantee the continuous looting of Africa's strategic raw materials, while preventing African governments from using them for their own development needs. This is the policy of globalization driven to its ultimate extreme: Governments and states disappear, and power is exerted through warlords or mercenaries, while the petroleum, diamonds, gold, timber, and strategic metals continue to flow freely into the world market.

Being aware of these strategic processes, we think a new Pan-African approach to sovereign economic and security policy for the continent must be formulated. Strategies for internal national and regional development must be combined with initiatives that can take advantage of the disintegrating world financial system, and remove the economic and political strangulation of Africa. The concept of a new, just world economic order, so intensely debated during the years of the Non-Aligned Movement, must be put on the table again.

Uwe Friesecke: The international financial institutions are deliberately perpetrating genocide in Africa, but there is an alternative: peace through economic development.

Economic Policy Failure in Africa

Data published by the World Bank in its recent report, "Can Africa Claim the 21st Century?" show the full extent of the misery that has affected the continent after following the IMF/World Bank prescriptions for the last 25 years.

In Sub-Saharan Africa, more than 40% of its 630 million people, more than 250 million, live below the internationally recognized poverty line of $1 a day. As the report says, "The number of poor people has grown relentlessly, causing Africa's share of the world's absolute poor to increase from 25 to 30% in the '90s."

More than 250 million people lack access to safe water. More than 200 million are without health services. More than 2 million children die every year before their first birthday. In 39 African countries—of 53—the under-five mortality rate is more than 100. Some 1.1 million people, three out of four of them children, die from malaria; 1.5 million people die from tuberculosis, and another 8 million are newly infected every year.

Malaria is one of the diseases which, after reduction during the '60s, has now come back with increased death rates. At the beginning of the century, the rate was 223 deaths per 100,000. By 1970, that rate had dropped to 107. Today, the rate is back up to 165 deaths per 100,000.

In Africa, about 23 million people are infected with AIDS. More than 11 million have already died of it. It is estimated that this only constitutes 10% of the illness and death this disease will bring to the continent. There are already 21 countries in Africa in which more than 7% of the adult population lives with AIDS. AIDS has created more than 8 million orphans. Especially in some countries of Southern Africa, AIDS will reduce life expectancy by up to 20 years. But also in countries in the west and east of the continent, like Nigeria and Ethiopia, the AIDS problem constitutes a deadly threat. AIDS in Africa has developed into a pandemic. Its effects are comparable to the Black Death in medieval Europe.

How was this economic and social disaster in Africa brought about?

The structural adjustment policies, which under pressure from the IMF/World Bank were adopted by most African countries beginning in the 1980s, and intensified during the '90s, forced African governments to pay the debt instead of fund health and education services; to destroy the values of the national currencies in favor of more exports of raw materials and to the detriment of needed capital-goods imports; to retrench the civil service, thereby increasing unemployment; to privatize national assets at rock-bottom prices and to deregulate trade, which left local industry increasingly defenseless. This policy of so-called free-market reforms has worsened the debt crisis, made large-scale investments in hard infrastructure impossible, and produced the abject poverty we see around the continent.

Especially those countries, which have been praised as success stories by the Bretton Woods institutions, show most clearly the failure of the policy.

In Zambia, after nine years of democracy and economic reforms, 80% of its 9.7 million people live below the poverty line. Average life expectancy has fallen from 49 years in 1992 to 37 years today, while child mortality per 1,000 births has risen from 97 in 1980, to 202 in 1998. Zambia is paying more than $250 million in debt service every year on its $7 billion foreign debt.

Mozambique, after eight years of reforms, still has 70% of its 18 million people living below the $1-a-day level. The statutory minimum wage for industrial and office workers is only equivalent to $30 a month, and is only rarely met. According to the UN publication "Africa Recovery," a rural Mozambican must walk an average of 46 kilometers to reach the nearest doctor, and 66 kilometers to the nearest secondary school. The reforms have withdrawn all social safety nets in the towns, and destroyed tens of thousands of formal jobs, especially in the important cashew sector. Mozambique owes $6 billion foreign debt, and pays approximately $125 million a year. But, according to the macroeconomic indicators of 10-12% annual GDP growth since 1997, the country should be booming. The World Bank cynically calls this "growth with poverty."

Governments that followed the IMF reforms were also forced to give up free education and health service, and to charge fees instead. Naturally, school enrollment and the number of patients treated, dropped markedly.

One wonders how, after all those years, IMF and World Bank officials can have the nerve to declare, that now, their priority is to reduce poverty and invest in people. First, they set the house on fire, and when the house is already burnt down, they call the fire brigade.

The Case of Ghana

The history of Ghana over the last 20 years, shows most clearly that it is not only the increase of poverty which becomes the problem, after the neo-liberal doctrine is applied; the long-term structural changes in the economy are of even greater consequence.

If one analyzes the changes in the sectoral distribution of the Ghanan economy between 1970-75 and 1991-95, one finds a shrinking of industry, from 19% to 14%, and agriculture, from 52% to 42%, in favor of services from 29% to 44%. The economy of Ghana has lost its physical capability to produce. On the other hand, the collapse of the currency—2.75 cedi to the dollar in 1983, when the Rawlings government came to power by a not-so-democratic coup, to 6,856 cedi to the dollar at the end of last year—makes it prohibitively expensive to import needed capital goods. In this way, Ghana depends absolutely on the export of gold, timber, and cocoa, without ever having the chance of producing itself out of the crisis, and developing the internal market of the economy, especially if the world market prices collapse, as they have over the last years. As in other African countries, exports of raw materials have increased significantly by volume, without bringing back more earnings to the country. In other words, the looting has increased exorbitantly.

The Debt Trap

Sub-Saharan Africa's debt totals more than $220 billion today. If we add North Africa, it is more than $300 billion. In 1980, it was $60 billion and $112 billion, respectively. During the 1990s alone, Sub-Saharan countries paid an average of $11 billion, and North Africa another $13.4 billion a year in debt service. In one decade, Africa paid almost $250 billion on its foreign debt, only to owe more at the end, than it had at the beginning. This debt burden constitutes the worst form of slavery, and is, in itself, a crime against humanity, because, as the examples have shown, African countries are forced to pay it with the lives of their people.

Now the financial institutions are talking about the urgent need for debt relief and reduction. It is called the HIPC [for "Highly Indebted Poor Countries"] initiative. But what good is this, if the country which receives the relief, pays more after the relief, than before? As is the case with Zambia: It paid $136 million in 1999, and is supposed to pay $225 million this year, and $235 million next year, after receiving the relief. So, why don't we call it what it is, a gigantic fraud? They are not serious at all, if they now declare their intention to do something about poverty reduction.

Africa's economic disaster is euphemistically called "marginalization." The effects of the debt burden, structural adjustment programs, and deteriorating terms of trade for major export commodities have destroyed all hopes, with which the leaders of Africa's independence struggle started building their nations in the 1950s and '60s. Instead of lifting Africa up to becoming an equal partner in world trade and production with Europe, North America, or Asia, the tiny share of 3% that Africa held in world trade in the '50s, shrank even further to less than 2% during the '90s, and, if one excludes South Africa, to only 1.2% today.

After presenting these data on Africa's plight, the World Bank in its cited report, "Can Africa Claim the 21st Century?" reaches the amazing conclusion that, "without action, Africa's problems will worsen," and discovers that "investing in people is also essential for accelerated poverty reduction."

If the economists at the World Bank needed more than 50 years to discover such a simple truth—having over the last 25 years clearly followed a policy of disinvesting in people—how seriously can we take them, if they declare their aim, by the year 2015, to be reducing the number of absolutely poor people in Africa by half? According to their own statistics, annual growth rates in excess of 5% all over Africa would be needed, just to prevent an increase in the absolutely poor; and 7% annual growth rate would be needed to halve the number. This is three times the average growth rates since 1973. The World Bank proposes to follow exactly the same neo-liberal economic policy measures which have caused the disaster in the past two decades—just more radically.

One can only conclude, without World Bank/IMF action, Africa's problems can only become better!

The West's Strategy of Tension in Africa

The economic collapse and the disintegration of the social fabric in many African countries during the 1980s alone, would have been enough to cause violent conflicts within and between states. But to make matters worse, Western geopolitics intervened. While world attention in the Summer and Fall of 1990 was concentrated on the buildup for the coming Gulf War, the unfortunate President of Britain's former colony, Uganda, with outside help and guidance, attacked Uganda's neighbor Rwanda, disguising the attack as a "rebellion." This engulfed Rwanda and Burundi in a cycle of violence, which led to the tragic events of 1993 and 1994. Two more "rebellions," in 1996 and 1998 in Congo, threw all of Congo into a war. This destroyed the prospects for peace in Angola, and destabilized all of southern Africa.

How many people lost their lives in this carnage? We don't even know.

Probably up to 5 million directly through the wars, and some millions more indirectly, through diseases and starvation.

This war scenario in the Great Lakes and in Congo overlapped the crisis and conflict in southern Sudan, which outside manipulators tried to organize more intensely, during the 1990s, as a "clash of civilizations."

The heart of Africa is being plundered by warlords, who make themselves willing tools of the new colonialists. How does it come to be, that capitals of countries that have neither diamonds nor gold, nor timber, have emerged as major exporters of those goods?

If states, governments, and borders disappear, and authority over territory is exerted by the power of military force, including mercenaries, the ultimate deregulation and liberalization of market forces has been accomplished. Thus, whoever has the power, can either dictate the cheapest price for the product, or simply steal it, and deliver it to his foreign backers.

This is the process of looting, by which Africa loses its raw materials, such as minerals, petroleum, diamonds, and agricultural products, while Africa's people starve or die of diseases. At the same time, the strategy of tension provokes the continuation of conflicts, so that African nations and governments never have the chance to use their natural wealth for their own development.

Let us look at a very interesting document, which was formulated under the title "Global Trends 2015: A Dialogue about the Future with Non-Government Experts," by the National Foreign Intelligence Board under the authority of the Director of Central Intelligence of the United States government, last November in Washington. This refers directly to what Lyndon LaRouche described this morning as the Kissinger-Brzezinski policy of controlled disintegration and neo-Malthusianism, which started at the beginning of the 1970s and is still the policy-outlook of the dominant power group of Anglo-Americans today, especially among the incoming Bush Administration. Some of his Cabinet ministers, such as Donald Rumsfeld, were already in leading government positions. This document shows, how brutal the policy discussions are in Washington, about the future of Africa.

Meanwhile, the public is being fooled by the sweet words of the World Bank about reducing poverty. The IMF, including its new Managing Director, Horst Köhler, and other officials, and the World Bank, under the pressure of international criticism, are simply lying about their concern for the poor. They have no intention to follow their own promises.

The following quotes from the document, which is public, and which you can find on the webpage of the CIA, make this clear. Under the subtitle "Sub-Saharan Africa, Regional Trends," they present this future of Africa:

> **Sub-Saharan Africa.**
>
> Regional Trends. The interplay of demographics and disease—as well as poor governance—will be the major determinants of Africa's increasing international marginalization in 2015. Most African states will miss out on the economic growth engendered elsewhere by globalization and by scientific and technological advances. Only a few countries will do better, while a handful of states will have hardly any relevance to the lives of their citizens. As Sub-Saharan Africa's multiple and interconnected problems are compounded, ethnic and communal tensions will intensify, periodically escalating into open conflict, often spreading across borders and sometimes spawning secessionist states.
>
> **Current HIV Prevalence Rates.**
>
> In the absence of a major medical breakthrough, the relentless progression of AIDS and other diseases will decimate the economically productive adult population, sharply accentuate the continent's youth bulge, and generate a huge cohort of orphaned children. This condition will strain the ability of the extended family system to cope and will contribute to higher levels of dissatisfaction, crime, and political volatility. Poverty and poor governance will further deplete natural re-

sources and drive rapid urbanization. As impoverished people flee unproductive rural areas, many cities will double in population by 2015, but resources will be inadequate to provide the needed expansion of water systems, sewers, and health facilities. Cities will be sources of crime and instability as ethnic and religious differences exacerbate the competition for ever scarcer jobs and resources. The number of malnourished people will increase by more than 20% and the potential for famine will persist where the combination of internal conflict and recurring natural disasters prevents or limits relief efforts.

Economic Prospects.

Conditions for economic development in Sub-Saharan Africa are limited by the persistence of conflicts, poor political leadership and endemic corruption, and uncertain weather conditions. Africa's most talented individuals will shun the public sector or be lured abroad by greater income and security. Effective and conscientious leaders are unlikely to emerge from undemocratic and corrupt societies. Most technological advances in the next 15 years—with the possible exception of genetically modified crops—will not have substantial positive impact on the African economies. Although West Africa will play an increasing role in global energy markets, providing 25% of North American oil imports in 2015, the pattern of oil wealth fostering corruption rather than economic development will continue. There will be exceptions to this bleak overall outlook. The quality of governance, rather than resource endowments, will be the key determinant of development and differentiation among African states. South Africa and Nigeria, the continent's largest economies, will remain the dominant powers in the region through 2015. But their ability to function as economic locomotives and stabilizers in their regions will be constrained by large unmet domestic demands for resources to stimulate employment, growth, and social services, including dealing with AIDS. Even a robust South Africa will not exert a strong pull on its partners in the Southern African Development Community (SADC). The success of the South African economy will be more closely tied to its relationship with the larger global economy than with Sub-Saharan Africa.

Ethnic, Political, and Religious Conflicts.

Role of Non-State Actors. The atrophy of special relationships between European powers and their former colonies in Africa will be virtually complete by 2015. Filling the void will be international organizations and non-state actors of all types: transnational religious institutions; international non-profit organizations, international crime syndicates and drug traffickers; foreign mercenaries; and international terrorists seeking safe-havens. Fundamentalist movements, especially proselytizing Islamic groups, will plow fertile ground as Africans seek alternative ways to meet their basic needs. Internal conflicts will attract—and leaders will in some cases welcome—foreign criminal organizations or mercenaries to assist in the plundering of national assets, while faltering regimes will willingly trade their sovereignty for cash.

After reading this, nobody should have any illusions about the policy outlooks of the incoming Bush Administration and the Anglo-American elite vis-à-vis Africa.

The Alternative: Peace through Development

But there is an alternative.

At the end of the 1980s, the Italian engineering firm Bonifica worked out a study, "Transaqua: An Idea for the Sahel" (**Figure 1**). The basic idea of this project, is to transfer 100 billion cubic meters a year of fresh water, from the basins of the River Congo to the Sahelian area in Chad and Niger. This amounts to about 5% of the river's discharge into the Atlantic, and is more than the annual flow of the Nile into Lake Aswan. A navigable canal of 2,400 km length, running from Kivu along the eastern and northern crest of the Congo catchment, would reach the Congo-Chad watershed in the Central African Republic, and discharge its entire flow at the head of the River Chari, a tributary of Lake Chad.

The potential benefits for irrigation, energy production, and transportation, for all the countries involved, including landlocked Rwanda, Burundi, and Uganda, are obvious. The useful projects already envisaged by the study are numerous. The countries and people of Central Africa and the Great Lakes region could concentrate on realizing Transaqua, for their mutual and common benefit.

If the West had had a responsible strategy for peace and development after 1989, African leaders would have been encouraged to search for solutions along that path.

But instead, Transaqua was rejected, and Western geopolitics opted for war in Central Africa.

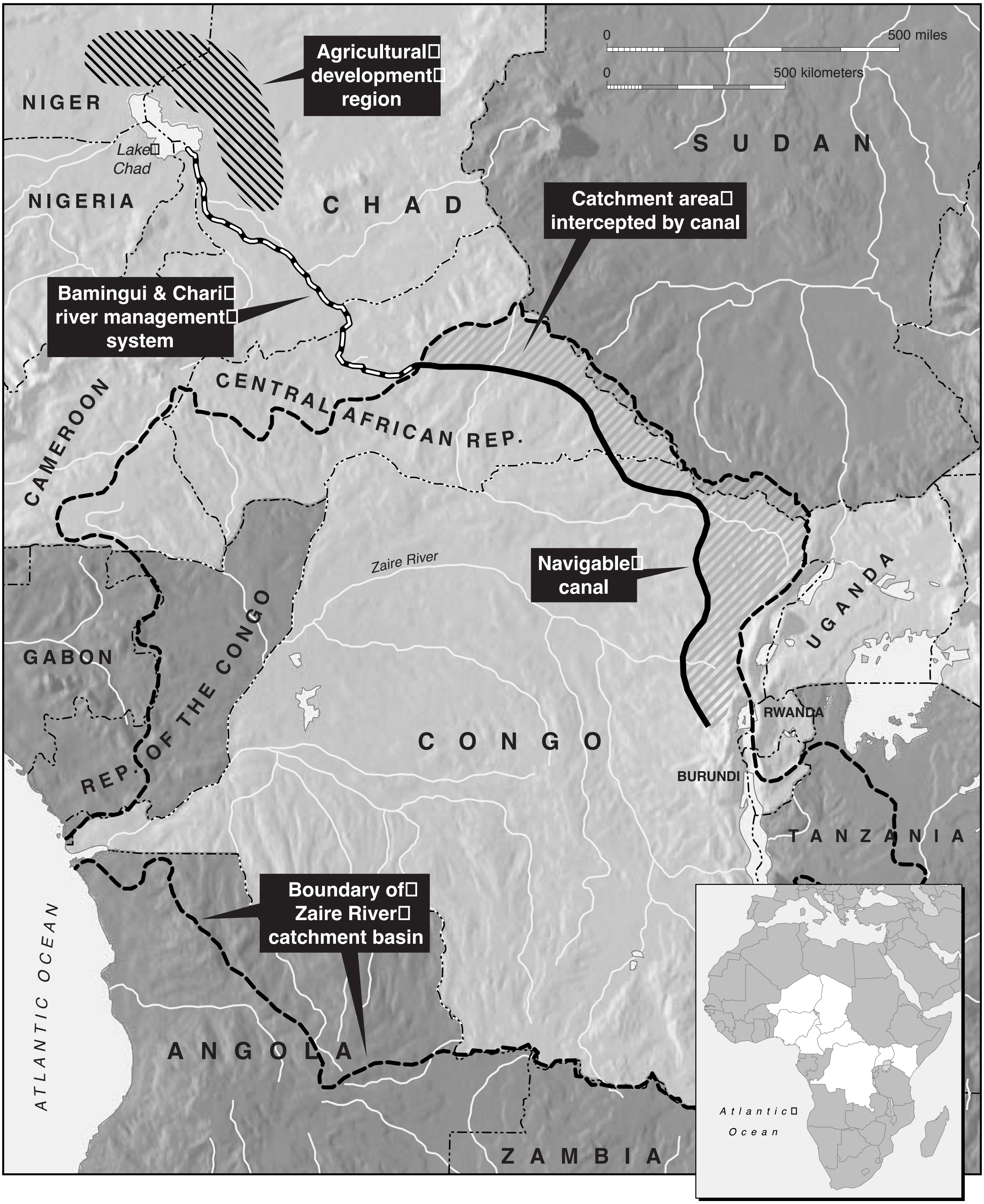
There should be no illusions.

Behind the crocodile tears that some of our leaders in the West are shedding for Africa, and the nice words they are uttering for the future of Africa's people at the United Nations and elsewhere, lies the stark reality, that strategic policy-planning in key Western power-centers for Africa, insists on continuing such a colonial strategy of tension—or,they have simply written off the continent.

It is therefore urgent, that a new Pan-African call for political battle be issued. This call has to take its authority from the inalieniable rights of men. The right for development of each and all people, regardless of color or creed, is one of them. Pan-Africanism today has to reformulate a strategy of peace through development, which must claim equal economic rights for Africa among the community of nations from other continents.[]

FIGURE 1

The Transaqua Project, as Proposed by Bonifica



What Africa's founding fathers envisaged 50 years ago, is again the historical task of the new century: Within one or two generations, build African nations to enjoy peace, and a standard of economic well-being, which is worthy of the dignity of man, and equal to that enjoyed by the so-called advanced sector.

For discussion, let me now submit the following five points of concrete measures:

1. Cancel Africa's foreign debt.

In my opinion, the entirety of Africa's foreign debt should be cancelled altogether. Africa has not only paid many times over what it originally owed, but everybody also knows, that this debt never will and never can be collected by the creditors, even if they found enough African leaders, who would be willing to sell their entire nations. So, why not simply eliminate the problem? But this is only a tertiary problem for the development of Africa.

2. Re-regulate world trade and re-introduce protectionist measures into national economies.

The two most important measures must reverse the destructive effects of deregulation of world trade under the so-called GATT and WTO reforms, and be directed to develop the internal markets of Africa's national economies.

Re-regulation of world trade has to introduce a parity price for raw materials and agricultural products. In this way, African economies must be allowed to earn a fair price for their exports, which corresponds to the real value of the product, rather than being forced to sell below production costs. The ever-increasing, downward pressure of multinational corporations on world market prices for Africa's raw materials must be stopped. If pineapples from Ghana are sold for $1.50 to the consumer in Europe, one can imagine how much the peasant in Ghana receives. In this way, under the excuse of the free market, African peasants and workers are condemned to continue to work as slaves for the world market.

The campaign to demand reparations for the injustices Africa has suffered from the slave trade, should address this problem.

The best "reparations" the West could pay for the injustices of colonialism, would be to finally eliminate the injustices in the world economic system against Africa and the developing sector, and, through parity prices, treat Africa as an equal partner in world trade. In this way, Africa would earn the money needed for its own development, and much of today's development aid would become unnecessary.

To re-regulate world trade with parity prices for raw materials and agricultural products is essential and the cornerstone of a new, just world economic order. This must be combined with protectionist measures to protect industry. It is completely ridiculous, that in Kenya, Nigeria, Ghana, Zambia, Zimbabwe—everywhere in Africa—the textile industry has collapsed and has been replaced by imports of second-hand clothing from Europe and the United States. This is another fraud of the deregulated system. We need protectionist measures to be able to build up the internal strength of the markets. If the internal markets of African nations function, the buying power of the African population increases, and they will become much better customers for international trade, including Africa's regional trade.

3. Issue new, long-term international credit for large-scale infrastructure projects.

We need to realize the big water projects of the continent, such as the Nile, Kagera, and Congo projects. We need a transcontinental rail system at international gauge standard, coordinated with the completion of a transcontinental highway system. We need all the elements of hard infrastructure that are necessary for a functioning economy. Local engineers and producers must be involved in building these projects. In this way, buildup of infrastructure functions as the engine to drive real physical goods production, as the essence of the development of the internal economy of countries.

We should revisit the existing plans for continentwide infrastructure development. In follow-up discussions to this seminar, we should design a plan with the most important regional infrastructure projects, from the standpoint of what is best suited for the development of the continent as a whole. And we have to counter those plans for infrastructure which are still designed from a colonial point of view, to increase the looting of the continent, rather than its development.

For example: There exists a plan to steal the water of the Congo. It is called the Solomon pipeline project. A U.S. firm is proposing to take the water out through a pipeline to the Middle East, and, unfortunately, the current government in Kinshasa is already in negotiation for this. This would destroy the Transaqua plan and lose a unique possibility to reverse the ecological and economic disaster of all of Central Africa. With Transaqua, millions of hectares of new farmland would be developed for the Central African Republic, Chad, and other countries of the region, which are now suffering from famine. Transaqua would change the development dynamic of all of Central Africa in such a way that neighboring countries like Sudan, Uganda, and, especially, population-dense Rwanda and Burundi could benefit tremendously.

4. Unleash Africa's agricultural potential.

Africa in large part has much better climatic conditions for agriculture than Europe or the United States. Africa should be put into the position to produce not just agricultural raw materials, such as cocoa, but value-added products, to feed its own people and to deliver food to the food-deficit areas of the world, such as the Middle East and parts of Asia. In this way Africa could earn the revenue to invest in its development.

5. Unite African countries in cooperation around such a vision of Peace Through Development.

Conclusion

In my opinion, if we try to solve conflicts in Africa, without giving people the most ambitious vision for development of the continent, we will not succeed. Because the biggest problem we have—and you can look at every attempt for conflict resolution, be it in southern Sudan, in the Arusha negotiations for Burundi, or the Lusaka Accords for the Congo—is to confront the demoralization and the sense of hopelessness of the people involved. To overcome this, such an ambitious vision for the development of Africa is needed, which will guarantee that Africa reaches an equal place in the community of nations within the first part of the 21st Century, and that its people, 40 years after the end of colonialism, can live in peace, justice, and prosperity.

Ode Ojuwo

Nigeria's Struggle To Survive Globalization

Professor Ojuwo is from the Centre of Developmental Studies at Jus University, Nigeria. He addressed the conference on Jan. 15, following Lyndon LaRouche's keynote presentation on "The New Bretton Woods System as the Framework for a New, Just World Economic Order." Mr. LaRouche's speech was published in EIR *on Feb. 23.*

Chairman, and presenter, ladies and gentlemen, I do hope that I'm not going to produce an anticlimax after such an eloquent presentation. We read, we heard from Mr. LaRouche several times, and I'm not really sure whether I'm in a position to comment directly on the presentation he has made. But let me make a few comments, one by way of a joke; I hope it will make you laugh.

This Y2K scare: In Nigeria, the government spent $10 million to prevent a collapse of the computer system, even though we have no electricity. On one of those committees, I met a friend who was chairman of the committee, a graduate of MIT in the U.S., preparing his report on the Y2K crisis, using a kerosene lamp. And I asked him, "Why are you writing this report, using a kerosene lamp? You know that you don't have electricity in this part of the state!" He said to me that his state government appointed him to write it, because it's a directive from the federal government to do so, and he was to going to get his allowance writing it. In the new year, most of the country was in darkness, because there was no electricity. So, the absence of electricity solved the problem of Y2K in Nigeria.

A number of colleagues put forward this doom scenario yesterday, and I think there was a reaction to it, which was that we should also blame the internal structures for the crisis that we face. But sometimes we have to identify primary problems, as distinct from secondary problems, which are derivative of the primary ones. And, as I got a good expression from a colleague yesterday, if you want to kill an octopus, you hit it on the head, not once but ten times.

You will recall that Nigeria is a big country in Africa. Nigeria is the largest borrower of World Bank funds in Africa. Nigeria is also the largest producer of crude oil in Africa, the sixth in the world. In the last two years, Nigeria has been earning, from about 2 million barrels of crude every day, about $30 to $35 a barrel, which gives it an income of between $60 and $70 million a day, gross.

In 1985 there was General Gowon's administration, and the government launched the structural adjustment program, after a debate in which Nigeria overwhelmingly rejected the International Monetary Fund loan. The government at the time said that since the IMF loan was rejected, the alternative was the World Bank structural adjustment program, without a debate. And so, we launched the structural adjustment program, under the military regime. I'm making this point because of the series of steps that were outlined by the presenter, and the crisis that it represents.

We have a similar process in Nigeria; that's why I'm trying to outline what is going on there for you, to link it up with the overall global process that has been presented to us today.

The Structural Adjustment Program

The immediate intention of the structural adjustment program [SAP] was to determine the exchange rate of the naira [Nigerian currency], according to the market forces. Before the program was launched, the naira, between 1980 and '81, was exchanging for about 50 kobo—that's just half a naira—to one dollar. On the launching of the program in July 1986, the naira immediately dropped to 4 naira to the dollar; and then to 7 naira to the dollar; 10 naira to the dollar; 11 naira to the dollar. Today, it is 100-105 naira to a dollar.

We're told that the principal reason for allowing the depreciation of the exchange rate, was so as to expand our exports. From the time that the naira depreciated, until today, all exports have virtually ceased, except crude oil. We advised the government at the time, that you don't export because you depreciate your currency; you export because you have the technology to produce, and once you are in the export market, the relative values of your currencies can determine the volume of sales. But depreciation itself cannot put you on the export market. We were told that that was wrong. And it looks like the more the naira depreciates, the greater the volume of *imports* to Nigeria.

Today we are importing chicken, fried frozen chicken from the U.S., frozen turkeys from the U.S., orange drink from Britain, just as our own oranges lie and get rotten by roadside, because the infrastructure has collapsed.

Now, we have, during this period, expanded our financial sector tremendously. By 1985, when the SAP was introduced, and into 1986, we had only two merchant banks, only in Lagos. By 1992, we had over 52 merchant banks, and the number of commercial banks rose from under 40 to over 130,