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NUMBER OF PAGES including this page: One PROJECT CODE: Acc 12

Dear Mrs. Kiranga,

In reply to your fax ref PN/IDS/1/53 of yesterday re the draft monologue "Africa to 2000", Reg Green is at present in Mozambique and the communications are none too good. However, I have taken advice from Professor Mike Faber on the two points you mention and we suggest you substitute with the following:-

1. Page 4 para ix - sentence.

"Even for countries whose substantial defaults are largely tolerated by the creditors, the costs of higher import prices, future uncertainties and present misallocation of scarce professional time to meaningless "reschedulings" is very high."

2. Page 11 para iii - sentence.

"The West's general agreement both (a) to give Russia - and certain other USSR successor states - substantial support in order to ensure stability and to promote a market economy; and (b) to firm relations with the post USSR states rapidly serve to establish the primacy that the OECD countries were according to these particular economic and strategic considerations."

Hope this will be helpful.

Yours sincerely,

Sonia

Mrs. Sonia Hill
Secretary to Prof. R. H. Green



**SOCIETY FOR INTERNATIONAL DEVELOPMENT
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.....3 November 1993.....

Mrs. Sonia Hill
Secretary to Prof. R. H. Green
Institute of Development Studies
University of Sussex
Brighton BN1 9RE
England

Fax No. (0273) 621202

Dear Mrs. Hill,

RE: DRAFT MONOGRAPH ON AFRICA TO 2000:

Kindly clarify two points in the above document:

1. Page 4 para ix: Please see - (towards the end of the para) - the sentence that starts "Even for countries to a large extent in substantial, substantially tolerated ...". Is something missing after the first "substantial"?
2. Page 11 para iii: Halfway through the paragraph, please see the sentence that starts "The West's general agreement (a) ...; and (b) to firm relations with the post USSR states rapidly both establish because ...". Part (b) is unclear.

We would appreciate your urgent response.

Thank you and kind regards.

Mary W. Kiranga (Mrs)
Personal Assistant to the
Chairman

continue to function inequitably, unstably and in favour of the rich and the powerful countries (or at least against the weak and poor).

The continuing recession in the West has meant, amongst other things, more concern with internal issues in those countries (e.g. unemployment, balance of payments, fiscal deficits, etc.) and therefore lower and still decreasing priority for foreign assistance for opening up of markets to imports from the developing countries and for related measures. The protracted recession (and therefore substantial increases in unemployment in some of those countries) also appears to be partly responsible for the growing and visibly hostile intolerance against immigrants and workers from developing countries - for example in Germany and France.

- iii At the international level, the developed countries are now much more involved in seeking to work out more effective cooperation measures and systems amongst themselves than ever before. At the same time they face serious conflicts of interest among themselves and structural barriers to sustained growth which they perceive as very serious. This means, amongst other things, that African issues are unlikely to be high on the political agenda of the international community - since that agenda is normally set by the powerful developed countries. Africa's marginalisation has been accelerated by a number of these developments now preoccupying important countries of the North. The increasing - if not necessarily effective - attention in the North to the explosive issues, in their "region", currently most horrifyingly in the former Yugoslavia is one example. The West's general agreement ^{both} (a) to give Russia - and certain other USSR successor states - substantial ~~attention and~~ support in order to ensure stability and to promote a market economy; and (b) to firm relations with the post USSR states rapidly ^{serve to} ~~both~~ establish ~~because of~~ economic and ~~of~~ strategic considerations. Finalisation of basically Northern economic/political cooperations arrangements (e.g. ratification of the Maastricht Treaty by the EC countries, and that of the US/Mexico/Canada Trade Agreement) also have higher priority than standard North-

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- viii A sharp, widespread decline in the rate of fall of infant mortality - and, more alarming, reversal of that rate in a number of countries. A contributory factor and a problem in and of itself is the increase in numbers of malnourished children - 30 per cent or more of pre-school children are now underweight. Malnutrition and otherwise minor illness are lethal, malnutrition and poor mental development are equally closely linked.
- ix For most African countries the external debt has become an unmanageable problem, a real barrier to any sustained economic recovery and growth, and a major source of political weakness as creditors use it to exercise direct and indirect leverage on the policies and programmes of the debtors. This terrifying debt, ⁷ burden for the continent as a whole stood at about US\$ 290 billion in 1992 excluding both trade credit arrears and a substantial portion of commercial credit. That figure is more than two and a half times that of 1980 - may well be the most serious external problem which many countries are now facing. While these countries are also facing other serious problems ^{at on} the external front - for example in the trade area (especially protectionism and terms of trade), and in access to foreign capital and technology - there is no doubt that the external debt is a very immediate and high barrier to their economic recovery and growth, and will continue to be so until the creditors recognise and accept that much of the debt is really unpayable. Even for countries ~~to a large extent~~ ^{whose} in substantial, ~~substantially tolerated~~ defaults, the costs of higher import prices, future uncertainties and present misallocation of scarce professional time to meaningless "reschedulings" is very high. It should be added, as explained later, that this external debt is also a major source of social and political instability in these countries.
- x In many countries, such as Ethiopia, Eritrea, Mozambique, Togo, Angola, Sudan, the Saharan Republic, Liberia, Somalia, Uganda and Rwanda there have been, because of civil wars, major disruptions economically, socially and politically which will take many years to heal. Zaire, for example, has never fully overcome the traumas of its 1960's civil wars and dislocations. Post-war

are largely tolerated by the creditors,