SOME COMMENTS ON THE MANUFACTURING SECTOR IN SIERRA LEONE

By

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Introduction

With an area of 28,000 Sq. miles and population of 3.3 million in 1978 *(1)*, Sierra Leone is one of the smallest states of Africa. With GNP per capita of $ 210 in 1978 *(2)*, Sierra Leone is ranked as one of the twenty poorest nations in the world. Yet in several respects Sierra Leone shares a number of social, political and economic features with other African countries. The vast majority of the population (75%) consists of peasant producers, cultivating the soil for subsistence as well as for cash *(3)*. Since Independence (in 1961) Sierra Leone has been characterised by political instability (a series of coups and attempted coups) which has led to the corrupt and authoritarian one-party regime of Siaka Stevens' All Peoples Congress (A.P.C.) *(4)*.

The growth rate of the economy since Independence has not been high by international standards *(5)*. Between 1960–78, GNP per capita grew at an average rate of 0.5% annually *(6)*. Furthermore, in the period 1970–78 GDP grew at constant prices by 10% from Le 343.8 million** to Le 379.2 million, i.e. just over 1% annually *(7)*. However when population growth rate (of 2.6%) is taken into consideration, the net average income actually declined. In short the economy has stagnated in the last twenty-one years.

This stagnation is in part due to the decline of Sierra-Leone's traditional agricultural exports, – cocoa, coffee, ginger and piassava. Total volume of agricultural export dropped from 85,000 tons in 1950 to 67,000 tons in 1963. This decline meant that whilst agriculture accounted for 51.6% of the value of total exports, the figure for 1963 was only 16.4% *(8)*. On the other side of the balance sheet, mineral exports increased in both volume and value. Diamond export in 1950 stood at 638,000 carats valued at £1,566,000. This figure rose to 1,739,000 carats in 1963 valued at £16,165,000. Similarly, iron ore export rose from 1,143,000 tons valued at £1,276,000 to almost 2,000,000 valued at £5,228,000 during the same period *(9)*.

This decline in agricultural exports has not been adequately compensated for by the rise in mineral exports, and this resulted in a chronic balance of payment difficulties. For example in the period 1967 through 1973, the balance of payment was in deficit in all years except 1968 *(10)*.

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** *Le 1 = £ 0.47.*

In order to overcome this constant deficit it was felt a policy of establishing import substituting industries was crucial *(11)*. The government thus embarked upon the «Open-door» policy. This economic philosophy involved five important ingredients: (1) little or no obstacle on profit repatriation by expatriate enterprises; (2) declaration of a non-nationalisation intent; (3) the enactment of the Development Act in 1960, which offered a number of incentives to prospective investors; (4) the establishment of an industrial estate in Wellington on the outskirt of the Capital, Freetown; (5) increased governmental participation in industrial ventures.

Manufacturing Sector

In this paper I want to look at the nature of the manufacturing sector in Sierra Leone. We shall look at such questions as the origin (foreign or local) of the firms in the sector; geographical location; the market (luxury or mass consumption) at which the products are aimed; types of inputs (local or imported) and linkages – since the utilisation of local raw materials has been the major rationale for the import substituting industry. Also related to this last point, we shall look at the question of employment in this sector.

In Sierra Leone the capitalist mode(s) of production is found in large scale manufacturing and in mining *(12)*. We now want to examine the characteristics of this mode which render it capitalist. By designating the manufacturing and mining sectors as capitalist, this implies, (1) social production assumes commodity form; (2) labour power is a commodity (i.e. it can be bought and sold); (3) capital is embodied in capital goods *(13)*. In other words, within the Sierra Leone social formation there are sellers and buyers of labour power – proletariats and capitalists. The former having been divorced from the means of production, are now dependent on wages for their means of subsistence. Furthermore, the relationship between the «free» labourer (proletariat) and the capitalist is dictated by market forces; and not by extra-economic coercion, as is the case under the tributary mode *(14)*. Unlike under the pre-capitalist modes, the direct producer has no «legal» claim to the final product. Thus the final producer is both alienated from the means of production *(15)* and the product of his labour. Concerning social relations, the direct producer under the capitalist mode is not tied to his employer by any kinship network and feels quite distant from him. They only meet in the market as seller of labour power and buyer of labour power.

The exploitation of the direct producer under the capitalist mode of production assumes the form of the appropriation of surplus value. In other words, labour produces value («total value») from which it is rewarded wages. The remainder, surplus value, is the property of the owners of capital (the capitalist class) who can appropriate it as they wish. Thus the relations of production under the capitalist mode is defined by the direct producer being alienated from the means of production, and the surplus value which he produces.

We now turn to look at the capitalist mode as it is represented in manufacturing. According to the National Accounts, manufacturing and handicrafts contributed in 1970/71 nearly 6% of G.D.P. *(16)*, and provided employment to about 5% of the labour force. This represents a drop of 2.7% from the 1963 figure. In 1971, 12.1% of the labour force in this sector was employed in manufacturing establishments employing six or more workers, while the remaining 87.9% were artisans and craftmen. In 1974, 46,948 establishments (manufacturing and non-manufacturing) employed fewer than 50 workers; 28 establishments employed more than 50, of which 6 employed more than 100 workers *(17)*. Of the total value – added by manufacturing sector in 1974, 80.5% was derived from food, beverages and tobacco products; and 8.1% from the manufacturing of chemicals and related products *(18)*. The average growth rate of the sector during the 1963–64/1970–71 period was 3.0% per annum, and was lower than the growth rate of GDP (4.3%) or the average industrial growth rate of 7.6% per annum recorded by developing countries in the decade of the sixties *(19)*.

The earliest industries in the modern sector to be established in Sierra Leone were directed toward import substitution *(20)*. They include beverages *(21)*, accounting for 19.6% of total value added of the modern industrial sub-sector in 1973–74; food industries processing agricultural products such as wheat mills, palm kernel mills, bakeries and biscuits. This group accounted for 30.3% of the total value-added by the modern industrial sub-sector in 1973–74. Other items include, tobacco and cigarette manufacturing, accounting for 30.6% of total value-added, and chemicals, including petroleum refining, paints, oxygen, acetylene, carbon dioxide, soap and matches, accounting for 8.1% of total value-added. The output of small-scale industries (employing less than six) accounted for 57% of total industrial output *(22)*.

In another work, I have listed all the 61 manufacturing firms operating within Sierra Leone in April 1977 *(23)*. In what follows, I would like to summarise some of the findings from this list of firms. Before that, however, I would like to examine briefly the operations of four firms operating in this sector. These four firms could be said to be typical of the subgroups from which they are taken, and as such they tell us a lot about the nature of the manufacturing sector.

National Confectionery Company Limited (NATCO)

Natco is one of a number of subsidiaries within Sierra Leone owned by the U. K. based T. Choitram group of companies. Through the Sierra Leone Bottlers the group bottles cheap imported wines and cooking oil. Choitram has always been active in the wholesale and retail trade *(24)*. Together with Chanrai and Chellaram they represent the most important groups of Indian capital in Sierra Leone.

Natco began operating in Sierra Leone in 1969, and by 1976 had capital to the value of Le 1,000,000, with a labour force of 140. Its products include candies *(clearmint* and *Black-mint)* and biscuits. Natco like most firms in the manufacturing industry has a very high import to product ratio. Partly because of the narrowness of the Sierra Leone market and partly because of the existence of the Customs Union, the Mano River Union, exports are now made to Liberia. During the period 1969–75, Natco's output fluctuated, though the trend was towards increased production. For example, output of confectionery rose from 1,225,000lbs in 1969 to 2,528,000 in 1970, then fell continuously over the next five years to 2,178,000 in 1974, but rose to 3,110,200 in 1975 *(25)*. The same trend holds for its biscuit line. The reason for this state of affairs is not quite clear. However, we are told that the company often experiences difficulties in importing flour *(26)*. Again it is not quite clear why Natco could not obtain its wheat from *Seaboard Flour Mill*, a local mill. One reason could be the fact that Natco produces its products under licence from overseas manufacturers *(27)*, who in their bid to protect their brand, may have insisted on certain quality, which could only be obtained from certain grades of wheat.

Aureol Tobacco Company (A.T.C.)

A.T.C. was one of the early entrants into the import substitution sector. It was established in 1960 as a private subsidiary of the British American Tobacco Company. Under the 1960 Development Ordinance, A.T.C. was granted a development certificate and this entitled the company to a tax-holiday of six years *(28)*. Production rose from 438 million sticks in 1964 to 732 million in 1971. The labour force in 1977 stood at 300, and a two-shift system was in operation. Initially, A.T.C. bought all its raw materials (tobacco and wrapping paper) from abroad. Today local tobacco is used in making some popular brands, such as *Tabacca, Triple 5* and *Hollywood*. A.T.C. also has a share in *Rokel Leaf Tobacco Company,* the remainder being held by the state-owned National Development Bank. Rokel Leaf grows tobacco in Makeni in the Northern Province from which the popular brands are made. About 90–95% of the tobacco marketed is controlled by A.T.C.

Unlike most of the other companies operating in this sector A.T.C. makes a very important contribution to Government revenue. This takes the form of import duties on raw materials, and imported cigarettes, as well as excise duties on its own products. The company's turnover in 1978 stood at Le 23.9 million and paid duty and excise levies to the Sierra Leone Government to the tune of Le 13 million *(29)*.

Sierra Leone Industrial Investment Company Limited (S.I.V.C.O.)

This is a unique example of non-Sierra Leonean African participation in this sector. Sivco is tied up with Senegalese capital, and is an example of the domination of industrial capital over petty producers. Sivco moved into the Sierra Leone manufacturing sector by employing tailors who were once self-employed. These are now put to work by industrial capital producing trousers and shirts, as well as *Safari suits.*

With a labour force of 85 in 1977, Sivco's productive capacity was 12,000 pairs of trousers, 12,000 shirts or 6,000 suits or uniforms per month. The sales figure for the financial year ending March 1976 was Le 244,853.20. Production is primarily for the domestic market. The company, we are told, is able to meet domestic demand provided restriction is imposed on imported garments *(30),* either through tariffs, quota or outright banning of such imports. Sales are done through retail shops in Freetown and the major towns in the Provinces. In 1977, Sivco commenced export to Nigeria. Subject to negotiations being finalised with companies in the USA, Sivco expects orders from that country.

Sierra Leone Diamonds (S.L.D.)

S.L.D. represents a unique experience in Sierra Leone. The company purchases rough and uncut diamonds from abroad for cutting, polishing and more recently mounting them on jewelry. Sierra Leone has, since the 1930's been an important exporter of diamonds. Given the traditional capitalist road (of the now developed countries) to development one would expect certain linkages to the extent that when diamonds run out, there will for example exist a nucleus of a diamond cutting centre. The truth is that peripheral capitalism such as Sierra Leone's assumes a different path. Thus, the linkages or economies of scale that would be found in diamond or other primary industry of the metropolitan centre is absent in Sierra Leone *(31).*

It was this fear, that when diamonds ran out eventually, Sierra Leone would be left with nothing to show but malarial infested pits, that led the country's first Prime Minister, Sir Milton Margai, to ask the companies with the largest stake in the industry to look into the possibility of setting up a diamond cutting factory from which young Sierra Leoneans could learn the skill of diamond cutting and polishing.

Shares in S.L.D. are divided between four parties: Leon Templesman and Son Inc. 35%; Diamond Corporation West Africa Limited (Dicorwaf) *(32)* 25%; Consolidated African Selection Trust (CAST) *(33)* 25%; and the Sierra Leone Government 15%. There is one aspect of S.L.D.'s operation which makes it even more peculiar. One would expect the company to purchase rough and uncut diamonds locally, since the country produces ample supply of both gem and industrial use. In its early years the company used some locally produced stones, and since the company is geared towards using small stones, this involved pre-sorting, since the local stones are on average larger than those found in many other parts of the world. Previously, a member of S.L.D. staff was employed in Kenema, in the south-east of the country for this purpose. Today, only pre-sorted diamonds are brought from abroad. Thus the foreign exchange contribution which the company's officials so proudly talk off must be quite small.

Between its establishment in 1965 and 1975, over Le 2.5 million had been invested in the company, and the company is yet to make a profit *(34)*. By 1977, the company employed some 80 Sierra Leoneans, at all levels of responsibility, and one expatriate – the Managing Director. In the period 1974–77 sales of polished diamonds have averaged more than Le 1,000,000 annually. Like the main stream of the industry itself, all sales are made overseas, but in December 1977, the company started marketing its jewellery in Freetown. More than Le 300,000 are spent locally on purchase of goods and services each year, «and wages earned by employees of Sierra Leone Diamonds are not surpassed in any industry» *(35)*.

The activity of this company at first sight seems like an act of capitalist benevolence. How could these three companies (Templesman, Dicorwaf and Cast) which moved into the Sierra Leone diamond industry with the sole objective of profit making decide to embark on a venture which can be justified only on the grounds of social accountability? Is this not the acceptable face of capitalism? In order to answer these questions we must look at the role these companies play within the Sierra Leone diamond industry.

Leon Templesman and Son is an important buyer of Sierra Leone's diamonds. Templesman, a small but independent (off De Beers' Diamond Corporation) cutter, was for a long time in the late 1950's and early 1960's looking for later – alternative sources of supplies in order to by-pass the quota system of the Central Selling Organisation (C.S.O.). The opportunity for such an expansion came in 1962 when a dispute between the Sierra Leone Selection Trust (S.L.S.T.) *(36)*, and De Beers' Diamond Corporation (which controls much of the world marketing of diamonds) over prices led to S.L.S.T. withholding sales to the corporation. Instead sales were made to Harry Winston Inc. of New York, another independent cutter. In the subsequent arrangement that followed the dispute, it was decided that at least 50% of S.L.S.T. sales was to be made to the Diamond Corporation and that the remainder was to be sold to independent buyers, including Leon Templesman. The company has shown much appreciation for this opportunity that was accorded to it by the Sierra Leone Government, as can be seen from the generosity it has shown Sierra Leone Government officials *(37)*. Thus the diamond cutting factory could be seen as part of this appreciation on the part of the company.

Dicorwaf has been in Sierra Leone since the inception of the Alluvial Diamond Mining Scheme in 1956, and manages the Government Diamond Office (G.D.O.) on behalf of the Sierra-Leone Government for a fee of Le 500,000 per annum. Furthermore, Dicorwaf buys Sierra Leone diamonds at a discount, a privilege which is accorded only one other company.

In the case of C.A.S.T. what is surprising is its reluctance and eventual decision to withdraw from further investment. C.A.S.T. is the parent company of the Sierra Leone Selection Trust (S.L.S.T.) the company which for almost 30 years had a monopoly in the mining of Sierra Leone's diamonds. Even in 1956 when this monopoly was breached S.L.S.T. was paid a compensation. S.L.S.T. also controls 49% of N.D.M.C., as well as the day-to-day running of the company. Thus we can suggest a counter-thesis to the one of capitalist benevolence. These companies were prepared to operate Sierra Leone Diamonds Limited, because of the «good will» which this brings them in Sierra Leone. In addition, being trans-national corporations, a certain degree of «transfer-pricing» *(38)* might be practised, so that what is lost in one operation is gained in the other.

Summary of the Manufacturing Sector

We shall now try to summarise some of the more general features of the manufacturing sector. Tables 1 & 2 below point to the predominance of foreign interests within this sector in particular, Lebanese and Indian interests. Non Sierra Leonean interests in this sector account for 64% of the total number of firms. By far the most important ownership is that of Lebanese interests, which account for over 43% of total ownership. Next comes Sierra Leonean ownership with just under 20%. However, this does not tell us much since one-half of the total Sierra Leonean

Table 1: Ownership of Manufacturing Firms

Single ownership								Joint Ownership (Mixed)	
Sierra Leonean		Non-Sierra Leonean							
Private	Govt.	Lebanese	Indian	British	USA	Other Europeans	Other Africans	Mixed Sierra Leonean others	Non-Sierra Leonean others
6	6	26	5	2	1	4	1	9	1
12		26	5	2	1	4	1	9	1
51								10	
								Grand Total = 61	

Source: *Calculated from the Field.*

Table II: Ownership of Manufacturing Firms in %

Single Ownership								Joint Ownership (Mixed)	
Sierra Leonean		Non-Sierra Leonean							
Private	Govt.	Lebanese	Indian	British	USA	Other Europeans	Other Africans	Mixed Sierra Leonean others	Non-Sierra Leonean others
9.8	9.8	42.6	8.1	3.2	1.6	6.5	1.6	14.7	1.6
19.6		42.6	8.1	3.2	1.6	6.5	1.6	14.7	1.6
83,2								16,3	
								Grand Total = 99,5	

ownership is government controlled. Furthermore, Sierra Leonean ownership tends to be concentrated in small scale activities such as timber and logs, furniture and printing. Joint ventures with foreign investors have provided avenues for private Sierra Leonean capital to enter the manufacturing sector. The single most important private partner Sierra-Leonean investors chose as partner seems to be the Lebanese investor – since two-fifths of all such partnership is with Lebanese. One reason for this situation could be the need for Lebanese investors to overcome some of the obstacles and restrictions placed on their activities *(39)*. The joint ventures could be seen as a way of by-passing these restrictions.

It is important to note that in terms of ownership of manufacturing firms, metropolitan interests seem to be quite modest – 13.0% for single ownership, compared to 42.6% for Lebanese participation. However the category, ownership of manufacturing firms, does not tell us much about the size of capital. This is particularly important when we consider that actual Sierra Leonean interests tend to concentrate on the small scale manufacturing sector, which needs a relatively small amount of capital outlay *(40)*, whilst metropolitan based companies are to be found in the large capital intensive sector, such as mining, brewing, distilling and cigarette manufacturing.

Tables 3 and 4 show market orientation and location of factories in Sierra Leone. In order to decide the market orientation of a particular product, i.e. to decide whether it is a «luxury» or «mass» product, the question is posed: production for whom? Where production is oriented towards a mass market (the lower income groups) as is the case with matches and salt, the product can be defined as a «mass consumption» product. Similarly, where the goods such as foam matresses, clay bricks and marble tiles are destined for a very small (elitist) sector of the population, it is defined as luxury. Certain goods that are impossible to classify are recorded as unspecified. This applies to such commodities as feed meal which is for export and commercial use by livestock breeders. The tables show that 41% of the firms in this sector are oriented towards the mass market as opposed to 34% in the luxury sector and 25% unspecified. This relatively high level of orientation towards the mass market and the fact that the average size of the industrial establishment is very small, *(41)* is also indicative of the penetration which the capitalist mode has made into the petty commodity mode of production.

This conclusion regarding the dominance of «mass consumption goods over «luxury» goods, tends to run counter to Amin's conclusion regarding the bias towards luxury goods within peripheral social formations. *(42)* In his theoretical model of reproduction (or accumulation) on a world scale Amin noted that the fundamental difference between a self-centred system (developed capitalist formations) and the periphery (underdeveloped formations) lies in the determining relationship which links the major sectors of the economies. In the case of the former the link is between the production of mass consumption goods and the production of capital goods.

Table III: Market Orientation (Luxury/Mass), and Location of Factory: Western Area, Southern, Eastern, and Northern Provinces

Market Orientation			Location of Factory			
Luxury	Mass	Unspecified	Western Area	Southern Province	Eastern Province	Northern Province
21	25	15	52	6	3	–
	61			61		

Table IV: In Percentages

Market Orientation			Location of Factory			
Luxury	Mass	Unspecified	Western Area	Southern Province	Eastern Province	Northern Province
34.0	41.0	25	85.2	9.8	4.9	0
	100				100	

Source: *The Field.*

In the case of the periphery the determining relationship is that which links production of luxury goods with exports. In his view this accounts for the distorted structure and poor economic prospects for the periphery. AMIN argued that the narrowness of the domestic market did not aid the import-substitution industries which followed in the wake of political independence. The situation was exacerbated due to the fact that the new strategy of import substitution was designed to service the luxury market. However, as we have seen our data do not tally with Amin's conclusion. This inconsistency could be due to the fact that Amin's model (inspite of the emphasis on peripheral mode of reproduction) concentrated on semi-peripheral formations, which have been selected by imperialism as «*sites* in the Third World for the purpose of relocation of industrial activity from the advanced countries». *(43)*

Tables III and IV also point to the location of industries in Sierra Leone. The data show that over 85% of the industrial firms were located in the Western Area, i.e. Freetown and its environs. Outside the Western Area, the Southern Province was the next popular area for industrial firms. This area accounts for 9.8% of all industrial establishments in the country. Next was the Eastern Province with 4.9%. The Northern Province had no import substitution industry.

Two other features of the manufacturing sector are discernible. Firstly, the amount of jobs created is very small. We have already noted that almost 90% of people employed in manufacturing are artisans and craftsmen. The narrowness of the industrial wage labour force is due to the relative «technological over-kill» *(44)* of the manufacturing sector which has a negative effect on employment. Thus, unlike capitalism of the centre, the proletariat under peripheral capitalism tends to be small. This has far reaching political implications. The size of the proletariat coupled with the existence of non-capitalist modes of production, would indicate that the class struggle may assume a form other than that between capital and labour. There will be other variables, such as local (village) political issues that will take precedence over national issues. *(45)*

Secondly, if we look at the positive effects of import-substitution strategy on the balance of payment, we see that the effect is very minimal. One way of looking at this question is to try to see to what extent local raw materials are being used in the manufacturing process. Whilst it is easy to say that local raw materials are being used or not being used, it is not easy to quantify such statements. Tables V and VI try to come to grips with such a problem. Industries that are said to utilise local raw materials are those which use two or more raw materials or use one raw material which accounts for a *significant* proportion of raw material input; for example, A.T.C. uses only one local raw material (apart from fuel and power); i.e. tobacco from its subsidiary Rokel Leaf. But since this accounts for a third of its tobacco input, it is considered as using a significant proportion of local raw materials. Similarly, printing works which have to import all the papers needed are considered as not utilising any significant proportion of local raw materials.

Table V: Showing Degree of Utilisation of Local Raw Materials

Yes	No	Mass Industry Utilising	Mass Industry Not Utilising	Luxury Industry Utilising	Luxury Industry Not Utilising	Total
14	47	5	29	9	19	62*

* *One category being unspecified was counted as both mass and luxury.*

Table VI: Degree of Utilisation of Local Raw Material in Percentages

Yes	No	Mass Industry Utilising	Mass Industry Not Utilising	Luxury Industry Utilising	Luxury Industry Not Utilising	Total
22.9	77.0	8.1	46.8	14.5	30.6	100.0

Source: *The Field.*

Tables V and VI above show that 77% of the industries in this sector were not utilising any significant proportion of local raw materials, as opposed to just under 23% that utilised local raw materials. It is interesting to note that the industries which we have called luxury industries utilised a higher percentage of local raw materials (8.2%) than the mass consumption industry (6.5%). Some of the reasons for this high import – inputs have already been examined. These include: the fact that many of these firms are either subsidiaries of trans-national corporations or hold licence to produce the goods to specified standards. Thus, we saw that in case of Natco the need to maintain the quality meant that the company could not utilise the product from a local supplier, Seaboard Flour Mill. *(46)*

Conclusion

In this paper I have drawn attention to some of the major features of the manufacturing sector in Sierra Leone. I have noted that the import-substitution strategy was embarked upon largely in order to cure a perennial balance of payments problem.

In looking at the contribution to foreign exchange, we have noted that it is doubtful, to say the least, if any significant contribution was made by the import-substitution sector. Indeed, we have argued that because of the failure to utilise local raw materials, it is possible that the strategy may have increased the pressure on the balance of payments.

With regards to capital within this sector, we have noted the dominance of foreign capital, in particular Lebanese and Indian capital. Metropolitan capital is not as prevalent as Lebanese capital. There are two reasons for this situation: Firstly, Lebanese and Indian capital which once dominated merchant trading activities was able to make a transition to manufacturing. Indeed, it could be argued that the various indigenisation laws forced a number of Lebanese investors to move away from being merchant capitalist and to operate openly as industrial capitalists.

Secondly, it could be argued that Sierra Leone being a dependent peripheral formation (as opposed to semi-peripheral formations like Nigeria and Brazil), with small market potentials, carries less importance in the strategy of multinational corporations and other agencies of imperialism. Thus Sierra Leone does not offer the possibility of becoming an imperialist relay station, or a site for the purpose of production for the sub-region. Indeed, it is for this reason that the bias towards luxury goods production that Amin noted,tends not to be pronounced. The narrow nature of the Sierra Leone market is shown not only by her scanty population, but by the smallness of its «ruling» and «governing» classes. Frank Ly who has looked into this question in some depth has put the figure for the former at 5,000 people, and that of the latter at 1,000 families. *(47)* In short, the import substitution sector is geared towards the domestic market albeit a narrow one as such. The dominance of foreign capital has adversely affected the inflow of capital, and incomes distribution. For example, between 1963 and 1972, total direct foreign private investment was Le 71.2 million, whilst investment outflow (profits, dividends etc.) for the same period was Le 101.2 million, a net outflow of Le 30.0 million. *(48)* Furthermore, income distribution figures show that 1.1.% of national income is received by the lowest 20% of the population; whilst 36.2% of income is received by the top 5% of the population. *(49)* We can conclude by saying that industrialization in Sierra Leone is a classic example of peripheral industrialization generally, i.e. industrialization is merely a form of market access (demanded by nationalist development ideologies) which in fact valorises production in the centre.

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Footnotes

1. A.M.M. Hoogvelt, *The Third World in Global Development,* Macmillan, 1982, p. 18.
2. Ibid.
3. For a detailed analysis for the development of cash crop production in Sierra Leone see this author's «Merchant Capital and Underdevelopment in Sierra Leone», in *The Responsibility of Political Science in Africa* ABU Zaira., and «Forms of Capital and Underdevelopment in Sierra Leone», *Review of African Political Economy,* Forthcoming.
4. On the authoritarianism of the Sierra Leone policy, see Allen, *Sierra Leone,* in John Dunn (ed) *West African States: Failure and Promise,* Cambridge, 1978, p. 189–210.
5. A.B. Zack – Williams, *Underdevelopment and Economic Planning in West Africa* M. Sc. Salford University 1976, p. 129.
6. Hoogvelt, op. cit.
7. Frank Ly «Sierra Leone: The Paradox of Economic Decline and Political Stability», *Monthly Review*, June 1980 p. 10–26.
8. Figures from G. Saylor, *The Economic System of Sierra Leone*, Duke University, Durham, North Carolina 1967, p. 38.
9. Ibid, p. 128.
10. See «Sierra Leone», *Surveys of African Economies,I.M.F.,* Vol.6 p.441. According to R. A. Nickson, this fall in agricultural export could not be blamed on the adverse terms of trade. He suggests that «the principal cause probably lies with domestic factors». See R. A. Nickson, «The Terms of Trade of Sierra Leone», mimeo available at the Ministry of Development, Freetown.
11. This view of import substitution as a kind of panacea for economic backwardness (which was also related to the «Prebish thesis») was prevalent among third world nationalists. For example, in Latin America, it was referred to as development «towards the inside», as opposed to «outward-directed growth», see D. Booth, Andre Gunder Frank: An introduction and Appreciation», in I. Oxaal, T. Barnett, and D. Booth, *Beyond the Sociology of Development,* RKP, 1975, p. 50–85.
12. For a detailed analysis of the modes of production within Sierra Leone, see this author's *Underdevelopment and the Diamond Industry in Sierra Leone,* Unpublished Ph. D Thesis, Sheffield University 1980.
13. S. Amin, *Imperialism and Unequal Development,* Monthly Review, 1977, p. 38.
14. For detailed analysis of pre-capitalist modes see Amin op. cit., also his *Unequal Development* Harvester Press, 1976, and *Class and Nation Historically and in the Current Crisis,* Heinemann, 1980; and B. Hindess and P.Q. Hirst *Pre-Capitalist Modes of Production,* Macmillan, 1975.
15. It is true that a section of the «Proletariat» still has usufructuary right to land, but they do not own the tools with which they work, nor the factory in which they work.
16. The figure for 1974 was 5%, and the annual growth rate for 1970/74 was 2.7%. *See Encyclopedia of the Third World* 1978.
17. Ibid.

18. Ibid.
19. National Development Plan 1974/75 – 1978/79, Sierra Leone Government, Freetown, August, 1974.
20. *Encyclopeadia of the Third World* op. cit. See also Zack-Williams, 1976, op. cit., p. 131–2.
21. With regards to beer brewing, Walter Rodney has noted that: «looking at the development plans of every African Nation one finds that a beer factory will usually figure number one or number two on the list. Building a beer factory is considered as the first step towards industrialisation! Quite apart from the fact that I don't know of beer as having developed any nation, one has to realise the fallacy on which the claims are based». See his «Problems of Third World Development: A Discussion of Imperialism and Underdevelopment», Transcription of a discussion held at the African Studies Centre, U.C.L.A., on May 30th, 1972, p. 33.
22. Zack-Williams, 1976, op. cit., p. 132.
23. See Zack-Williams 1980, p. 338–344. These companies are divided by the Sierra Leone Government into 7 sub-groups: Food beverages and tobacco industries; wearing apparel, textiles and other articles made of textiles; wood and wood products; paper products printing and publishing industries; plastic, rubber and allied industries, chemical, mineral and petroleum products industries; metal products, furniture and fixture industries.
24. See H.L. Van der Laan, *The Lebanese Traders of Sierra Leone*, Mouton, The Hague/Paris, 1975.
25. Figures from Ministry of Development Freetown. See also Zack-Williams 1980, p. 126.
26. R.A. Jofre, *The Mining and Manufacturing Industries and its Potential in Sierra Leone,* (DU/SIL/70/510/11–01/12) U.N. Industrial Development Organisation N.D., at Ministry of Development Library Freetown.
27. Most of Natco's products are household brand names in Britain: *Nice, Ginger-Nut, Custard Cream, Cabin Biscuit, Clear Mint and Black Mint.*
28. F.A.N. Lisk, *The Political Economy of Sierra Leone,* Unpublished Ph. D Thesis, University of Birmingham, 1974, p. 324.
29. *West Africa,* 12 February 1979, p. 272.
30. *Multinationals or Transnational Corporations in Sierra Leone* Industrial Development Division, Ministry of Trade and Industry, Freetown, February 1977.
31. For a systematic analysis of the differences between centre and peripheral social formations see S. Amin, *Accumulation of a World Scale,* Vols. I & II Monthly Reviews, New York, 1975; «Accumulation and Development: A Theoretical Model», *Review of African Political Economy,* Vol. I, No. 1, 1974, p. 9–26, see also Amin 1976, 1977; and 1980 fully referenced in footnotes 13 and 14.
32. A subsidiary of De Beers of South Africa.
33. Also a distant cousin of De Beers with 5% holding in the company.
34. Interview with Managing Director, April 1977.
35. *Sierra Leone Diamonds Limited* Published by the company N.D.

36. S.L.S.T. had a monopoly, to mine Sierra Leone's diamonds from 1933 until this was breached in 1956 with the inauguration of the Alluvial Diamond Mining Scheme. The company is wholly owned by CAST, in which De Beers has 5% shares. In 1969, the Sierra Leone Government bought controlling shares (51%) in SLST to form the National Diamond Mining Company (S.L.) Ltd., with SLST controlling the day-to-day running of the new company.
37. Many Government officials have been entertained at the company's expense.
38. This refers to internally-determined pricing policy of transnational corporations, which does not necessarily reflect the world market price for the product concerned as would normally occur when the buyer and the seller are different companies. This means that even though loss is made at the diamond cutting end of the operation, this could be made good by the other operations of the company.
39. In a series of Acts passed after 1961, successive Sierra-Leonean Governments have tried to define areas which non-citizens could not participate. Under such threat of exclusion, Lebanese entrepreneurs have sought a timely alliance with prominent political figures.
40. N.C. Cox-George, *Report of African Participation in the Commerce of Sierra Leone,* Government Printers Freetown.
41. C. Ledholm and E. Chuta, *The Economics of Rural and Urban Small-scale Industries in Sierra Leone;* African Rural Economy, Paper, No. 14, 1976, Njala University, Sierra-Leone and Michigan State University, U.S.A., p. 12.
42. See Amin 1974; 1975, 1976, 1977 and 1980.
43. Hoogvelt, *The Third World in Global Development* p. 65.
44. This phrase belongs to Hoogvelt, «Indigenisation and Technological Dependency», *Development and Change,* Sage, London, and Beverly Hills, Vol. II (1980), p.271
45. V. Minikin, *Local Politics in Kano District Sierra Leone, 1945–70;* Unpublished Ph.D. Thesis, Birmingham University 1971. Minikin has argued that in Sierra Leone local political issues took precedence over national issues because of the nature of the brokerage system which developed in Sierra Leone to cope with problems resulting from the colonial power imposing the institution of an integrated nation state on a fragmented «plural» society.
46. Similarly, Hoogvelt found that in Kano the blanket factory could not utilise yarn spun by other local factories, and had to import its yarn. Also the match factory imported all its splints «despite the abundance of wood and pulp – processing industries that could easily supply the splints except, of course, that these local splints are not to the quality specification of the sensitive and sophisticated German match making machines». See «Indigenisation and Technological Dependency», op. cit., p. 265.
47. Frank Ly, «Sierra Leone—» op. cit. p. 13.
48. Zack-Williams, 1976, p. 140.
49. *Encyclopaedia of the Third World,* op. cit.

RESUME

Dans cet article, l'auteur étudie la nature de l'industrie manufacturière au Sierra Leone. Il s'intéresse particulièrement aux aspects suivants : les origines des firmes travaillant dans ce secteur, leur localisation, le marché pour lequel elles produisent, les types d'intrans ainsi que ses rapports avec les autres branches de l'économie sans oublier le problème de l'emploi dans ce secteur. Après avoir souligné ce qui caractérise ce secteur par rapport aux autres secteurs, il en arrive à la conclusion que la Sierra Léone qui s'était engagée dans la voie d'une industrialisation de substitution aux importations pour résoudre un problème de déficits chroniques de la balance des paiements n'a pas en réalité pu le résoudre parce que les matières premières locales n'ont pas été utilisées.

Pour ce qui est des capitaux, ils sont restés dominés par ceux des libanais et des indiens pour deux raisons essentielles : les capitaux libanais et indiens qui ont toujours dominé dans les activités commerciales ont pu faire la transition et passer au secteur de l'industrie manufacturière. L'autre raison est que des pays comme la Sierra Léone intéressent peu les multinationales et les autres agences de l'impérialisme à cause de la taille réduite de leur marché. Ainsi la tendance à la production de biens de luxe n'est pas très prononcée car le secteur de substitution à l'importation est orienté vers la satisfaction des besoins du marché intérieur, même s'il reste petit. En outre, la domination des capitaux étrangers a eu des effets néfastes sur l'entrée des capitaux ainsi que sur la distribution des revenus. Ainsi, si on considère la période comprise entre 1963 et 1972, les capitaux qui sont entrés en Sierra Léone ont été évalués à 71,2 millions de Leones alors que 101,2 millions en sont sortis au cours de la même période, soit une différence de 30 millions de Leones.

En ce qui concerne la distribution des revenus, seul 1,1% du revenu national va aux plus pauvres des 20% de la population tandis que 5% de la frange la plus aisée reçoivent 36,2%. Donc pour la Sierra Léone aussi, l'industrialisation est simplement une forme d'accès au marché qui profite plus au centre qu'à la périphérie.