# SOUTH-SOUTH COOPERATION: THE LAGOS PLAN OF ACTION AND AFRICA'S INDEPENDENCE

By

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## INTRODUCTION

An analysis of the Lagos Plan of Action is a good exercise which not only reveals a new awareness of the need for a South-South Cooperation but also uncovers every ambiguity and every inadequacy, still encompassed in such a concept. The Lagos Plan of Action may be regarded first and foremost as a political document which was signed by the Heads of States and which, as such, could only reflect a compromise reached by different countries with diversified development options and multifarious economic philosophies. Hence the difficulty of providing it with a univocal theoretical support which can meet the demands of such an analysis. It is a vital document in that, although it is political, it does bring the new requirements for development, perceived by all the leaders to the forefront. Many meetings were held indeed between the African Ministers of Planning, Industry, Commerce and so on for the preparation of the Plan; and the process involved was such that redundancies and contradictions pervaded the document. It is also true that in drafting it, debates on ideas may have led to the inclusion of such a number of elements which are irrelevant to the philosophy behind the writing of this Plan that some people were able to point out many contradictions between the contents of the preamble to the Plan, drafted at a meeting of the Heads of States in Lagos in April 1980, and that of the Plan itself, which was worked out by experts and technicians. In spite of all these difficulties the Lagos Plan ought to be regarded seriously for three basic reasons.

1) The Lagos Plan of Action is a position taken in favour of the establishment of an African Economic Community by the year 2000 and henceforth it sets off a process which is bound to grow, in principle. To talk about an African Economic Community does make sense only if such a community is considered in relation to the world power system referred to elsewhere. Is the question involved then one of creating an African Economic Community in order to expand markets and allow the free movement of goods and people to the advantage of the prevailing system? Or is it one of deciding upon a regional approach to a self-dependent development with respect to the power system dominating the world economy?

2) The Lagos Plan of Action also represents a formal awareness of the crisis which «transferred growth» is going through. It is not by chance that African countries submitted the Lagos Plan to the General Assembly of the United Nations Organization, as a working document, when the Assembly was preparing the strategy to be adopted for the Third Development Decade. It is a fact that the third strategy of development which is highly inspired from the Lagos Plan, as opposed to the previous two.

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has revealed that transferred growth could not be relied upon to propel the development of Third World Countries. The international community is growing aware of the fact that a world economy which is undergoing a crisis cannot be expected to stimulate growth in Third World countries when the past 25 years of an expanding world economy failed to do so. The philosophy of a self-reliant development openly advocated by the Lagos Plan and partially taken up in the Third Development Decade does disregard the theory of «transferred growth» propounded and criticized above. Whereas academic people came to such a realization a long time ago, it has just dawned on politicians and one can only welcome this. To be sure, some African politicians had already called in the past, for a self-dependent development as being the only possibility for the future. But it is the first time that the African Heads of States, as a whole, share such a belief in an official paper. However as we shall see it later, a few inconsistencies in the reasoning prove that it was a compromise.

3) The basic principles in the Lagos Plan have turned this Plan into a political stake now. It is indeed not excessive to assert now that Africa has to choose between two philosophies of development: the philosophy recommended by the Lagos Plan and that underlying the report made by the World Bank on development in Sub-Saharan Africa. Unfortunately enough, this report was prepared at the very request of many African Ministers of Finance who somehow, may have regarded as strategic to turn their backs on the paper prepared in Lagos by their colleagues, Ministers of Planning. As we shall see, the Berg Report recommends a development policy and philosophy which are basically at variance with those in the Lagos Plan. Such a basic opposition in the plans compels us to make in-depth analysis of both views to see where they differ. It is not wrong to state therefore that the future of Africa is the stake of two major conceptions of development: one emphasizing a self-dependent development whereas the other one advocates a dependent development. Hence the seriousness with which the Lagos Plan should be viewed. We shall consider its contents in two sections; one of which will focus on the cogencies and deficiencies of the Lagos Plan while the other one will examine the internal and international conditions for its implementation. In the conclusion the challenge of the Berg Report will be briefly considered.

## *FIRST SECTION*

## COGENCIES AND DEFICIENCIES OF THE LAGOS PLAN

The uneasy reading of the Lagos Plan of Action stems from a very simple reason : the various parts were obviously drafted by different teams and were not even harmonized once the writing was achieved. The various chapters differ in value and significance, which leads to a number of difficulties in the analysis. After presenting the major inputs of the Plan, we shall consider its ambiguities and attempt to find out its omissions.

*1. Major Inputs*

The Lagos Plan basically argues that African development cannot be the automatic by-product of the world economic system. This argument probably constitutes the innovative core of the Plan and it is taken up by critical contemporary debates on dependent and unequal development.

The international systems of pricing, of transfer of technologies and the present conditions of control of the economic power discard the idea, strongly defended by the traditional theory that: the sub-sections of the world economy and particularly its under-developed sub-sections, as a whole, automatically gain from its own growth. This basic proposition of the Plan may be considered in its various facets, especially the major ones.

The first fundamental idea enunciated is that development should be self-dependent, and this statement is most forcefully expressed in the preamble. Indeed the Heads of States declared that: «Thus, Africa is unable to point to any significant growth rate, or satisfactory index of general well-being, in the past 20 years. Faced with this situation, and determined to undertake measures for the basic restructing of the economic base of our continent, we resolved to adopt a far-reaching regional approach based primarily on collective self-reliance». Such a reference to the restructuring of the economic bases of the African continent is highly significant when one knows that Africa ranks among the most subordinate continents in the Third World. As we noted, a self-dependent development implies that the orientation and the pace of development are no longer imposed from the outside, and that surpluses squeezed out of the African economy should be prevented systematically so as to promote an endogenous dynamics of accumulation.

The second basic concept in the Plan is the need for a supervision of foreign business. It is a recognized fact, indeed, that African natural resources, and its industrial sectors are highly controlled from the outside. The Lagos Plan of Action advocates therefore the supervision of the owners of Capital and more directly, of their mode of operation, specifically in technology. The Lagos Plan also re-asserts that Africa's natural resources should be controlled by Africans. There is no use developing, here, the significance of this principle of sovereignty over natural resources any further. It is a known fact that Africa is one of the most endowed continents as far as mining resources are concerned. It is also known that this mineral wealth is extremely diversified and that Africa's share in the world exports of numerous ores, is substantial, precisely in view of its present low level of consumption due to insufficient industrialization. Africa is endowed with tremendous mining reserves and, such comprehensive areas of the world economy as the E.E.C. are heavily dependent upon Africa for iron ore, uranium, copper, manganese and cobalt. The amount of the State budget, the volume of imports, the operation of the other sectors and hence the job opportunities, all depend upon Africa's mining revenues. This statement in principle which is already included in the requirements for the new international economic order, and taken up by the African Heads of States, appears most highly significant to us.

The third major input of the Lagos Plan is the imperative of food self-sufficiency advocated in it. Everybody is aware of the past African excess production of food, and of the growing dependence of the continent on imports today. Indeed, Africa accounts for 8% of the world food consumption while it only contributes 3% to the world food production. Food dependency is explicitly denounced in the Plan which highlights great potentials for saving crops, promoting productivity (on a continent on which the output potential is still greatly under-used) and for rapid growth of massive food products including rapid growth of stock-raising.

The fourth major input of the Plan concerns the development of energy. The drafters of the Plan were right to try and avoid mentioning the energy problems only in terms of financial resources for the import of petroleum, as this would have been a trap. Instead, it was pointed out that the energy issue could not be solved by simply paying petroleum bills. The development of energy obviously requires an African policy of determination to increase the number of sources of supply, particularly in the field of renewable energy and in such traditional sources of energy as coal and hydroelectricity. Even though oil-producing countries as well as their specific part in the development of the African continent are mentionned somewhere, we cannot but welcome the fact that the Lagos Plan fits into the only acceptable logics of energy development, i.e., the increase and diversification of supplies, in pursuance with the resolutions passed to this effect by the group of 77, specifically, and by the other international circles, generally.

Not only does the Lagos Plan encourage the development of energy but it also advocates further industrialization of the African continent. For us the issue of industrialization appears to be adequately raised since the Lagos Plan emphasized mostly the need for a domestic-market-geared industrialization. The economic sense in such an industrialization easily appears. This form of industrialization is mainly geared towards agricultural needs, the satisfaction of the needs of most people, and the expansion of the endogenous industrial base through mechanical and electric power industries. The question of industrialization is therefore properly put even though, as we shall note later, there are still ambiguities in this area.

Another appreciable input of the Lagos Plan is its stand on technological issues. The chapter on science and technology which is the longest in the Lagos Plan stresses the national and regional promotions of African scientific and technological capabilities. It is very clearly recognized in this Plan that importation of technologies into Africa should be regulated and that African businessmen should co-operate in the process involved in the purchase of technologies. The Plan also points out the urgent need and the possibility to take an action in the area of technological cooperation; action which is to be extended to include other Third World countries. It may be useful to note here that a unilateral regulation on technology imports into Africa is being considered, without having to wait for the approval of foreign business.

The last vital input is the denunciation of diversion plans which unfortunately were massively produced in the past by Africa. The parts concerning planning greatly contribute, in our view, to the formulation of an economic doctrine in Africa, particularly for the organization and planning of national economies. These parts also highlight the actual meaning of a regional cooperation which cannot materialize unless investment and production plans somehow complement each other in a coordinated logics of development.

In view of all these inputs, the Lagos Plan may be seen, at a doctrinal level, as a questioning of a purely liberal perspective of African development and, as such, it fits into the over-all Third World approach in seeking for a new international economic order. But these vital inputs should not prevent our noting a number of ambiguities which need to be identified, not simply to criticize the Plan but, instead, to add to it.

## 2. *Ambiguities*

It is easy to find a number of ambiguities in the Lagos Plan, which probably result from the need for the document to be approved by African States with diverging political, economic and social orientations. Furthermore, as we already mentionned it, the very approach used in drafting this Plan could not ensure absolute consistency. We identified three types of ambiguities requiring attention because they are at the root of difficulties in the implementation of the Plan. The first set of ambiguities originates from the sectorialization of actions to be undertaken. Several ambiguities concerning the contents of the land policy, of the industrial policy, of the technology policy, of the role of science and technology etc... should be noted here.

There are many ambiguities in the land policy. Indeed, the land reforms are not very clear in their formulation and although the following is not a general rule, it is a known fact that not only transnational corporations but also land bourgeoisies are highly influential in many African countries. However, the Lagos Plan seems to set its hopes mainly in a poor, middle class peasantry which is organized into cooperatives and which therefore controls its own output and directly benefits from agricultural developmental actions.

There is, of course, nothing more national than a land reform policy, but one should still point to the potential contradiction between the land control status and the objectives of growth of the African food production. There is yet another ambiguity in the agrarian field concerning the types of crops to be grown on the land. Indeed, the Plan does emphasize the need for the development of food crops without however neglecting the growth of cash crops, namely for exports. Such an ambiguity may be of little significance if the competition between the area occupied by food crops and that occupied by cash crops for exports is low. This varies of course with countries but the ambiguity still exists for countries in which such a competition occurs. Finally in this very field there remains an ambiguity on the status of agricultural research. It appears from a number of paragraphs that, as in the past, agronomical research will remain geared essentially toward export crops detrimentally to research oriented towards the growth of food crops, which is imperative. Several ambiguities may be identified in the industrial field. We shall only mention the major ones.

The first one originates from the desire of the authors of the Plan to try and establish deadlines for industry, with respect to the world economy. Of course such a wish to use the 25% Lima objective as a reference is commendable. But it is obvious that quantitative deadlines have no meaning for an industrial development geared toward domestic markets; and yet this is what the authors of the report are endeavouring to do.

The second ambiguity concerns a concept mentioned in a number of paragraphs in the Plan: that of a world industrial re-deployment «ensuring its member-states of the achievement of the Lima objectives». Such a reference to industrial re-deployment makes one wonder whether industrialization is not viewed sometimes as a process which depends upon the present industrial re-deployment process set in motion by transnational corporations. One does wonder all the more so, as the question of external funding and of access to external markets is often raised in the Plan on the subject of industrial development; as if once in a while, the philosophy of further industrialization in the Plan was being replaced by that of an extrovert, externally financed industrialization which is turned toward outside markets. This second ambiguity in the industrial sector should indeed be identified since it has been proven from other countries' experiences that extrovert industrialization always implies less democracy so as to make workers submissive and keep their buying power unchanged. Extrovert industrialization is an open door to authoritarian regimes. Finally in this same industrial area, a third ambiguity stems from the fact that small industries and small-scale enterprises are mentioned at times as being the mainstay of industrial development. Yet, without excluding the development of small industries and small-scale businesses, it is common knowledge that the latter are not capable of carrying out a long-term industrial development on their own particularly in view of their dependency on technology and equipment. Numerous ambiguities may also be pointed out in the Plan, in the areas of education, science and technology. First the Lagos Plan errs in its over-optimism on the role of education and science. One feels sometimes that both the development of the scientific and technical aspects of education and that of scientific research are seen as being the best way of solving the developmental problems of the African continent. Yet it is widely recognized that despite the fast growth of schooling on the continent, in the primary and secondary educational system, economic growth rates remain well below expectations. Also, whatever the significance of scientific research, its development cannot on its own solve every development issue if economic power does remain mostly beyond the control of endogenous forces.

The second ambiguity on technology lies in the Plan's argument that the major difficulty confronted in this area by the African continent is the lack or the inadequacy of performances in the use of imported technologies. Suggested actions to remedy such a situation betray the implicit perception of technological problems per se. Indeed the popularization of technology in rural areas, vocational training, educational reform, development of industrial research all constitute, as is noted, the major factors needed to make a rational use of imported technology and to develop techniques that are relevant to the African development. This view of technological control is, obviously, limited to the control of the use of techniques which are developed in other places; and one may argue that such a perception refers, in a way, to two theoretical bases which are in complete opposition with the philosophy of self-dependence implicit in the Lagos Plan with respect to the world system. Indeed, if the implicit model adopted is that of exports, it becomes indispensable to have a good command of imported technologies for competitivity. If on the contrary the implicit model adopted is that which satisfies basic needs – and this is not a strategy for the development of systems of production but rather one for the management of extreme poverty as it has been called elsewhere – it may be wise to formulate technological policies which will focus on the control of imported technologies. The vagueness of the institutional organization of the economy, which could promote a local technological development also adds to the ambiguity on the status of technology. Indeed, in spite of statements on the need to control technology imports and to encourage local capabilities in scientific and technological development, one gets the feeling, after reading the chapter on science and technology that although it teems with institutions designed for scientific and technological development it omits the vital tools of such a development, i.e., those needed for the control of foreign trade, for the regulation of technological activities undertaken by transnational corporations established in Africa and for planning the development of local scientific and technological capabilities. Thus it appears from several paragraphs that a coordination between a policy on technology imports and a policy of development of local scientific capabilities is seen in the worst possible light and that it is limited to the creation of numerous institutions which are supposed to produce a technological growth from their results and also to generate internal flows of technological changes.

On the whole, the national structures set up to increase scientific and technological self-dependence are in fact hardly analysed. The major question is therefore as follows: can self-dependent accumulation, through the very principles enunciated in the Lagos Plan, be reconciled with technological dependency which results from positions taken as far as the simple control of imported technologies is concerned? At any rate, between the writings concerning science and technology and those on industrial development there are contradictions which appear clearly, for example, through the lengthy paragraphs devoted by the writers of the Plan to the theory of relevant technologies, which is conceived as a theory of technology linked with the endowment in factors. And we have seen elsewhere how purely ideological the theory on endowment in factors is, how its technical function consists in reproducing dependency.

The second set of ambiguities concerns the identification of developers. After a first reading of the document, one feels that the State and the public sector are the major actors in the development outlined by the Lagos Plan. For instance the Plan states that: «the Summit takes note of the serious implications requiring both an immediate break from traditional patterns and concepts and a departure from non-functional, internal, economic structures; such structures need to be disregarded and new approaches ought to be developed for the type of process of development that Africa should adopt in the 80s. The success of such approaches will depend upon the political will of and the commitment made by member-states to this effect». Next to this argument in favour of public action for development appear paragraphs advocating mixed economy, although the characterization and the structuring of such an economy are not quite clear.

For example, although the economic and political power of foreign actors is common knowledge, there is no clear definition of the major position taken on these actors in Africa. The question of the status of developers is obviously crucial. As a matter of fact one does not see how the agricultural sector, particularly as regards food crops, may be developed unless the land tenure systems are re-organized and the instruments of planning extended. Another question is: how can the sectorial and technological requirements of further industrialization be reconciled with an altogether liberal status granted to foreign investments in Africa? Finally the discipline required by the Lagos Plan in importing technology is not very consistent with the intensification of internal flows of technological changes within transnational corporations settled in Africa. A final major difficulty in the field of economic cooperation lies in the fact that inter-African cooperation in production cannot be reconciled with the still undetermined status of foreign actors in Africa. As we shall see later, the experience of African common markets is quite explicit from this view point.

Another ambiguity relating to the actors of development and of cooperation concerns what might be defined as too «geographical» a view of cooperation. Indeed on the subject of regional cooperation the authors of the Plan tend to think that the geographical vicinity of States is a factor that not only encourages the development of cooperation but is necessary for it. However, and we shall hark back to this, geographical neighbourhood is meaningful only where there exists a community of political view. Furthermore, in view of the present economic conditions of neighbouring African countries, it often happens that the latter have production structures which compete more than supplement each other, especially in the areas of agricultural and light industry developments. Such a geographic view of cooperation is open to criticism, for, it is known that the development of communications, namely by air and by sea, has generated possibilities of cooperation even between distant countries sharing, however, the political will of cooperating. Besides these ambiguities there are omissions in the Lagos Plan which unfortunately, cannot but be mentioned.

### 3. *Omissions*

The Omissions in the Plan are more or less significant but we shall only mention the most obvious ones. One is sometimes stunned after reading the Lagos Plan that a number of issues which are crucial to Africa are neither identified as means to implement the Plan nor as obstacles to its implementation.

First, nowhere in the Plan is any supervisory system over Africa's non-agricultural land and enterprises – specifically mining enterprises – identified. Such a lacuna obviously makes it very difficult to understand how the present dependent African economy can actually turn into such an ideal situation as an independent African Economic Community by the end of this century. The Plan fails to appreciate the effective obstacles set in the way of the promotion of industrialization and of the development of science and technology etc... by foreign control over production activities. The Lagos Plan and its suggested actions often postulate a state supervision of production activities, without this being clearly enunciated.

The second significant omission is the non-assessment of conditions existing in African countries. Indeed, most African countries establish bilateral or multi-lateral relations of cooperation which obviously have implications on their capabilities to self-determine their domestic economic policies and their intra-African cooperation policies. For example most of them are members of the Lome II agreement which requires that they take specific actions and that they make specific commitments.

In other words the Lagos Plan is not very explicit about the possibility of re-organizing the international economic relations of African countries, especially since the implementation of the Plan necessitates such a re-organization.

A third major lacuna is the non-appraisal of old intra-African cooperation policies. We know that these policies failed in general and that institutional inflation is the only historical factor which is blamed for this failure. It would have been useful in the Plan to try and make even a partial assessment of circumstances in which these cooperation policies were launched and of the reasons why most of them failed. This would have been of use in the consideration of the various present possibilities; it would also help avoid past mistakes.

Finally, a crucial omission by the Plan is the lack of consideration of issues concerning the financing of development. The question raised is not really one of wondering how much funds the implementation of the Plan will require – the latter itself being hardly quantitative – but rather one of reflecting upon concrete conditions for financing African development from within Africa. Two types of considerations would have been necessary. First, an analysis on the ways to increase African funding potentials. With regard to this, only careful studies on the control exercised over natural resources, on the status of foreign actors, on states pricing policies vis-a-vis farmers, could have prompted a more scientific analysis of ways to keep within Africa the economic surplus which is now being squeezed out from abroad. In view of the uneven endowment of African countries in natural resources, this could have also led to a careful study of the various forms of financial cooperation established between unequally endowed countries. Instead, the Plan merely urges countries which are now wealthy to make part of their resources available to countries which are now poor.

Secondly, it is our view that we are being confronted with a number of internal problems related to the issue of financing development in Africa, which should be mentioned here. It is not an over-statement, indeed, to assert that high potentials of accumulation are being wasted now although they are useful to development. Hence, on the question of financing development we have to deal with a serious problem of waste of local resources. Therefore the issue of public finances becomes crucial with respect to all the expenditures made on arm equipment, on the police force, on the unproductive work accomplished by the administration. Without excluding that a number of African countries need to keep up armies because of the imperialist aggression they are under – we are specifically referring to such countries as Angola – substantial savings can be and should be made for the self-financing of development. Foreign assistance, obviously, will not solve this issue because external funds, as a rule, go hand in hand with a control of the economic power; furthermore the continuation of dependence on external financial sources will somehow maintain the economic dependency per se. Past experiences unfortunately substantiate such a statement.

## *SECOND SECTION*

## INTERNATIONAL AND INTERNAL CONDITIONS FOR THE IMPLEMENTATION OF THE LAGOS PLAN

The implementation of the Lagos Plan, conceived as being a set of principles of actions for Africa's development, will depend upon the prevailing international and internal conditions in the next two decades. These conditions will indeed determine whether the Lagos Plan's major inputs in the search for a self-dependent, collective development will outweigh its (the Plan's) contradictions and its ambiguities. This is why a specific identification of such international and internal circumstances is useful.

### *1. International Conditions for the Implementation of the Lagos Plan*

The Lagos Plan – if it can be referred to as a plan when, in fact it consists of a set of principles of actions – should be implemented in an international context which not only generates constraints but also provides possibilities.

Three major constraints may be identified now:

The first one is formed by the existence of the Lome Agreement and the present conditions in which it is operating. As we have shown elsewhere, the overall results obtained from the operation of the Lome Agreement seem to be more in keeping with a solution to European problems in Africa than they are with an actual solution to African problems. We have also considered elsewhere the contents and the limitations in the operation of STABEX, the contents and the limitations in the European Community's assistance to ACP countries. With respect to all these considerations, it is essential, in our view, that Africa gets mobilized and develops its own technological means – in this time of reflection and preparation of the Lome III Agreement – to start such a negotiation in good conditions. Indeed we should take advantage of the new frames of mind in which the commission is and especially of those of the leaders of cooperation and development in order to try and promote a number of ideas and principles which may contribute to the implementation of concrete actions, amenable to the development of African countries. We should not miss such an opportunity, otherwise the results from the operation of future agreements will remain on the whole negative.

There is a second limitation in what we may call the temptation of easy solutions. Africa has such a debt burden today, that African countries may, as a matter of fact, be tempted to resort massively to external financing for direct investments. However this shall impact on the direction to be taken by development and cancel the possibility of achieving self-dependent development. With regard to this, it is to be feared that Africa might be tempted by solutions which are apparently propitious to its development but which in the long run will only increase its dependency. Its wealth in mineral resources and its high potential of production obviously may attract external funds but if these are not checked, they will reinforce the extraction of the African surplus instead of consolidating its economic base.

Finally, the third constraint lies in the heavy dependence of present international trade flows on export credits, bank loans and direct investments. The prospect of an inter-African cooperation and the increase of inter-African trade may therefore run into well-established financial and commercial networks. The danger to be avoided here is that cooperation among African countries merely becomes a way of extending areas of influence of foreign capital. For example cooperative relations in the field of food should not be launched by agro-business companies which are already settled in Africa. The increase in trade, considered as such, does not prove that cooperation is generating development if the commercial, industrial, agricultural strategies used are formulated abroad.

In spite of these three international constraints which are now exacerbated through the competition undertaken by the various industrialized countries in order to find new markets or to maintain the old ones or in order to acquire new sources of mineral supply, there are possibilities generated by the international context. It is granted that cooperation between Europe and Africa may be a driving force in the implementation of the Lagos Plan under certain circumstances. However the principles and the conditions of implementation of such a cooperation, the assessment of its results, all need to be altered. In our study on France and the Third World we have dwelled on the pinciples and the areas of cooperation between Africa and France, which are likely to be developed; but this line of argument also holds true for some other European countries. It would not be excessive to state that it is high time for us to think systematically about establishing a Charter of cooperation in which State to State agreements should gradually take precedence over market forces. We are also calling attentions on the fact that it is essential for the Franc Zone to be re-organized along the lines we have stressed above.

Cooperation between developing countries undeniably constitutes the second international condition for the implementation of the Lagos Plan. From this point of view the mechanisms and the contents of the programme adopted by the group of 77 on South/South cooperation in Caracas, in May 1981, may open great possibilities for the development of Africa and the implementation of the Lagos Plan. Concerning the latter one can only welcome the fact that the Heads of States explicitly planned for a collective, self-dependent development which should not prevent cooperation with other developing countries, be it in the field of technology, energy, capital goods etc... Such an option for overt Pan-Africanism deserves attention, especially since a regulated development of such forms of cooperation offers great financial and technological possibilities. Finally, and this is enhanced by some paragraphs in the Lagos Plan itself, exchanges with Eastern countries and the participation of some developing countries in COMECON will probably have to be considered seriously in the light of experiences acquired. Cooperation between Africa and Eastern countries can neither be overstressed nor minimized. Indeed a shrewd analysis of the constraints bearing over Eastern countries, which minimize or reduce their potential for cooperation with Africa, could uncover actual potentials for development if, and only if, rules are established for the valorization of African raw materials, of a real transfer of technologies toward African countries and of a technical assistance based on a spirit of cooperation. An in-depth study of all these international possibilities should be carried out in order to determine principles of actions which should be supported individually or collectively by States.

Finally the implementation of the Lagos Plan depends upon the continuation and upon the success of over-all negotiations for the establishment of a new international economic order. Bearing this in mind one can only welcome the fact that the Heads of States, meeting in Lagos, thought it advisable to make and accept a recommendation on overall negotiations and on the role Africa is to play in these negotiations. Indeed one cannot delude oneself into believing that the actions envisaged by the Lagos Plan for the valorization of natural resources, the transfer of technologies, the transfer of funds for development or food self-sufficiency, will materialize without a prior substantial re-organization of international economic relations, which is the explicit objective of the process of Overall Negotiations. In supporting such a recommendation, the Heads of States, meeting in Lagos, want to express their strongest support to the Global Negotiations as means to carry out the Lagos Plan itself; this plan has indeed international impacts which cannot be under-estimated. On the whole the international situation not only offers possibilities but it also carries limitations and only a common political will of African States can help take advantage of the world economic system without depending on it.

### 2. *International Conditions for the Accomplishment of the Lagos Plan*

In the Lagos Plan, Africa sets such ambitious objectives for itself as a yearly 7% increase of the Gross Domestic Product, an annual 9.5% increase of the industrial output and a 4% increase of the agricultural production per annum. These objectives are high compared to the results obtained in the 1970 decade, since the average growth in the past ten years ranged around 3 to 4% per annum. As to the industrial growth (including petroleum) it did not exceed 3% per year and agricultural growth stood at 1%. The inflation rate was high with a yearly 11% estimate. Concerning economic structures, production was so poorly diversified that some people attributed most of the 1970 performances to four petroleum-producing countries in Africa, that is, Algeria, Egypt, Libya and Nigeria, which seem to account for 65% of the African gross product. External trade including both imports and exports has remained massively turned towards the West – and the former colonial powers still hold an important part in it despite a budding diversification – whereas an excess investment has been reaped through external assistance as against the local savings which have remained dramatically low because of the surplus squeezed out from the outside. These objectives which are ambitious compared to past accomplishments show that it is necessary to carry out an analysis of internal conditions for the achievement of the Plan in view of the potential depression of the market of raw materials and of the possible limitations of public aid to development – be it an aid from the West or from OPEC countries – by the world economic crisis. Hence the significance of domestic conditions in the consideration of the implementation of the Lagos Plan. We have to examine possibilities and also potential problems.

Africa has great economic potentials; it abunds in mineral, energy and non-energy resources; its agricultural possibilities are far from being negligible and it is worth mentionning that the 4% yearly growth objective for the agricultural output is not excessive in view of the fact that 50% of the African land is still uncultivated. Finally, Africa has an increasing human potential with national varieties even though educational systems are still below the quality requirements of a national economic development and even though the diploma syndrome (or unemployment of graduates) is breaking out here and there. These economic potentials can only become an asset for Africa if an explicit, consistent, steady will can be mobilized to develop them. One of the major political restrictions to the realization of the Lagos Plan is obviously the frequent lack of genuine national plans of self-dependent development.

Without such plans, it is difficult to imagine how domestic economic policies can be formulated and, all the more so, how economic policies of cooperation can be inter-linked. One may easily argue that genuine cooperation which promote interdependent development requires the previous emergence of a worthwhile national Plan within the nation which is the shaper of peoples' political wills; otherwise cooperation and development may merely become tools for external plans which will be forced upon Africa as, unfortunately, it was the case in the past. Finally the question of the implementation of the Lagos Plan refers us to the major issue of the shaping of peoples' political will which can, on its own, ensure a development geared toward the satisfaction of the majority needs – with the population participating in the formulation and in the implementation of plans – in keeping with the populist view expressed by the authors of the Lagos Plan. To give but one example, in the area of industrialization the expansion of domestic markets and the management of the over-all demand are highly political issues embracing urban-rural relations, the nature of the distribution of urban revenues etc...

In this area, the economist should yield to the social scientist although the former can present a few arguments on the social bases of independent economic policies. The relationships between States and peasantries form undeniably the primary social base. It can be shown indeed that the Third World and the African food crises, and more generally their agrarian crises, are determined in the end by the political subordination of small farmers and by the lack of peasant plans with a political scope. Rural development in Africa and its impacts on foods, obviously cannot materialize without a questioning of the actual political dissociation of States and peasantries, without the struggle against the use of these peasantries, as tools, by the urban world and more generally, without the emergence of national development plans which, we repeat, are a pre-requisite for a worthwhile sub-regional or regional cooperation. Other pre-requisites for this emergence are a higher political participation of the urban popular strata through political tools which will ensure it and the explicit formulation of development strategies which will advance both the interests of the peasantry and those of the urban popular strata. When the Heads of States adopted the Lagos Plan, they must have regarded all the economic and political factors involved in the implementation of the Lagos Plan as elements expressing the hopes of African peoples. To conclude, let us make a summary analysis of the challenge of the World Bank Report to Africa.

## CONCLUSION – THE BERG REPORT AGAINST AFRICA

While Africa was adopting, in Lagos, a set of principles of actions designed to liberate African development from the dependency and the domination of the world economy over this continent, the World Bank was disseminating a report written by Professor BERG on the development of Sub-Saharan Africa. According to the basic argument underlying this report, which is completely at variance with the principles advocated in the Lagos Plan, African development can only be the by-product of the world economic development and it can only fully materialize through the free play of the forces of the market. Besides the usual references to climate, relief, population, growth and mentalities, this basic hypothesis which, after all, simply represents the projection of the Reaganomics «Gautasms» on Africa, is propounded in three principles of actions suggested to Africa, which, put together, can only lead to more dependence and extreme poverty.

The first principle of action is an extrovert agricultural growth which is fostered by an encouraging pricing policy for the most dynamic producers; a growth which is highly based on the devaluation of African currencies. However nothing in our past experiences can make us believe that this is a good recipe to be followed, knowing that devaluations and higher exports are only significant in relation to the commercial structures which are now totally controlled by foreign businesses. It should be noted incidentally that the World Bank seems to have done away with its argument that small-and medium-size farm estates foster agricultural growth and that the Berg Report advocates big estates and land capitalism.

The second action suggested is the development of private enterprise rather than public actions in the economic sector. This proposition is the product of a belief which is yet to be proven that private enterprise can, on its own, have developmental impacts on the whole society whereas it has been proven by historical experiences, including recent experiences in the United States of America, that the forces of the market do not necessarily generate development especially in the case of dependent economies.

Finally, as third principle of actions, it is suggested to curb industrial development in view of its high cost and its inefficiency. The adoption of such a line also suggests that the Berg Report is designed to keep Africa within the unfair boundaries of the international division of labour which makes Northern countries, industrial producers and African countries, developers of agricultural and mineral resources. Never has the theory on endowment in factors been so clear and never has it seemed so ridiculously shaky.

The challenge of the Berg Report to Africa shows that there are many stakes involved here. We have two options: 1) a sovereign African continent in charge of its own natural resources and of its economy, self-organizing its development and open to cooperation when it profits both partners or 2) an African continent which is open to foreign interests, plundered of its natural resources and which will go on sheltering the least advanced countries in the world and the most disgracefull poverty.

**RESUME**

*L'article de A. BENACHENHOU se situe dans le cadre d'une analyse globale du Plan d'Action de Lagos (PAL). L'auteur y étudie les points forts et faibles du PAL ainsi que les conditions nationales et internationales de son exécution. Il conclut ensuite par une analyse concise du défi que constitue le Rapport Berg.*

*Analysant les éléments nouveaux contenus dans le PAL, l'auteur les place d'abord dans le cadre d'un contexte nouveau de développement qui n'en fait plus un sous-produit du système économique mondial, puis dans celui d'un contrôle plus strict des opérateurs étrangers sur les ressources naturelles africaines et enfin dans celui de la condamnation de la dépendance alimentaire de l'Afrique et de la nécessité d'une auto-suffisance dans ce domaine.*

*Dans la deuxième partie de cet article BENACHENHOU note que la mise en application du PAL dépendra des circonstances exogènes et endogènes qui vont prévaloir dans les deux prochaines décennies. Il est vrai qu'il existe des contraintes au niveau international dont il faut tenir compte. Cependant ce contexte offre aussi des possibilités qu'il faut exploiter.*

*En outre, dans la mesure où des potentialités économiques non négligeables caractérisent les situations nationales, on peut noter l'absence fréquente de véritables projets nationaux capables de générer un développement autocentré.*

*L'auteur conclut son article par une brève analyse du défi du Rapport de la Banque Mondiale pour l'Afrique. Ce Rapport qui est en contradiction absolue avec les principes du PAL, exprime le point de vue que le développement de l'Afrique ne peut être que le sous-produit du développement économique mondial et qu'il ne peut être atteint que par le libre jeu des forces du marché.*