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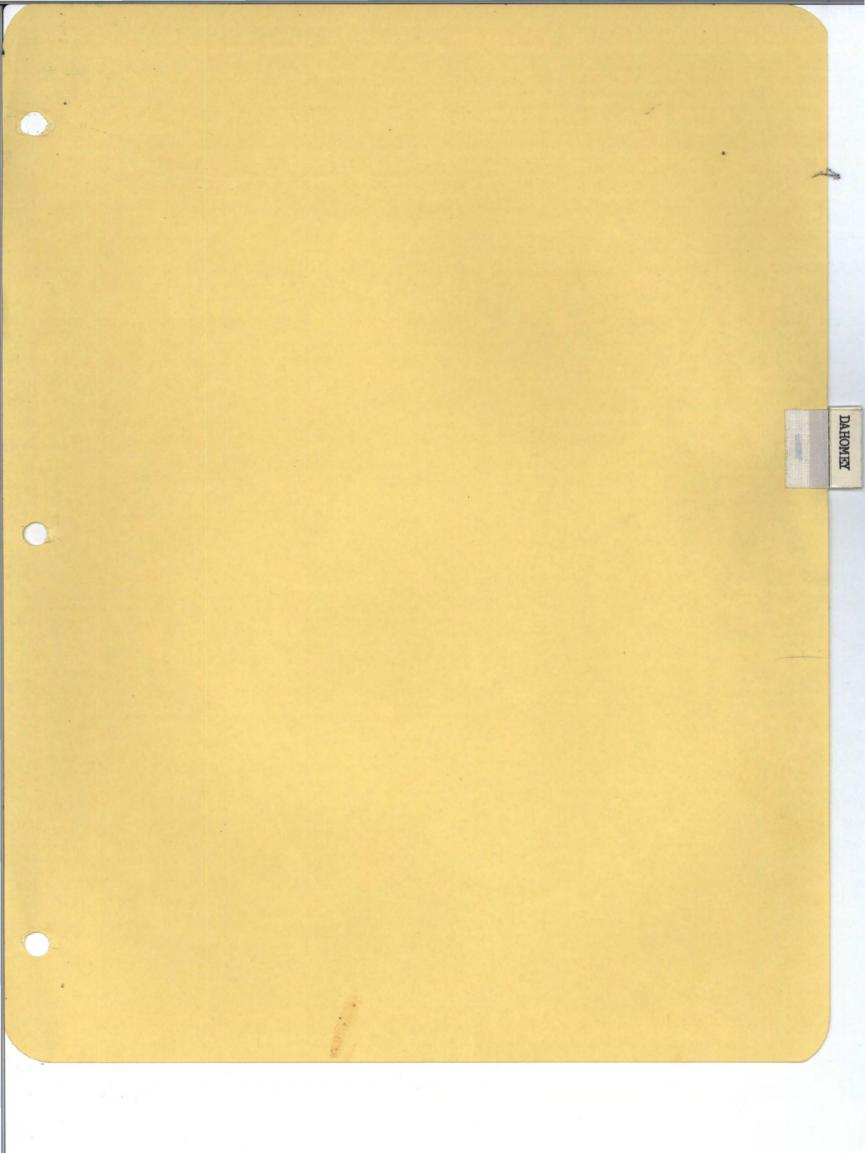


THE WORLD BANK Washington, D.C.

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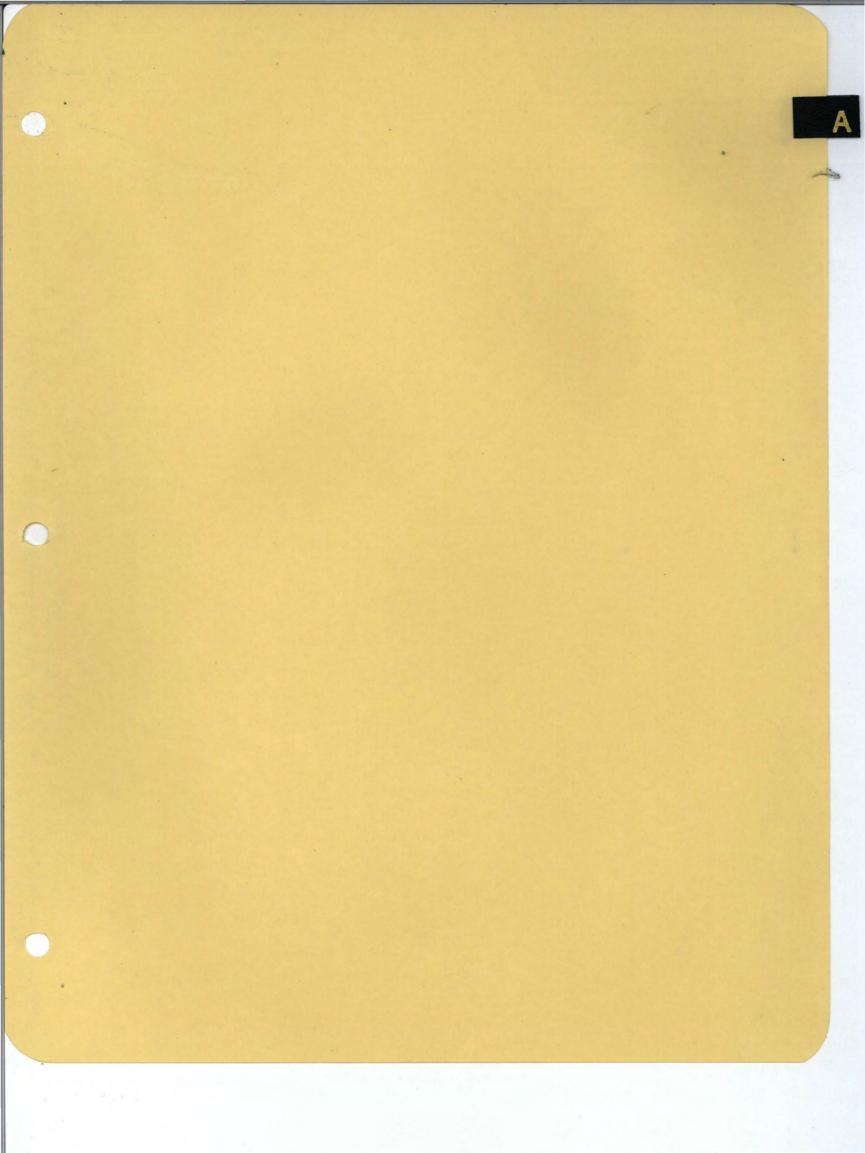


DAHOMEY

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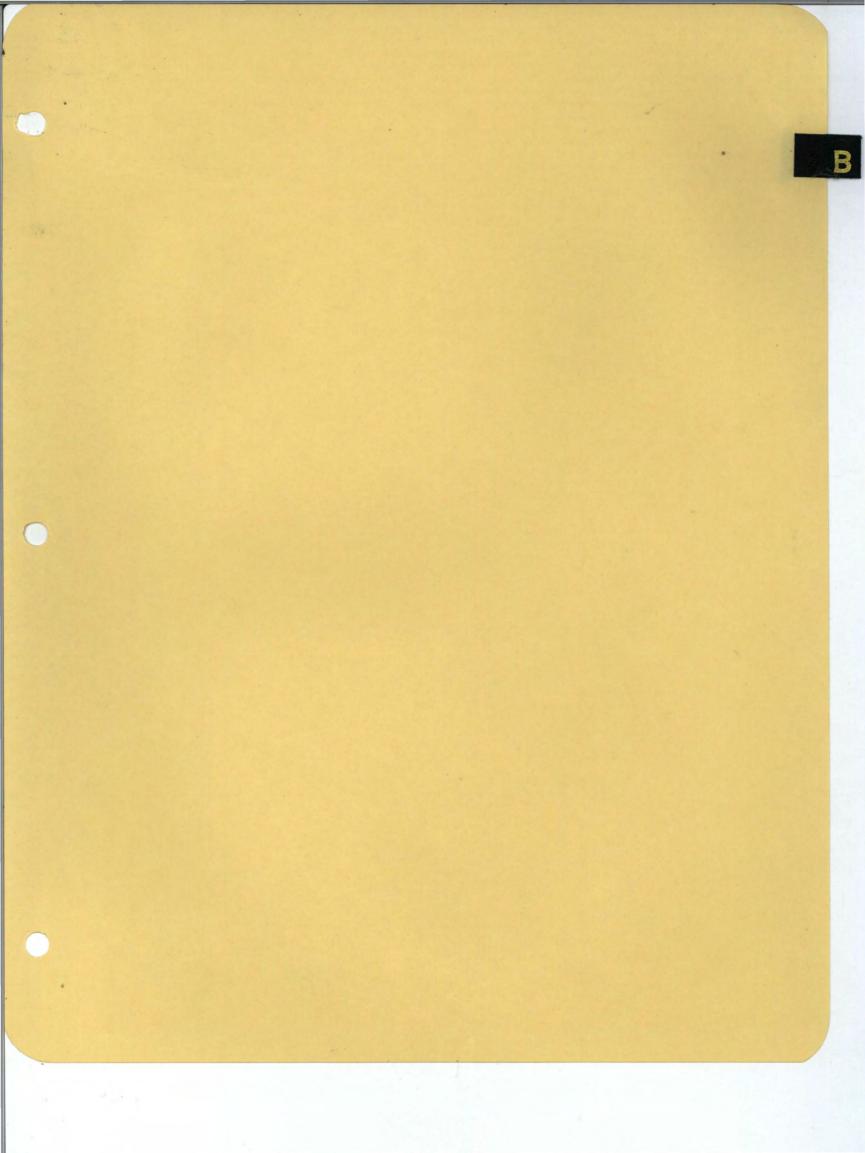
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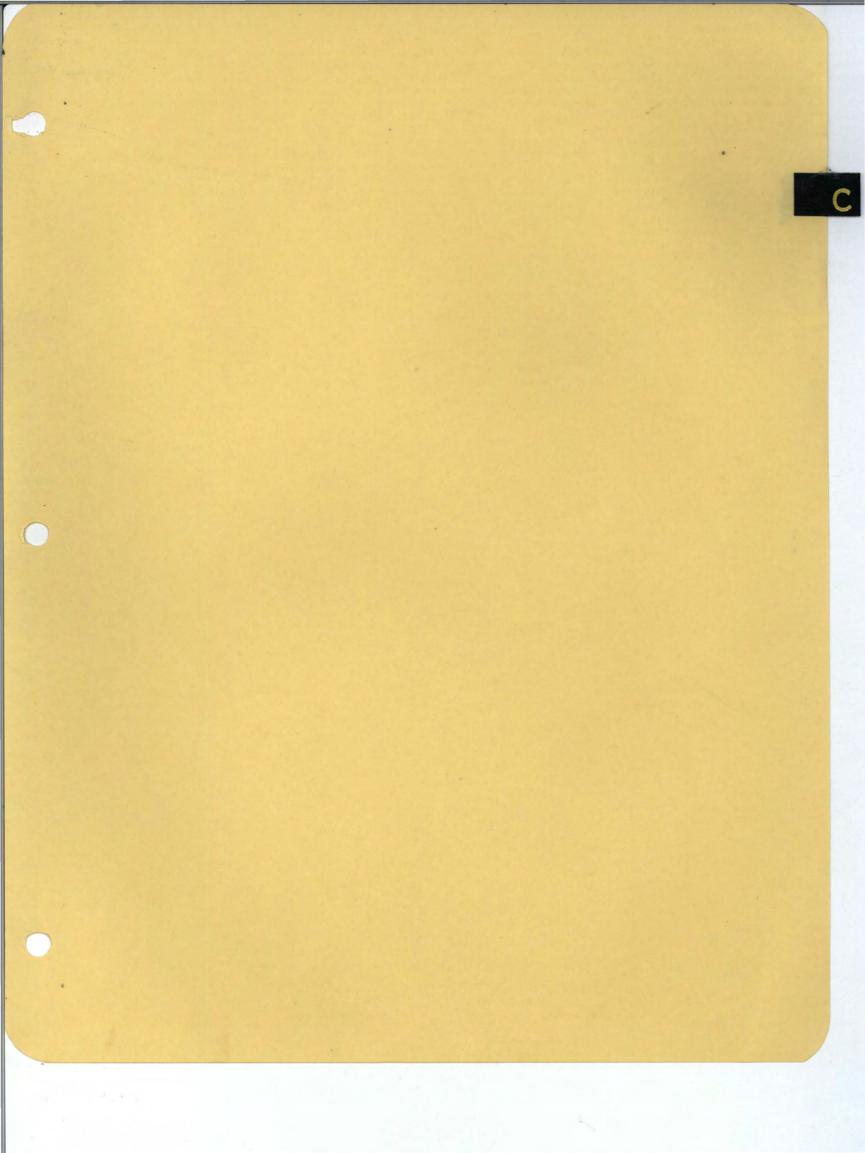


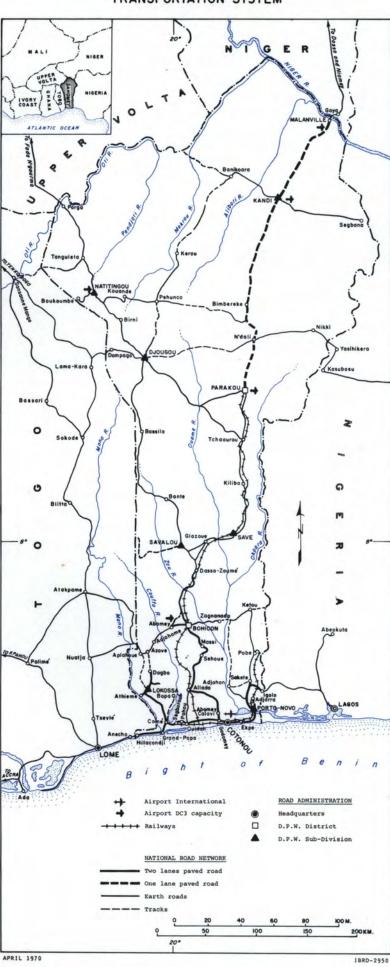
PROPOSED PROGRAM

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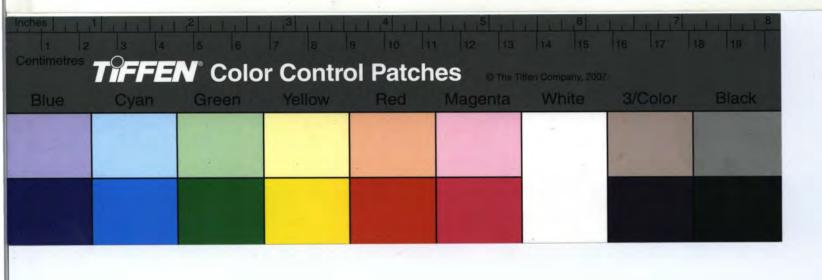
Friday, January 12	
15:00 (Cotonou time)	Welcome at Dahomey-Togo border
16:15	Arrive Cotonou - Residence at villas of Conseil de l'Entente
17:15	Depart for Porto-Novo (by car) (See Cotonou Bridge - Porto-Novo Bridge - Tour of Porto-Novo) - Welcome by Prefect of Ouémé region
18:45	Return to Cotonou (by car)
19:15	Meeting with UNDP Resident Representative
20:00	Private dinner
Saturday, January 13	•
7:15 7:30	Depart Cotoñou to Ganvié and Grand Hinvi (by car) Arrive Abomey-Calavi
7:30 - 8:30	Visit of Ganvié lake village (by boat)
8:30	Depart Abomey-Calavi for Grand Hinvi (by car)
9:15 - 10:15	Arrive at Grand Hinvi project site and field visit
10:15 11:30	Depart Grand Hinvi for Abomey Arrive Abomey and visit museum and handicraft shops
. 12:30	Short lunch at Abomey at the Prefect's residence
13:45 15:30	Depart Abomey for Cotonou (by car) Arrive Cotonou
16:30 - 18:30	Working session with Governmental officials
19:30	Meeting with President
20:30	Official Dinner by President
Sunday, January 14	
7:30 - 8:30	Visit of Cotonou City and Port (by car)
8:45	Arrive Cotonou Airport
9:00	Depart for Freetown (by private plane)



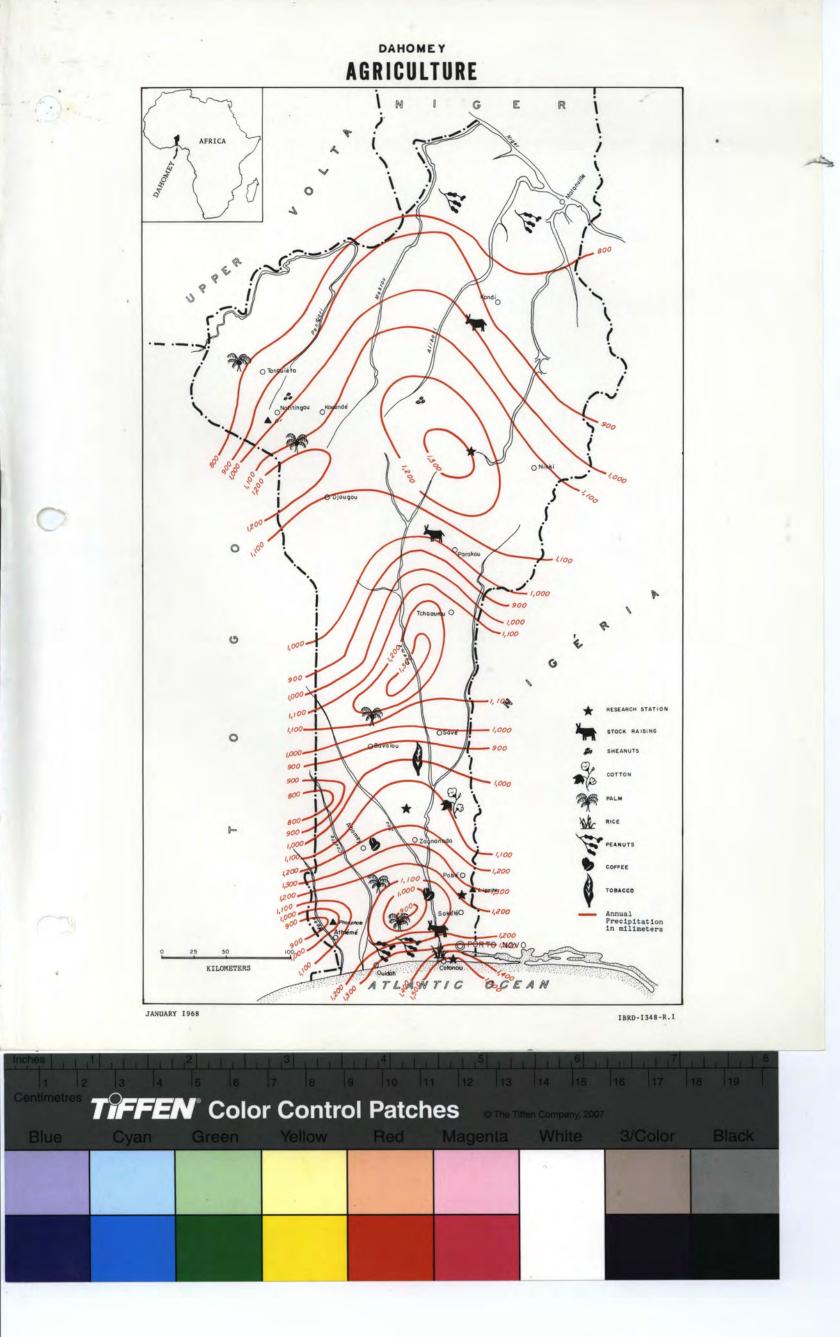


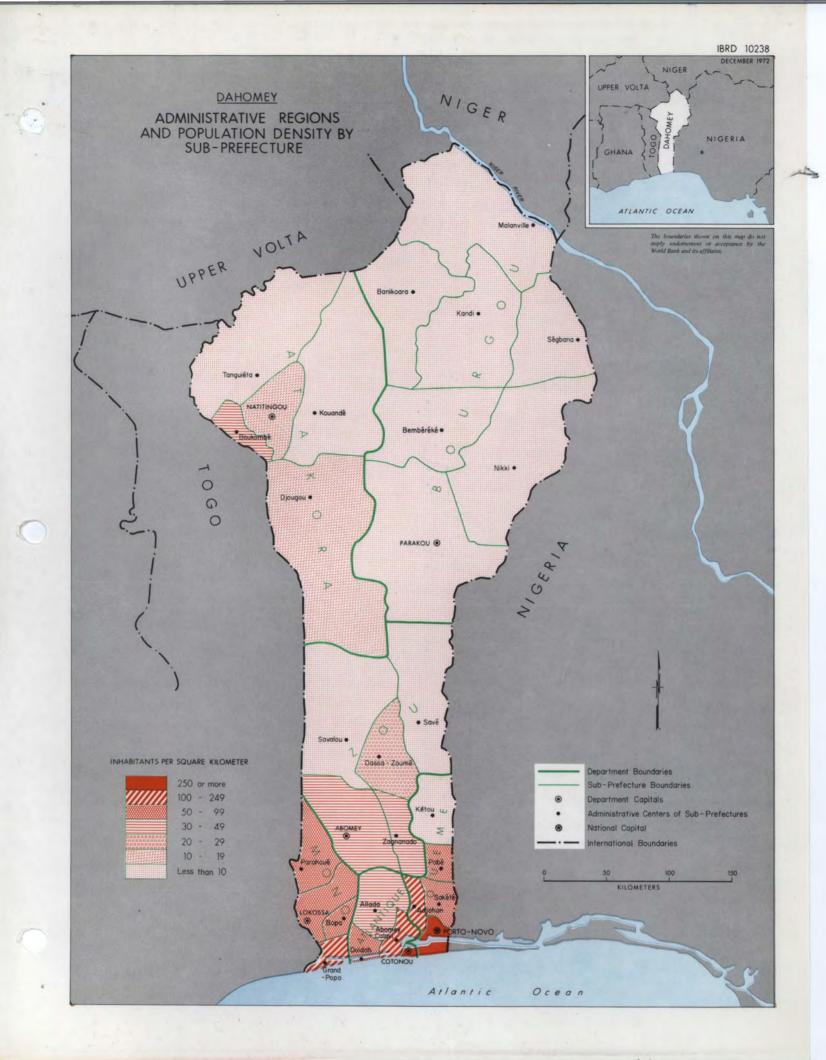


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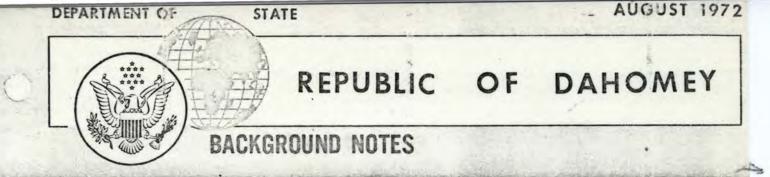


REPUBLIC OF DAHOMEY TRANSPORTATION SYSTEM









Population: 2.8 million (1970 est.) Capital: Porto Novo

Dahomey, located on the south side of the West African bulge, is tounded by Nigeria, Togo, Upper Volta, Niger, and the Gulf of Guinea. With an area of 43,483 square miles, it is slightly smaller than Pennsylvania

North of the coastal lagoons the country is flat and generally covered with dense vegetation. Dahomey's coastline runs about 75 miles along the Gulf of Guinea.

The climate of the coastal region is hot and humid much of the year; however, it is tempered somewhat by a sea breeze. The long rainy season on the coast lasts from mid-March to mid-July, and the short rains are from mid-September through November. In the interior there is only one rainy season (June-October).

Dahomey's flag consists of a vertical green stripe on the staff side, with an upper horizontal yellow stripe and a lower horizontal red stripe occupying the remaining portion.

THE PEOPLE

With a 1970 (stimate of about 2.8 million people, Dahomey is one of the most densely populated (60 persons per square mile) territories of former French West Africa. About 90 percent of the people live in rural sectors of the country. The population growth rate is about 2.8 percent annually. Porto Novo (80,000 inhabitants) is the official capital of Dahomey, but most governmental operations are located at Cotonou (120,000 inhabitants).

More than 40 ethnic groups are found in Dahomey, but four of them—the Fons, the Adjas, the Baribas, and the Yorubas (who are related to those in Nigeria)—account for more than half the population. There are approximately 5,500 Europeans in the country today, some of them descendants of the Portuguese.

Dahomey is not linguistically homogeneous; however, French is the official language and is used as a common language.

Dahomeans are among the best-educated people in West Africa, of whom substantial numbers were selected by French colonial authorities for civil service training during the preindependence period. The literacy rate is about 25 percent among school-age children.

Sixty-five percent of the total population is animist; Christians in the south account for 15 percent of the population, and Muslims in the north account for 13 percent.

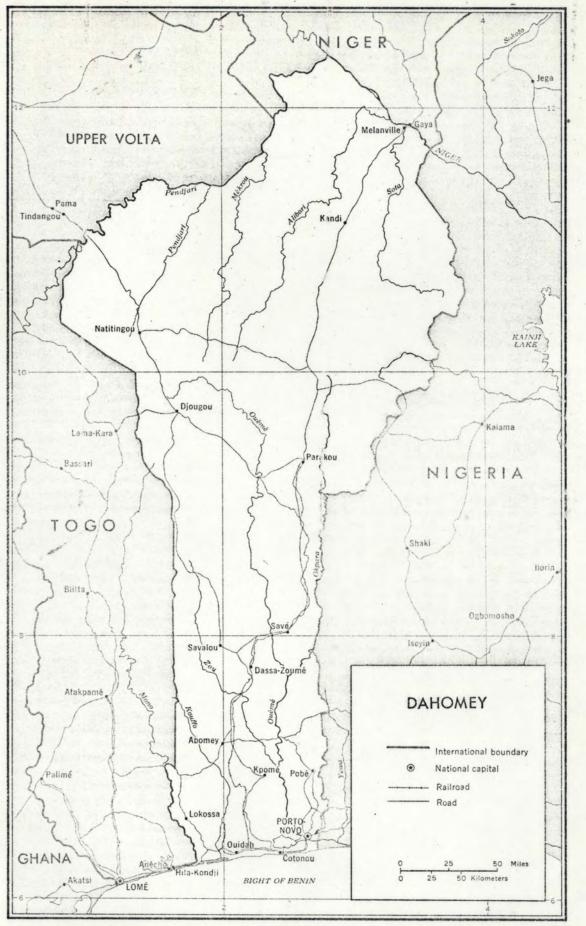
HISTORY

In the 17th century the Portuguese, setting out from Lagos, Nigeria, founded the trading post of Porto Novo in what is now the southeastern extremity of Dahomey. At that time Dahomey was composed of an agglomeration of small, mutually suspicious principalities, most of them tributary to the powerful Kingdom of Abomey to the north. Since its founding in the 16th century, Abome / had succe.sfully pushed south against the Yoruba ; and other coastal tribes. In 1863 the King of Forto Novo, anxious to free himself of this oppression, requested protection from the French, who had already signed a commercial treaty with Dahomey in 1851. French military campaigns subjugated other important groups, and in 1892 all of Dahomey was organized as a French protecto ate.

Until after World War II, governmental affairs in France's African territories were administered directly from Paris through the mechanism of Governors General and territorial governors. The constitution of 1946, however, in addition to conferring French citizenship on the inhabitants of the territories, provided for a certain decentralization of power and a limited participation by local advisory assemblies in political life.

A further revision in the organization of Overseas Territories began with the passage of the Overseas Reform Act of July 23, 1956, known as the <u>loi cadre</u>, which was followed by reorganization measures voted by the French Parliament early in 1957. In addition to removing voting inequalities, these laws provided for the creation of governmental organs assuring a large measure of self-government to individual territories. After the establishment of the Fifth French Republic, Dahomey became an autonomous state in the French Community on December 4, 1958. Dahomey achieved independence on August 1, 1960, and was admitted to the United Nations on September 20, 1960.

Since independence, Dahomey has experienced many difficulties in securing national unity. The effects of regional and personal rivalries have caused a series of largely bloodless coups d'état and other government changes which began in October 1963 when Hubert Maga, who became President at the time of independence, was deposed by the military. He was succeeded by a provisional government directed by Col. Christophe Soglo, then Chief of Staff of the Dahomean Army.



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In general elections held on January 19, 1964, the electorate chose Sourou-Migan Apithy as President and Dr. Justin Ahomadegbe as Vice President. A 42-member National Assembly was also selected from a single list prepared by the Parti Démocratique Dahoméen.

In November 1965, following continued rivalry between the three civilian leaders, Army Chief of Staff Soglo (then General) led a group of officers that forced the resignation of the President and the Vice President, National Assembly President Congacou formed a provisional government. The army intervened again in December 1965 and established a military-backed regime with Gen. Soglo as President.

Another coup occurred in December 1967, led by young army officers who were dissatisfied with the accomplishments of the Soglo government. A "Revolutionary Military Committee" was formed, with Lt. Col. Alphonse Alley acting as President. A new constitution was adopted on March 31, 1968, and a presidential election was held on May 5. However, because they were prohibited from playing a direct role in the election contest, the three Dahomean civilian ex-Presidents prevailed upon their many followers to boycott the elections. Only 26 percent of the electorate voted, causing the Revolutionary Military Committee to annul the elections.

Still resolved to return the country to civilian rule, the army leaders named Dr. Emile-Derlin Zinsou, who had served as Foreign Minister under Gen. Soglo, to form a government. Despite an attempt by the three former civilian ex-Presidents to block the nomination, Dr. Zinsou was installed as President on July 17, 1968. Following the formation of the cabinet of the new Government on July 31, the Revolutionary Military Committee dissolved itself on August 1, the anniversary of Dahomey's independence.

From its inception the government of Dr. Zinsou was confronted with dissidence, complicated by a faltering economy and by divisive activities incited by the three civilian former Presidents after their exile by Zinsou. A d spute with the Army Chief of Staff, Lt. Col. Maurice Kouandete, led to the overthrow of the Zinsou government on December 10, 1969. This move caused Dahomey's most protracted political crisis.

A provisional government was formed on December 14, 1969, led by a military triumvirate which included Lt. Cols. Paul-Emile de Souza, Benoit Sinzogan, and Maurice Kouandete. Former civilian Presidents Maga, Ahomadegbe, and Apithy were permitted to return to Dahomey and were asked to decide on a single candidate for the presidential role. After more than 4 months Maga and Ahomadegbe agreed to form a government headed by a collegial presidency, with the three civilian members rotating the chairmanship every 2 years. Hubert Maga emerged as the first to serve as President, followed by Ahomadegbe in 1972, and then by Apithy who will take over in 1974. This compromise settlement was inaugurated as the Government of National Unity on May 7, 1970.

Following an abortive coup attempt on February 23, 1972, the first peaceful transition was accomplished when Ahomadegbe assumed the presidency on May 7, 1972.

GOVERNMENT & POLITICAL CONDITIONS

The Charter of the Presidential Council, signed on May 7, 1970, serves as Dahomey's constitution. It establishes a three-member Presidential Council to govern the country's institutions until 1976 and has given the council exclusive executive and legislative powers. The President of the Council (Chief of State and Head of Government) has charge of national defense and security and is commander in chief of the army. All decisions, functions, and nominations for the Government must be unanimous on the part of the three members, such as the appointment of the 10-member Cabinet, except when three successive negative votes on a single issue permit a majority decision.

The Charter provides for a unicameral National Consultative Assembly. Although not yet in operation, the Assembly will consist of three sections—economic, social, and "general policy." The Government will also establish Consultative Councils at the departmental (six), city, and village levels. The composition and functioning of these institutions are to be established by decree.

The judicial system is based on the Napoleonic Code, in the French tradition, and includes three levels of tribunals headed by a Supreme Court.

Local administrations represent all government ministries in the six Prefectures into which the country is divided, as well as the various Subprefectures. The chief official in each jurisdiction (Prefect or Subprefect) is appointed by and responsible to the Minister of Interior.

Dahomey's future depends on its ability to achieve economic progress and political stability. The country weathered a coup attempt in early 1972 but there continue to be pressures from labor unions, the army, a growing number of educated unemployed, competing ethnic groups, and others, all of which could crest during a period of greater than usual economic malaise.

ECONOMY

Current data are not available on the Dahomean economy, which is mainly one of subsistence agriculture dependent on corn, rice, manioc, beans, palm products, peanuts, and yams. Gross national product (GNP) was estimated at approximately U.S. \$200 million for 1970, giving an annual per capita income average of about \$75. More than half of Dahomey's \$25 million in exports (1969) were derived from palm products and cotton. New plantings of palms are starting to produce and exports of palm oil, palm kernels, and kernel oil, which have risen steadily since 1970, will continue to rise for the next several years. Cotton development is being vigorously pursued in the north to make the country somewhat

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less a monoculture economy. An important International Development Association (IDA) loan was granted in 1972 to further a joint assistance project of France and the International Bank for Reconstruction and Development (IBRD). Other major exports include coffee and peanuts.

Imports amounted to \$57 million in 1969 and included mainly manufactured goods, foodstuffs, textiles, and fuels. Thirty-five percent of these originated in France, 13 percent in other European Economic Community (EEC) countries, and 9 percent in the United States and Canada.

Industrial development is at a very low level in Dahomey. The half-dozen extraction mills for palm or palm kernel oil, five cotton gins, a kenaf factory, brewery, cement-from-clinker factory, and several smaller transformation operations now in production will be joined by a new cotton textile mill which is scheduled to start operations by 1973.

The 1971 preliminary national budget foresaw a deficit of \$4.7 million on total operating expenditures of \$39 million, of which 64 percent were for government salaries and administrative expenses. Education took the next biggest share— 25 percent. The budget, as the balance of payments, is in chronic deficit and depends on foreign assistance and levies on state-run corporations to make up the difference.

Foreign assistance totaled \$21 million in 1970, with France and EEC members being the major contributors. Other donors include the United States, the United Nations, the Republic of China, the IBRD, and Switzerland. The shares of the IBRD and the United States are likely to increase in 1972.

FOREIGN RELATIONS

Dahomey is a member of the United Nations, the Organization of African Unity (OAU), and the Common Organization of African and Malagasy States and Mauritius (OCAM), a grouping of 15 French-speaking African states. With Ivory Coast, Niger, Upper Volta, and Togo, Dahomey is a member of the Council of the Entente, a regional association which has established a joint investment and guarantee fund.

The country's foreign policy has been generally conservative and Western-oriented. Because Dahomey's economy is closely tied to those of the EEC members, it is only normal that it is politically inclined toward the same group. Dahomey also maintains diplomatic relations with Israel, the Republic of China, and a number of Communist states including the U.S.S.R.

U.S.-DAHOMEY RELATIONS

Relations between the United States and Dahomey have been excellent since the opening of the U.S. Embassy in 1961. The United States has attempted to encourage Dahomey's self-development efforts and has cooperated closely on a number of issues in international forums. Bilateral trade has not been extensive but the United States has become Dahomey's major purchaser of palm kernel oil, importing about \$2 million worth annually, and exporting slightly more than \$1 million in goods to Dahomey. Two U.S. petroleum companies maintain small distribution networks in the country; a third has been engaged in offshore oil exploration for a number of years but has not yet made a commercially exploitable find.

In past years U.S. assistance to Dahomey included a Peace Corps program, some emergency foodstuffs through Catholic Relief Services, and a small self-help program. In 1971, however, an \$800,000 rural water supply system was set up in the south and a feasibility study was financed for the proposed Cotonou bridge/dam. In 1972 a \$1.9 million loan was signed to finance a new telecommunications link between Bohicon and Parakou in the center of the country, and a road construction project from Parakou to the northern border was to be jointly undertaken with IBRD.

PRINCIPAL GOVERNMENT OFFICIALS

President; Minister of Interior and Defense-Justin Ahomadegbe

Member, Presidential Council-Hubert Maga

Member, Presidential Council-Sourou-Migan Apithy

- Minister of the Economy and Planning-Joseph Keke
- Minister of Foreign Affairs-Michel Ahouanmenou Ambassador to the U.S. and U.N.-Wilfrid de Souza

Dahomey maintains an Embassy in the United States at 2737 Cathedral Avenue, N.W., Washington, D.C. 20008.

PRINCIPAL U.S. OFFICIALS

Ambassador-Robert Anderson

Counselor of Embassy; Political Officer-Tobias Hartwick

Director, Peace Corps-Thomas Corcoran Public Affairs Officer (USIS)--Sherman H. Ross

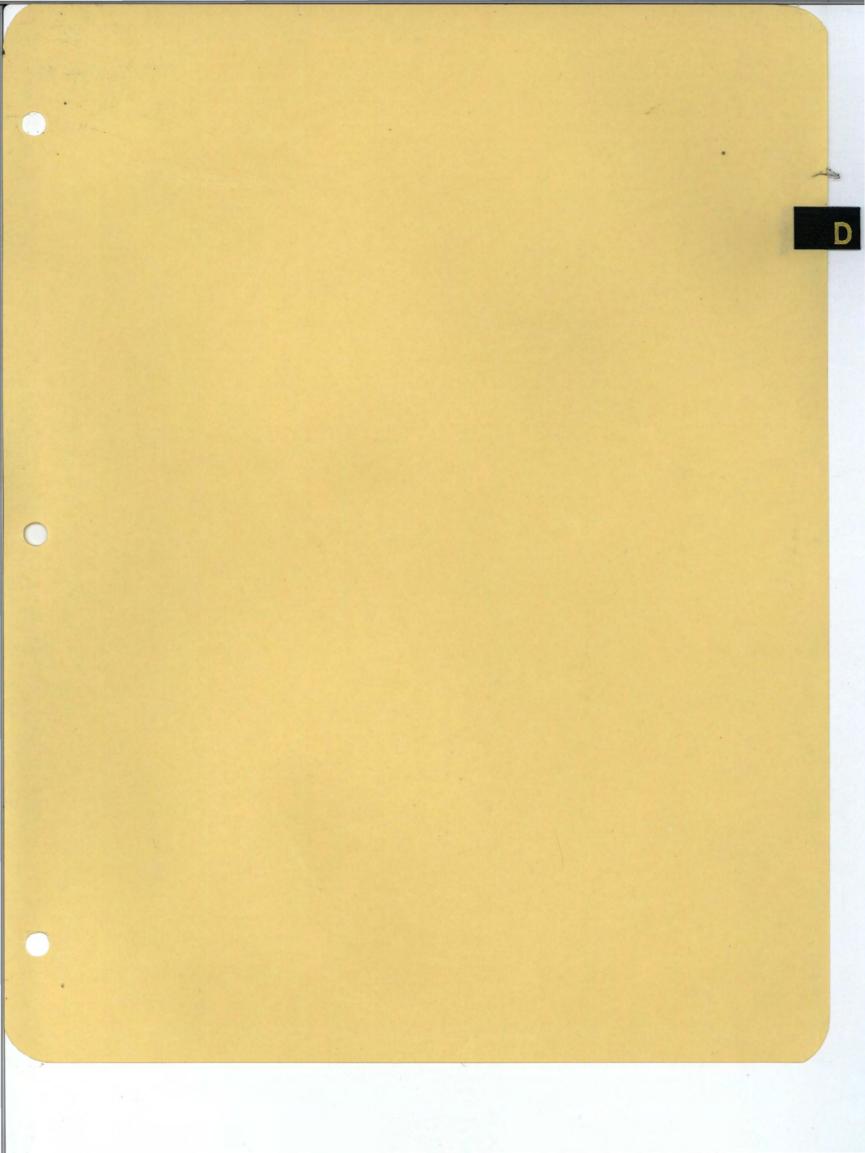
The U.S. Embassy in Dahomey is located at Rue Caporal Anani Bernard, Cotonou.

READING LIST

These titles of approximation ageneral in that on of the material currently being pathished on this country; the Department of State does not endorse the specific views in unofficial publications as representing the position of the U.S. Government.

- Adloff, Richard. West Africa: 'The French-Speaking Nations, Yesterday and Today. New York: Holt, Rinehart and Winston, 1964.
- Department of Commerce. <u>Basic Data on the</u> <u>Economy of Dahomey</u>, OBR 64-36. Washington D.C.: U.S. Government Printing Office, 1964.
- Department of State. Africa: This New Dialogue. Pub. 8511. Washington, D.C.: U.S. Government Printing Office, 1970.
- Surveys of African Economies, vol. 3. Washington, D.C.: International Monetary Fund, 1971.

DEPARTMENT OF STATE PUBLICATION 8308, Revised August 1972 Office of Media Services, Bureau of Public Affairs



DAHOMEY

THE GOVERNMENT

Major Mathieu KEREKOU

Captain Michel AIKPE Commander Michel ALLADAYE Captain Janvier ASSOGBA Captain André ATCHADE

Captain Hilaire BADJOGOUME

Captain Morita DJIBRIL Captain Nester GBEHETON

Commander Pierre KOFFI Quartermaster Thomas LAHAMI Captain Amadou MAMA DJOUGOU

Squadron Chief Barthélémy OHOUENS

President of the Republic Minister of National Defense and Planning

Minister of Interior

Minister of Foreign Affairs

Minister of the Civil Service

Minister of Public Works, Mines and Energy

Minister of Education, Culture, Youth and Sports

Minister of Health and Social Affairs

Minister of Transport, Post and Telecommunications

Minister of Information and Tourism

Minister of Finance and Economics

Minister of Rural Development and of Cooperation

Minister of Justice

Major Mathieu KEREKOU President of the Republic Minister of National Defense and Planning

Major Kerekou who is 39 years old was born in Kouarfa in Dahomey's impoverished Atakora region. He is married, has no children and is a member of the Yoabou tribe.

From 1963 to independence, Major Kerekou served in the French Army. He then transferred into the Dahomean Armed Forces as a Second Lieutenant and underwent a year of military training in France. He was promoted to the rank of Batallion Commander in 1969 and was named Deputy Chief of Staff in 1970.

Kerekou participated in the successful 1967 armed forces coup in Dahoney and led the October 26, 1972, takeover which toppled the Presidential Council.

The President is a serious, intense and quiet individual who admits to having little understanding of non-military matters.

Capt. Michel AIKPE Minister of Interior

Born in Abomey, the ancient capital of Dahomey's kings, Captain Aikpe is 30 years old, married and has no children. He is a member of Dahomey's largest ethnic grouping, the Fon tribe. He entered the Dahomean Armed Forces in 1960 and received extensive military training in France.

Like President Kerekou, he participated in the 1967 army takeover and served at that time as Minister of Interior. Prior to the October 26 coup, he commanded the Army's elite paratroop unit based in Ouidah.

Commander Michel ALLADAYE Minister of Foreign Affairs

Born in 1940, Commander Alladaye is one of the three natives of Abomey in the Kerekou Government. He is divorced, has three children and is a Fon.

From 1960 to 1962 he studied at France's Military Academy, St. Cyr, and then received further training in military engineering in France.

Upon returning to Dahomey, he entered the Army's Corps of Engineers and rose to the rank of Commander of this Unit.

Alladaye is generally regarded to be one of the more influential officers in the present Government. Capt. Janvier ASSOGBA Minister of the Civil Service

Captain Assogba was born at Ouidah in Dahomey's southern coast and is 33 years old and single.

Like many other officers in the armies of the Francophone countries of West Africa, Captain Assogba served in the French Army and did not transfer into the Dahomean Armed Forces until 1965. He, too, received extensive military training in France and was promoted to the rank of captain in 1961. Captain Assogba participated in the 1967 army takeover and was named Minister of the Civil Service during his first governmental stint.

Capt. André ATCHADE Minister of Public Works, Mines and Energy

Born in the central town of Tchaourou in 1941, Captain Atchade is single and entered the Dahomean Army in 1963 after graduating from St. Cyr.

He served briefly as head of the elite paratroop unit stationed in Ouidah and as Minister of Public Works in the 1967 military government. He is a quiet but intelligent individual who is said to be one of the most influential members of the new Government.

Capt. Hilaire BADJOGOUME Minister of Education, Culture, Youth and Sports

Captain Badjogoume is 29 years old, single, and was born in Abomey the principal town in Dahomey's central region.

He is the only cabinet member of the present Government who holds a university degree in a non-military field - law.

Captain Badjogoume entered the Armed Forces in 1962 and underwent military training in France. He was promoted to the rank of captain in 1972 and served a short time as Dahomey's Military Attache to France. Capt. Moriba DJIBRIL Minister of Health and Social Affairs

Moriba Djibril hails from the important northern town of Parakou, is married and has six children. He is a member of the Bariba tribe.

He entered the Dahomean Armed Forces in 1960 and underwent police training in France from 1963 to 1965.

Upon returning to Dahomey, he was assigned to the police service in the heavily populated Atlantic department which contains, inter-alia, the city of Cotonou. He was promoted to the rank of Police Commander shortly before the October 26 coup.

Capt. Nestor GBEHETON Minister of Fransport, Post and Telecommunications

A member of Dahomey's numerous Fon tribe, Captain Gbeheton was born in the town of Zagnanado in the country's central region in 1943. He is married and has one child.

Minister Gbeheton entered the Armed Forces in 1963 and spent three years in France undergoing police and military training.

Upon returning to Dahomey, he served as Company Commander in the country's police force, participated in the 1967 coup and then returned to the National Police Service.

Commander Pierre KOFFI Minister of Information and Tourism

A native of Agame in Dahomey's southern region, Minister Koffi is 36, married, has six children and is a member of the Mina tribe.

He served in the French Army from 1966 to 1960 and then transferred to the Dahomean Armed Forces. He received a year of military training in France and was promoted to the rank of Commander in 1972.

Quartermaster Thomas LAHAMI Minister of Finance and Economics

The only native of Cotonou in the Kerekou cabinet, Minister Lahami is 38 years old, married, has one child and is a member of the Fon tribe.

From 1963 to 1960 he served in the French Army and, shortly after transferring into the Dahomean Armed Forces, he underwent military training in France.

Like Minister Badjogoume, Lahami served as Dahomey's Military Attache to France. Subsequently, he held the position of Quartermaster in the Dahomean Armed Forces until he was named Minister of Finance and Economics by President Kerekou.

Minister Lahami is Dahomey's Governor for the World Bank Group. He is also an intelligent, self-assured and knowledgeable individual who cooperated closely with the recent operational mission to Dahomey.

Capt. Amadou MAMA DJOUGOU Minister of Rural Development and of Cooperation

A northerner like President Kerekou, Capt. Mama Djougou was born in 1932, is married, has three children and is a member of the Bariba tribe.

He served in the French Army from 1953 to 1960 and rose to the rank of Sergeant Major. At the time of his country's independence, he entered the Dahomean Army and received two years of military training in France.

In May, 1970, he was named military aide to Mr. Maga of the Presidential Council.

Captain Mama Djougou is a pleasant, outgoing individual who has cheerfully cooperated with, and is sympathetic to the Bank. Squadron Chief Barthélémy OHOUENS Minister of Justice

At age 42, Minister Ohouens is the oldest member of the Kerekou regime. He was born in the southern town of Porto Novo, is married, has eight children and is a member of the Goun tribe. Like most older officers in the Dahomean Army, he served in the French Armed Forces prior to independence and received extensive military training in France.

Prior to participating in the October 26 coup, he served as a high ranking officer in the National Police Force.

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OTHER BIO-SKETCHES

Mr. Bruno AMOUSSOU

Mr. Robert ANDERSON

Mr. Abou BABA-MOUSSA

Mr. Souradjou IBRAHIM

Mr. Michel van GREVENYNGHE

Mr. Jean-Baptiste YONKE

Director General of the National Rural Development Company (SONADER)

American Ambassador, Dahomey

Director of the Dahomean Development Bank

Director of Planning, Dahomey

French Ambassador, Dahomey

Acting UNDP Representative, Dahomey

Mr. Bruno AMOUSSOU Director General of Sonader

Mr. Amoussou is a native of Dahomey's Mono Department and is a member of the Mina tribe. He is married and has three children.

After earning degrees in agronomy and rural engineering from France's National Institute of Agronomy and School of Rural Engineering, Mr. Amoussou returned to Dahomey and joined the Ministry of Rural Development and Cooperation. He eventually rose to the rank of Director of Rural Engineering in that Ministry and was appointed head of Sonader in 1966.

Mr. Amoussou is a capable, dynamic and extremely knowledgeable individual with a knack for administration. He is familiar with the Bank's modus operandi and has always been a valuable contact for us in the country.

Mr. Robert ANDERSON American Ambassador, Dahomey

Ambassador Anderson, aged 55, is a Yale graduate. After serving in the U.S. Armed Forces during World War JI, he entered the U.S. Foreign Service and put in duty tours in both the Far East and Europe. Mr. Anderson was appointed Ambassador to Dahomey in March, 1972, and arrived in Cotonou. shortly thereafter.

Mr. Anderson is an outspoken career diplomat who is, however, still in the process of familiarizing himself with Dahomey's political, economic and social situations.

Mr. Abou BABA-MOUSSA Director of the Dahomean Development Bank

Mr. Baba-Moussa, a native of the city of Parakou and a member of the northern Bariba tribe, is Dahomey's alternate governor for the Bank Group.

After undergoing university training in France, Mr. Baba-Moussa returned to Dahomey and held several positions in the Government. He was also a ranking official at the Economic Commission for Africa in Addis Ababa before being appointed Director of the Dahomean Development Bank. Informed sources in in Dahomey indicate that Mr. Baba-Moussa has emerged as President Kerekou's most influential advisor on economic and financial affairs.

Mr. Souradjou IBRAHIM Director of Planning

Mr. Ibrahim is a native of the southern city of Porto Novo. He is 34 years old and is married. After earning university degrees in economics and statistics in France, Mr. Ibrahim returned to Dahomey where he entered the country's Planning Office. He quickly rose within that agency's service and was named Dahomey's Planning Director by former President Maga.

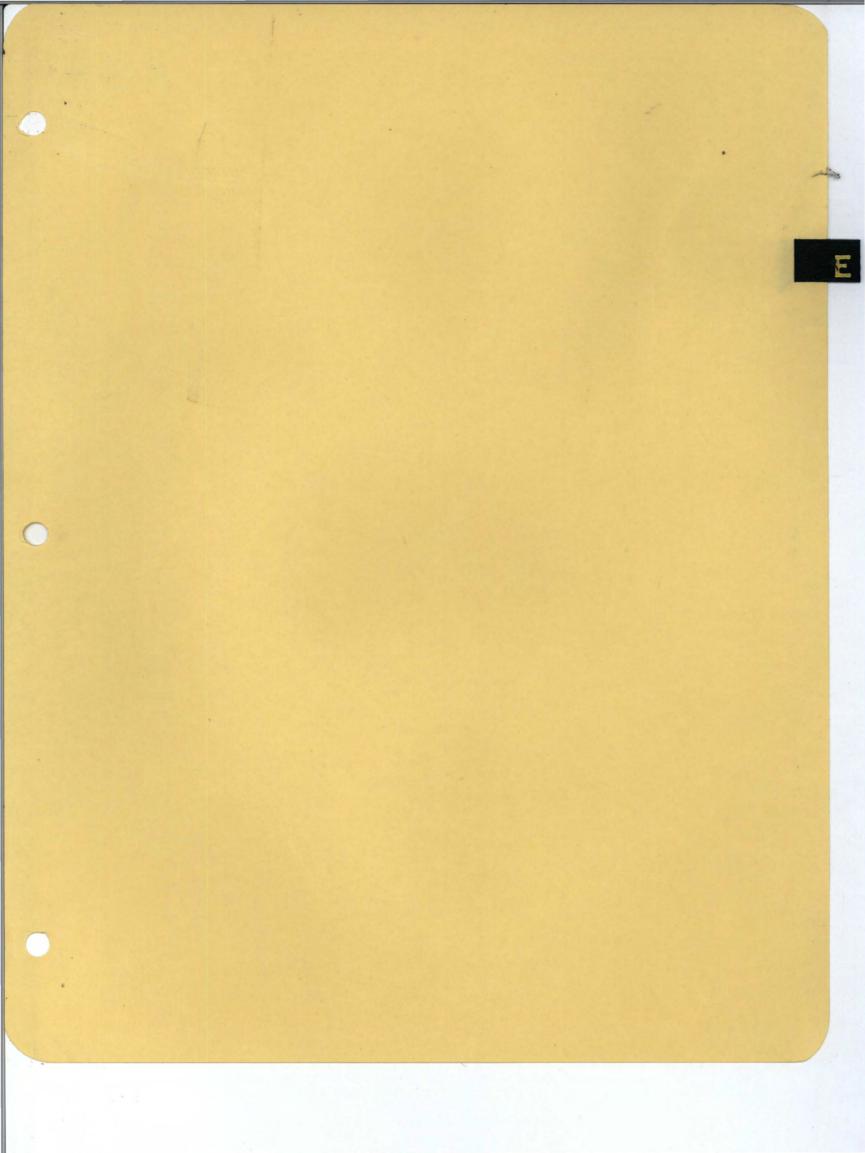
Mr. Michel van GREVENYNGHE French Ambassador, Dahomey

Ambissador van Grevenynghe, aged 50, is an experienced Africa hand. From 1945 through 1957 he served in France's colonial service in Africa. He then transferred into the French foreign service. Dahomey is his first ambassadorial post and he took up his duties in Cotonou last July. Despite the fact hat he is a newcomer to Dahomey, he is remarkably well informed on happenings in the country and appears to have effective lines of communication with the new government. The ambassador is quiet spoken but pleasant and cooperated willingly with Mr. Gué during his recent operational mission to Dahomey.

Mr. Jean-Baptiste YONKE Acting UNDP Representative, Dahomey

Mr. Wolff, UNDP's Resident Representative in Dahomey, will be on leave in Europe during the first two months of 1973 and Mr. Yonke is acting head of the UNDP's Cotonou office.

Mr. Yonke is 37 years old, a citizen of the Cameroons, and an agronomist by training. From 1960 to 1971, he worked in the Cameroon Government's Ministry of Agriculture rising, eventually, to the position of Director for Agricultural Development. In 1971 he joined the FAO and took up his duties as FAO Representative in Dahomey and Togo.



TOPICS FOR DISCUSSION

1. <u>SECOND HIGHWAY PROJECT</u>: During Mr. Gué's recent operational mission to Dahomey, top Government officials — including Major Kerekou — advised him that the new regime attaches the same high priority to this project and to the reconstruction of the Parakou-Malanville road, its principal component, as did the Presidential Council. It is safe to assume, therefore, that the Dahomeans will be anxious to ask Mr..McNamara where we stand on this operation.

2. As explained in the report on future operations in Dahomey contained in Section G of this briefing, we expect this to be our <u>next project in the country.</u> In fact, we had <u>intended to negotiate</u> this proposed Credit last November. The October 26 coup forced us, however, to temporarily hold the operation in abeyance while the dust settled in the country and we ascertained the Kerekous regime's stance towards this project. Now, things have returned to normal in Dahomey and the Government has asked us to proceed with the operation. Consequently, in his December 28 back-to-office report, Mr. <u>Gué recommends</u> that we present this project to the Loan Committee in January and invite a Dahomean team to negotiate the Credit in February. Management in the West Africa region is now considering this recommendation.

3. <u>ZOU BORGOU COTTON PROJECT</u>: A Credit of \$6.1 million for this project was <u>signed on May 24</u>, 1972, but has not yet been declared <u>effective</u>. During the course of talks with Mr. McNamara, therefore, Dahomean officials may complain about the delay in making this Credit effective and ask him to speed things up.

4. A full discussion of this project and on the remaining osbtacles to the Credit's effectiveness appears in the paper on ongoing operations in Dahomey contained in Section G of this book. Briefly stated, however, the core problem facing this project centers around the executing agency, SONACO's, management team which has, we feel, failed to discharge its duties effectively. We have already advised the Kerekou regime of our misgivings regarding SONACO's management and, at its request, we are preparing a written report for the Goverment specifically outlining its shortcomings. We also propose to delay effectiveness of the Credit until the Government comes up with a solution, acceptable to the Association, for the present management problem. As soon as the Dahomeans propose a satisfactory solution, we can declare the Credit effective. We would, however, continue to monitor closely SONACO's management through 1973 and reassess its effectiveness towards the end of the upcoming cotton campaign, i.e., next November or December.

5. FISCAL SITUATION: Since independence, Dahomey has been faced with nagging fiscal difficulties. Through 1969, the central Government's current budgets were persistently in the red showing deficits

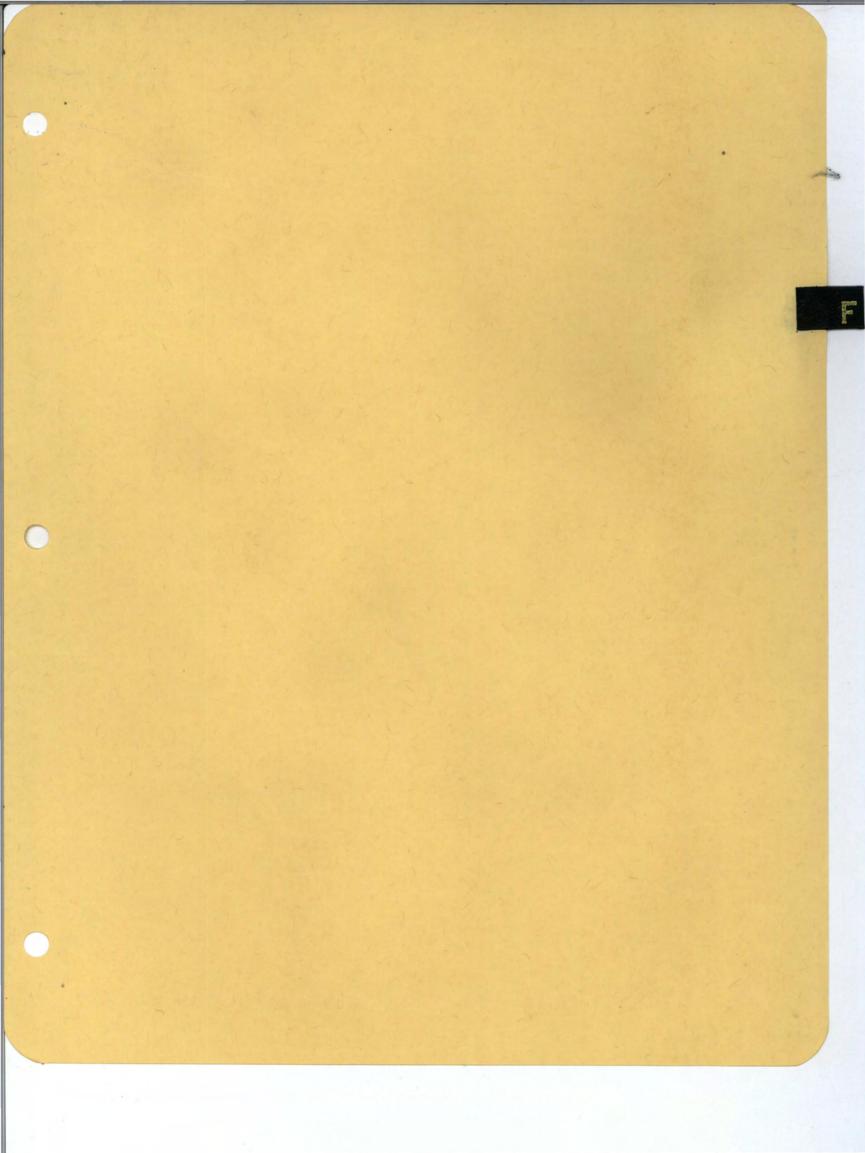
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which generally exceeded 10 percent of current budgetary receipts. Consequently, the Government's ability to finance basic maintenance of the country's existing infrastructure — roads, hospitals, schools — was severely limited as was its ability to contribute to the funding of important development projects.

6. A sharp upswing in Dahomey's economy and higher tax levels considerably brightened the country's fiscal picture towards the end of the sixties and, by 1970 and 1971, the Government's current budgets actually showed slight surpluses. This improvement in Dahomey's fiscal situation, however, proved to be short-lived. Increased outlays for education and the civil service coupled with a slowdown in the rise of government revenues due to a levelling off of foreign trade have combined to cause a current budget deficit which could run as high as \$7 million or about 16 percent of receipts in 1972.¹/ A continuation of this relapse into fiscal difficulties is highly undesirable and the new government seems determined to avoid it as was underscored in President Kerekou's December 18, 1972 letter to Mr. McNamara.

7. During Mr. McNamara's visit to Dahomey, he may want to question Government officials on what actions they intend to take in 1973 to avoid a repeat of the country's poor 1972 fiscal performance. In this regard, he might want to underline the need for austerity — particularly in the field of education and civil service expenditures and remind the Dahomeans that only by putting the Government's fiscal house in order will the country be able to meaningfully contribute to its own development effort. Finally, he may want to caution local officials that Bank Group projects usually require counterpart financing (\$2.2 million, net of taxes, in the case of the proposed Parakou-Malanville road project) and that the execution of these projects could be jeopardized by chronic fiscal deficits in the future.

1/ As is pointed out in paragraph 11 of the Gué December 28 back-tooffice report on Dahomey, if earmarked taxes were taken into account, the overall current budget in 1972 would probably show a small surplus, albeit a much smaller one than in 1970 or 1971.



COUNTRY PROGRAM NOTE

DAHOMEY

1970 Population	Bank/IDA FY		US \$ millions) FY 1973-77
(estimated) : 2.8 million			
1970 GDP per Capita: less than US \$ 100	IDA	22.2	26.0
Rate of Population Growth (1970) : 2.8 per cent p.a.	TOTAL	22.2	26.0
Exchange Rate: Before August 15, 1971	Operations Program	22.2	38.0
US $$ 1 = 277.71 \text{ CFAF}$	Annua	l Average p	per Capita (\$)
After December 20, 1971 US \$ 1 = 255.79 CFAF	IDA	1.60	1.90

. COUNTRY OBJECTIVES

Introduction

1. The last Country Program Paper on Dahomey was reviewed on January 30, 1970. Following an updating economic mission in November 1970, a Country Program Note was prepared and reviewed on March 25, 1971. A one-man mission visited Dahomey in the summer of 1971 to review Government fiscal policies. A basic economic mission is scheduled for May 1972.

Political Situation

2. Since independence in 1960, Dahomey has suffered a series of political crises and eight changes of government. The main cause of that instability was regional affiliations and antagonisms reflecting traditional rivalries between ancient kingdoms. The organization of the Presidential Council is an attempt to reconcile these differences, as it is composed of Messrs. Maga from the North, Ahomadegbé from the Center and Apithy from the South. Each member will in turn hold the office of Head of State for two years. Mr. Maga is serving the first term and, if arrangements are observed, will be succeeded by Mr. Ahomadegbé in May 1972. Although the new constitutional set-up may have brought greater stability, it has also tended to paralyze the decision-making process. Past political difficulties have certainly reduced the effectiveness of development planning in the public sector.

3. From the economic viewpoint, it is important to note that the political system is increasingly dominated by the urban class, made up largely of public employees and private wage earners. These are two

small but privileged groups which until now have successfully defeated all attempted austerity measures. The gap between their standard of living and that of rural people has been increasing. This largely explains the growing rural exodus, despite the fact that employment possibilities in the modern sector are seriously lagging. The problem is further æggravated by Dahomey's education system which is almost totally unrelated to the rural environment and largely irrelevant to economic realities. That system, by contributing to the growing rural exodus of school leavers, is hampering the development of the agricultural sector and is, at the same time, contributing to increasing urban unemployment. This widening gap between rural and urban areas is likely to loom ever larger in Dahomey's political life, and to become one of the central problems of economic policy.

Economic and Financial Developments and Prospects

Between 1965 and 1970, the GDP in current prices grew by about 5.5 percent per annum. Growth in real terms is estimated at 3 percent a year, slightly above the 2.8 percent annual growth of population. After a decline in GDP growth in 1968 (3.6 percent in current prices) there has been some acceleration in 1969 (5.1 percent) and 1970 (5.6 percent) This acceleration is mainly the result of increased agricultural exports and unofficial transit trade with Nigeria. While food crops remain heavily dependent on weather conditions, the oil palm plantation program has developed favorably and cotton production increased more than threefold over the period 1961-69. Hence, export of these crops, favored by rising world market prices, increased rapidly during the last three years. Furthermore, unofficial transit trade with Nigeria sharply increased during the civil war and its aftermath. Consumer goods were smuggled into Nigeria in exchange for cocoa and groundnuts. This trade boosted Dahomey's export and fiscal receipts and led to a marked increase in foreign assets (from \$ 8 million in 1968 to \$ 23 million in 1971, about four months of imports).

5. However, as the situation in Nigeria has returned to normal, these windfall profits for Dahomey are likely to dwindle. At the same time world market prices for palm oil and cotton are expected to decline from their present high level. Despite an expected substantial expansion in the production of these crops, the value of exports in 1975 will probably be little higher than in 1971. Other exports such as coffee, tobacco and groundnuts are also expected to increase but remain insignificant. Furthermore, the maintenance of the value of the CFA franc in relation to the French franc in the recent currency realignments is likely to reduce export earnings in CFA terms. Because of the importance of exports for the Dahomean economy, GDP growth during the first half of the 1970's will probably remain slow and financial difficulties are likely to recur.

6. The national contribution to public investment has been insignificant. Current expenditures have absorbed practically all resources, including surpluses made by public entities. Maintenance itself has been very deficient. This situation is not expected to change substantially in the near future. An effective development policy in Dahomey is hampered by the lack of a well thought-out and realistic investment plan and by the insufficiency of statistical data. Our forthcoming economic mission will study how to improve that situation.

Budgetary Situation

Since independence, Dahomey has suffered from budget deficits 7. which were mainly due to the continuing growth of personnel expenditures and mounting outlays on education. The Government has never been strong enough to resist the pressure to absorb in the public service Dahomeans previously employed in other Western African countries as well as new school graduates. Each new Government has created jobs to satisfy its political clientele. During the last few years, some two thousand new positions were created annually and the number of public sector employees has reached 20,000. Salary payments account for two-thirds of government expenditure. At the same time, the growth of education expenditures reflected an apparent belief in Dahomey that there can be no misspending on education. Budgetary support had to be obtained from France each year, but its continuation is more and more uncertain. The time has now come for the Government to show that it is able to resist pressures for government job creation and to reform the education system in accordance with the economic realities of the country. Overall trends in government finance are shown in the following table.

Ordinary budget revenues and expenditures

1968-71

(in billion of CFA francs)

	1968 1969		(12 months) (9 months)		(9 months)	
Revenues						
Direct taxes	1.64	1.89	1.92			
Indirect taxes	3.59	4.43	6.10			
Other revenues 1/	1.22	1.01	1.20			
Total	6.45	7.33	9.22	7.20	7.80	
Expenditures						
Wages and salaries	5.04	5.41	5.98			
Materials and supplies	1.43	1.43	1.45			
Debt service	0.12	0.22	0.20			
Other	0.96	1.65	2.03			
Total	7.55	8.71	9.66	6.58	7.26	
Budget deficit (-) or surplus (+)	-1.10	-1.38	-0-44	(+0.62)	(+0.54)	

1/ Excluding transfers from public agencies.

In recent years, government revenues increased rapidly due

- 4 -

8. In recent years, government revenues increased rapidly due mainly to the increasing yield of import taxes, while current expenditures' increased more slowly. In 1970, the current deficit was substantially lower than in previous years, about CFAF 440 million or 4 percent of revenue. This compares with a deficit of CFAF 1,380 million in 1969, or about 19 percent of revenue. However, the increase in tax revenue in 1970 was due in part to higher import prices following the 1969 devaluation and also to the rapidly expanded transit trade with Nigeria during the civil war and its aftermath.

9. The improvement continued in 1971 due to a changing set of factors: improved tax collection (mainly through the institution of a withholding tax), some new tax measures (i.e. increase in import and transit taxes) and more particularly an increase in the volume of cotton and palm oil exports, high prices for these products throughout 1971 and continued transit trade with Nigeria. Budget accounts from January to September showed a small surplus (CFAF 0.5 billion - 5 percent of government revenue) and, although expenditures in the last part of the year are usually rather heavy, budget equilibrium for the full year 1971 is expected. Moreover, the Government has considerably reduced its payments arrears to the private sector.

10. The budget deficits prior to 1971 have been financed by French budget subsidies, Central Bank advances and, especially before 1966, by deferment of payments to the private sector. During recent years, the Dahomean Government also resorted to the expedient of using the reserve funds of public entities, thus weakening the borrowing and self-financing capacity of these bodies.

11. Recent improvements are not expected to persist in the short term. The Government's financial position is likely to remain difficult during the coming years for the following reasons: the probable reduction of transit trade with Nigeria, the still low but increasing foreign debt service (service of consolidated foreign debt has fluctuated around 5 percent of exports of goods in recent years), unfavorable world market prospects for palm oil, cotton and groundnuts, lack of important and immediately productive development projects (besides cotton) and, finally, continued pressure on the Government's recruitment policy. Furthermore, the actual burden of the unconsolidated external debt depends on the goodwill of the creditors. Hence the Government will have to make determined efforts to prevent the re-emergence of budget deficits and to improve resource mobilization.

12. During preparation and negotiation of the cotton project, we have, in cooperation with the Fund, and as envisaged in last year's CPN, maintained close contact with the Government regarding its fiscal performance. Following our fiscal mission of last summer, the Government has given written assurances that it will:

- prepare, in consultation with the Fund experts, new tax measures at the beginning of 1972, with a view to improving tax collection and simplifying the tax structures; - freeze the number of government employees;

- slow down considerably the rise in the Government's salaries.

Furthermore, a review of educational policies which is expected to shift part of education expenditures to local communities, is underway. The Government has also agreed to discuss these problems with our forthcoming economic mission. The main purpose of this mission will be to assess the country's long-term development prospects and investment requirements and to advise the Government about resource mobilization. The mission will formulate guidelines for a budgetary program aimed at a better balance between revenues and expenditures in the medium-term and a re-ordering of spending priorities. The conclusions and recommendations of the mission will be discussed with the Government with a view to achieving agreement on a program of budgetary improvement and reform. Without prejudging the results of this mission's analysis, we should point out, however, that the capacity of the Dahomean Government to generate public savings will remain severely limited, even with satisfactory fiscal performance. Maintenance expenditures are at a very low level and may have to be increased in the interest of sound economic development. Other development related current expenditures such as those for agricultural extension also will have to increase. Good performance, therefore, may mean a restructuring of current expenditures and not a mere restriction of them. In order to obtain a broad view of development requirements in the main economic sectors, the mission will also include sector experts on education, transport and agriculture to identify development prospects and project possibilities in these sectors. This will allow us to firm up our lending program.

B. BANK GROUP AND OTHER EXTERNAL ASSISTANCE

13. Current information does not permit any accurate forecasting of the volume and direction of aid from other major sources. We can, however, reasonably assume that French technical assistance and project aid will remain constant (1971 total French contribution % 5.4 million), whereas budget subsidies might be soluced after 1972. Under the second Yaoundé Convention, FED has been replenished at about 20 percent above its previous level. FED's disbursements to Dahomey can thus be estimated at about % 5.9 million annually. The volume of new aid commitments will probably depend more on Dahomey's capacity to prepare sound development projects than on financial constraints of aid donors.

14. The Bank Group has committed a total of 3 8.1 million in IDA credits, including 3 4.6 million for an oil palm project in 1969 and 3 3.5 million for a highway maintenance project in 1971. The planting of palm trees has been carried out satisfactorily. The development of the food crop program has had to be suspended because the cropping pattern imposed by SONADER as part of the project is regarded by farmers as impracticable. This change and others in the project were approved by the Board following a notice dated September 13, 1971 (IDA/R71-63). The highway maintenance project became effective in April 1971. It consists of a four-year program to improve highway maintenance by providing adequate equipment and technical assistance, as well as detailed engineering for reconstruction of about 320 km of roads. Implementation \cdot of this project is proceeding satisfactorily. A $\not > 5.7$ million credit for an important cotton project was negotiated with a Dahomean delegation in September 1971. This amount has been increased to $\not > 6.1$ million as a result of recent currency realignments. Presentation to the Board has had to be postponed from December following a Government request for changes in project arrangements.

C. SECTORS AND BANK/IDA PROGRAM

15. Our operations program for FY 1973-77 amounts to US 38.0million and our lending program to US 326.0 million. During the period under review, IDA is likely to contribute over 20 percent (or slightly less than either FED or FAC) of all Dahomean public investment, which is almost entirely financed from foreign sources and can roughly be estimated at 325 million per year. The Bank's program remains unchanged in its emphasis on three sectors: agriculture, education and transportation. Its implementation will require a minimum of political stability and sufficient public savings to cover at least part of local costs. On our side, it will require a substantial amount of staff time to identify and prepare sound development projects in these sectors, and to closely follow their execution.

Transportation

16. The program is essentially based on the conclusions of the UNDPfinanced Transport Survey. This survey was carried out by the Canadian Consultants, Lamarre Valois and N.D. Lea & Associates. It has already led to the highway maintenance credit.

In addition, the survey identified some 500 km of roads to be 17. upgraded over the next ten years. Feasibility studies have been carried out for about 300 km of these roads under Phase II of the Survey. A first road construction project will consist mainly of the rehabilitation of the North-South artery -- the Parakou-Malanville road. Detailed engineering has been financed under the Highway Maintenance project and will soon be completed. Appraisal is scheduled for February-March. Total cost of the project is now estimated at about \$ 17.0 million including taxes, about \$ 14.0 million excluding taxes. Therefore, we have welcomed USAID interest in making a \$ 5-6 million contribution to the financing of the project. An IDA credit, increased to \$ 8.0 million, remains scheduled in FY 1973. A second and third road project are in the operations program for FY 1975 and 1977. Both projects would probably focus on the construction and improvement of secondary and feeder roads. Our forthcoming economic mission will evaluate the need for this type of project in conjunction with an evaluation of development possibilities in the rural sector.

18. The Government has indicated interest in obtaining financing for the Cotonou Port project. This would consist of extending the port facilities and enlarging the port itself, because present port facilities are expected to be insufficient in 1974-75 as a result of increased exports. Total cost would be about $US \not 37.0$ million. FAC would be willing to undertake a feasibility study of the port project for which a US $\not 3.0$ million credit is brought forward to FY 1974. The Government may again request IDA financing for the bridge project deleted from last year's lending program if a concessionary loan cannot be obtained from the African Development Bank (ADB). This, in turn, will depend on whether and when a special fund can be established in ADB.

Agriculture and Livestock

19. The Cotton Project (Zou-Borgou) should be ready for Board consideration on February 15, 1972. Total cost of this project amounts to \$12.7 million to be financed by IDA (\$6.1 million), FAC (\$3.1 million), and the Government (\$3.5 million to be derived from the revenues of the project). The project includes financing for the study of a further cotton project with a stronger diversification element (food crops) for which we envisage a \$3.0 million credit in FY 1975.

20. Further work is required to identify other projects in the agricultural sector. This will be one of the main tasks of our economic mission. Particular attention will be given to the possibility of improving the production and marketing of food crops, such as rice, maize, sorghum, and, perhaps, cassava. There is a sizable internal market for rice. Dahomey has been a traditional supplier of cassava for Nigeria, and could export maize to Nigeria. A more integrated agricultural project (US \leq 4.0 million) has been scheduled for FY 1974. We shall also investigate how to improve livestock production in the central and northern part of the country, in particular through the setting up of a fattening ranch, or through cattle fattening by farmers (embouche paysanne). Such a project would be similar to those presently envisaged by other coastal countries (Ivory Coast, Togo, and Senegal). A \leq 3.0 million credit has been tentatively scheduled for FY 1976.

Education

Education needs profound reform, and we should help achieve it. 21. At present, the system motivates people to leave the countryside for the city, where they usually do not find employment. The Government has recently taken small but encouraging steps toward reform by shifting part of the financial burden of new school building construction to local communities and by introducing new elements into the curriculum to adapt to the needs of the country. This last attempt unfortunately has met with strong resistance from students and teachers. Apparently, any departure from the French model is felt by them to be an affront. A \$ 2.0 million credit is scheduled in FY 1974 for a project which may consist of a manpower survey, primary and secondary teacher training and curriculum development, vocational and rural education, possibly including rural radio. The second credit of \$ 4.0 million has been postponed to FY 1977. Its content remains to be defined. It may include some financing for higher education. Regional coordination of higher education will be one of the main subjects for discussion at the meeting about educational problems in the Entente countries called by FAC for the end of January.

Telecommunications

22. A \$2.0 million credit for a new project in telecommunications is tentatively scheduled for FY 1976 in the operations program. This could be part of a regional link-up from Ivory Coast to Nigeria for which studies have been undertaken by USAID and the Conseil de l'Entente.

Tourism

23. A regional investment plan for tourism development is being prepared by HOTAFRIC, a subsidiary of AIR-AFRIQUE. A tourism project might be possible within this framework. We, therefore, propose to tentatively reintroduce a 32.0 million credit for a tourism project in FY 1975.

CONCLUSIONS AND RECOMMENDATIONS

24. Recent measures and assurances regarding public finance have provided an adequate basis for the presentation of the cotton project to the Executive Directors, but we will continue to follow closely the Government's budgetary performance and to discuss with them measures to maximize public savings. However, although fiscal and austerity measures will be indispensable to improve the present situation, only a broadening of the tax base arising from economic growth can bring lasting improvement. Since the lending program aims at increasing the productive capacity of the country, it should, in the long run, contribute to such an improvement.

25. Due to widespread poverty and low capacity to generate savings, external capital assistance to Dahomey should be on concessionary terms and cover the highest possible proportion of the local costs of projects, so as to enable the Government to better meet current needs such as maintenance. Thus, even with improved fiscal performance, the Government will be unable to make a significant contribution to the financing of foreign-aided projects.

Western Africa Department January 13, 1972

Po. ation: 2.8 million

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Per capita income: less than US \$ 100

	DAHOMEY				illion			2					
		1969	1970	1971	1972	1973	1974	1975	1976	1977	1969-73	1973-77	
Hinvi agricultural development Cotton I (Zou Borgou) Annual Crops Cotton and food crops II Livestock		4.6			6.1	i.	4.0	3.0	3.0				
Telecommunications									2.0				
Education I Education II	*						2.0			4.0			
Tourism					ł			2.0					
Road maintenance Road construction I Port Road construction II				3.5	ļ	8.0	3.0	4.0					
			÷					4.0		3.0			
Secondary and feeder roads			-		<u>6.1</u> 1	<u>8.0</u> 1	<u>9.0</u> 3	<u>9.0</u> 3	5.0	3.0 <u>7.0</u> 2	<u>22.2</u> 4	<u>38.0</u> 11	
Secondary and feeder roads Operations program <u>Total</u> No.		<u>4.6</u> 1		<u>3.5</u> 1	6.1 <u>6.1</u> <u>6.1</u> 1	8.0 1 8.0 1	9.0 3 <u>6.0</u> 2		5.0 2 2.0 1		$\frac{22.2}{4}$ $\frac{22.2}{4}$	<u>38.0</u> 11 26.0 7	
Secondary and feeder roads Operations program <u>Total</u> No. Lending program <u>Total</u>		<u>4.6</u> 1		<u>3.5</u> 1	<u>6.1</u> 1	-	<u>6.0</u> 2	<u>9.0</u> <u>3</u> <u>7.0</u> 2	2.0 1	7.0 2 3.0 1	-		N. N
Secondary and feeder roads Operations program <u>Total</u> No. Lending program <u>Total</u> No.				-	<u>6.1</u> 1	8.0 1	<u>6.0</u> 2	<u>9.0</u> <u>3</u> <u>7.0</u> 2	2.0 1	7.0 2 3.0 1	22.2 4	26.0 7 57.5	~
Secondary and feeder roads Operations program <u>Total</u> No. Lending program <u>Total</u> No. France & FED (tentative)				10.5	<u>6.1</u> 1	8.0 1	6.0 2	9.0 3 7.0 2	2.0 1	$\frac{7.0}{2}$ $\frac{3.0}{1}$ 11.5	<u>22.2</u> <u>4</u> 54.8	26.0 7 57.5 30.7	~
Secondary and feeder roads Operations program <u>Total</u> No. Lending program <u>Total</u> No. France & FED (tentative) IDA gross disbursements				10.5	6.1 1 11.3 3.0	8.0 1 11.5 5.4	6.0 2 11.5 6.6	$\frac{9.0}{3}$ $\frac{7.0}{2}$ 11.5 7.6	2.0 1 11.5 6.5	$\frac{7.0}{2}$ $\frac{3.0}{1}$ 11.5 4.6	22.2 4 54.8 10.1	26.0 7 57.5	

ANNEX

ANNEX II

DAHOMEY: CUMULATIVE ESTIMATED AND ACTUAL DISBURSEMENTS ON LOANS AND CREDITS

					(\$ million	ns)											
Credit & No.	Amount: - Original - Cancelled - Net	Date: - Approved - Signed - Effectiv	Closing	Forecast	FY'70		FY'	71	<u> </u>	1	FY	172		FY'73	FY'74	FY'75	FY ' 76
credit & NO.	- Nec	- BILECCIV	e Date	Date	<u>r1 10</u>		-			-			4	<u>F1 15</u>	<u>F1 (4</u>	<u>FI ()</u>	<u>F1 10</u>
Hinvi Agricultural Development IDA 144	4.6	2/18/69 3/ 5/69 8/ 5/69	Orig:6/30/76 Rev: - Act: -	N.A. 9/30/70(f: 7/16/71	irst) .3	-4 -4 .4	- -5 -4	.6 .6	-9 -6	1.7 1.5 .7	2.0 1.7	2.2 3.0	2.3	3.7 4.2	4.3 4.5	4.5	4.6
Highway Maintenance and Engineering IDA 215	3.5	9/8/70 9/9/70 4/8/71	Orig:12/31/7 Rev: - Act: -	74 6/11/70 11/3/71 -			.2	.3 - -	.5 - 1.1	.7 - 1.3	1.2 1.9 -	1.7 2.4	2.2 2.6	3.1 3.2	3.5 3.5 -	Ξ	Ξ

Controller's 12/30/71

ANNEX III

Basic Data

112,600 square kilometers

2.8 million; estimated annual

Population (1970)1/

Gross domestic product per capita (1970)

growth rate: 2.8 per cent

Less than US \$100

		(II	h billion	ns of CFA	francs)		
National accounts	1966	1967	19682	19692/	19702/		
GDP at market prices	48.2	52.7	54.6	57.4	60.7		
Gross fixed investment	6.2	7.9	6.8	8.0	8.5		
Consumption	47.0	50.6	53.0	55.7	58.8		
Domestic savings	1.2	2.1	1.6	1.7	1.9	Jul	v
Monetary survey	1966	1967	1968	1969	1970	1970	1971
Foreign assets (net)	1.6	1.1	1.8	1.1	3.63/	3.43/	6.63/
Domestic credit	5.1	5.2	5.6	7.7	7.3	7.2	6.5
Claims on Governments (net) Claims on private sector	(0.5) (4.6)	(0.4) (4.8)	(0.5) (5.1)	(1.1) (6.6)	{ 7 :-}}	0.5	-0.5
Money and quasi money Other liabilities (net)	0.5	6.3	7.3 0.1	8.5 0.3	10.0 0.9	9.6 1.0	11.7 1.4
Balance of payments	1966	1967	1968	19694	19704		
Goods and services	-6.4	-8.8	-6.7	-6.6	-6.6		
Exports	(4.7)	(5.4)	(8.2)	(11.0)			
Imports	(-10.9)	(-15.2)	(-14.4)	(-16.9)(-18.9)		
Services (net)	(-0.2)	(1.0)	(-0.5)	(-0.7)	(-0.4)		
Transfer payments (net)	4.8	5.0	5.7	4.8	6.2		
Capital movements (net)	0.1	1.6	0.9	1.0	1.2		
Errors and omissions	1.7	1.4	0.5	0.2			
Over-all surplus or deficit	(-) -0.2	-0.8	-0.11	-0.6	0.8		

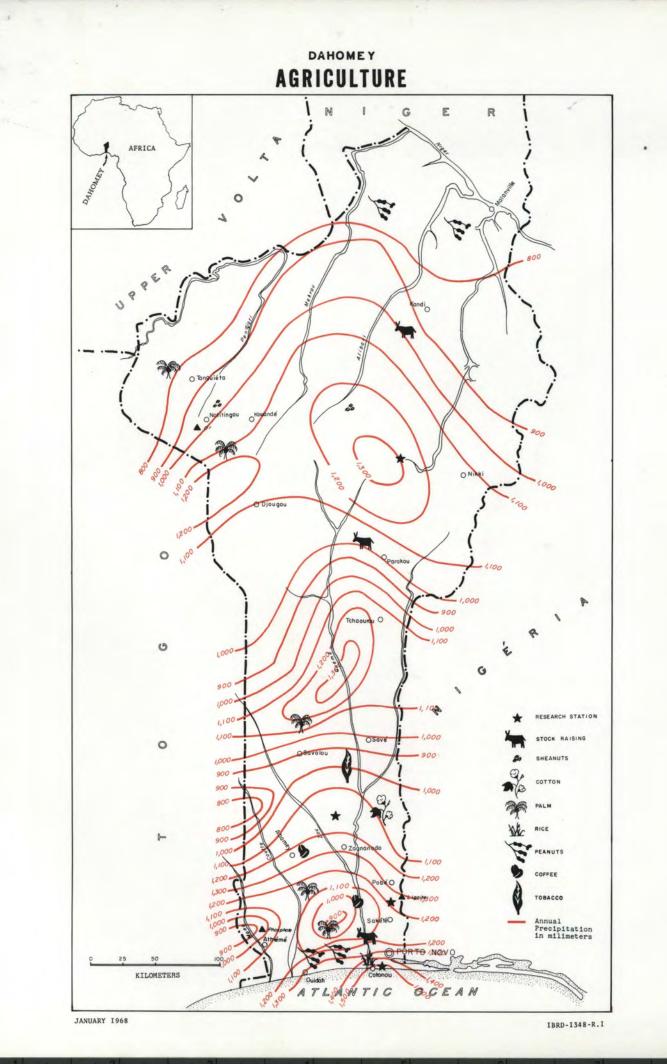
Estimates.

1/2/ Provisional figures.

Includes special drawing rights of CFAF 0.5 billion in July and December 3 1970 and 0.9 billion in July 1971.

Provisional figures. 4/

Area





CONFIDENTIAL

COUNTRY PROGRAM NOTE

DAHOMEY

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Postscript

26. The Dahomey Country Program Note was reviewed at a meeting chaired by Mr. Knapp on January 19, 1972. The Chairman concluded that:

- a) the proposed level of lending over the five-year period is acceptable but it should be more evenly distributed over time; there is too much concentration in FY 73-74-75;
- b) better balance would be achieved by shifting the port project to FY 1975 and the second road construction project to FY 1976 in the operations program;
- c) the lending program would be as follows:
 - FY 73: US\$ 8.0 million
 - FY 74: US\$ 2.0 million
 - FY 75-76-77: US\$ 6.0 million each

Attachment I, revised accordingly, is enclosed.

Western Africa Department January 25, 1972

Population: 2.8 million .

C

Per capita income: less than US \$ 100

	DAHOMEY	- Actual	and P	S \$ m	ed IDA	Lendin s)	ng thro	ough F	1977				
		1969	1970	1971	1972	1973	1974	1975	1976	1977	1969-73	1973-77	
linvi agricultural development Cotton I (Zou Borgou) unnual Crops Cotton and food crops II Livestock		4.6			6.1		4.0	3.0	0.0				
elecommunications									2.0				
Education I Education II							2.0			4.0			
Tourism								2.0					
Road maintenance Road construction I Port Road construction II Secondary and feeder roads				3.5		8.0		3.0	6.0	I			
perations program <u>Total</u> No.					<u>6.1</u> 1	8.0 1	<u>6.0</u> 2	<u>8.0</u> 3	<u>9.0</u> 3	<u>7.0</u> 2	<u>22.2</u>	<u>38.0</u> 11	
ending program <u>Total</u> No.		<u>4.6</u> 1		3.5 1	<u>6.1</u> 1	8.0 1	2.0 1	<u>6.0</u> 2	<u>6.0</u> 2	<u>5.0</u> 2	22.2	28.0	
rance & FED (tentative)		10.0		1055	11.3	11.5	11.5	11.5	11.5	11.5	54.0	51.5	
IDA gross disbursements	:	•		1.7	3.0	5.4	5.0	5.2	5.)	5.0	10.1	26.6	
Net disbursements				1.7	3.0	5.4	5.0	6.2	5.0	5.0	10.1	26.6	
Net transfers			••	1.7	3.0	5.4		6.2	5.0	5.0	10.1	26.5	
Western Africa Department January 25, 1972											1		

ANNEX I

F

POLITICAL SITUATION

1. Political instability to a degree unparalleled elsewhere in Africa has plagued Dahomey since it obtained its independence from France in 1960. During this period, the nation has had ten different governments and five of these, including the present regime, have been headed by army officers who seized power in successful coups. The country's troubled political history reflects, in great part, deep-seated traditional antagonisms between Dahomey's three principal regions, i.e., the North, South and Center. This sectional rivalry coupled with intense factionalism within the country's modern society have combined to make Dahomey the political tinderbox it is.

2. In an attempt to overcome the balkanization which is at the heart of the country's political instability, Dahomey's military and civilian notables set up a three man Presidential Council in 1970 to rule the nation. The Council included the country's most well known civilian leaders — Messrs. H. Maga from the North, J. Ahomadegbé representing the Center and S. Apithy from the South. Each triumvir agreed to serve on the Council for six years with the position of head of state rotating from member to member on a troyear basis. Mr. Maga served the first term from May, 1970, to May, 1972, at which time he was succeeded in office by Mr. Ahomadegbé in Dahomey's only constitutional transfer of power since independence.

3. While an interesting and relatively successful political experiment during its first two years, the Presidential Council proved unable to withstand the powerful divisive forces in Dahomean society indefinitely. Latent differences among the three Council members surfaced in early 1972 and collegial decision making - so essential to the triumvirate's success became impossible. Inter-ministerial strife also developed and cooperation between government agencies ground to a halt. By the summer of 1972, the Dahomean Government had lapsed into quasi-paralysis. The stage was set for a change and on October 26, 1972, Major Mathieu Kerekou, a paratroop commander from the North who had also participated in the 1967 army takeover, led a bloodless military coup which wrested power from the Presidential Council. Charging the toppled regime with corruption, mismanagement of the economy and general ineffectiveness, Major Kerekou proclaimed himself president and assigned all of his government's ministerial portfolios to young relatively unknown, middle and lower grade army officers. Kerekou also made widespread changes in government personnel below the cabinet level naming more senior army officers to oversee the operations of the country's numerous state-owned enterprises and autonomous entities. As has always been the case in Dahomey, however, Major Kerekou appears to have carefully balanced his appointments to include representatives of the North, South and Center in his new regime.

4. In the months since the coup, Major Kerekou's government has successfully weathered the political and administrative teething problems facing new regimes and should now be able to look forward to a normal (by Dahomean standards) stay in power. The government seems to be in effective control of the country, the three former presidents are under house arrest in the northern city of Parakou, and Dahomey is calm. Although President Pompidou indefinitely postponed his scheduled November visit to Dahomey because of the coup, relations between the new government and neighboring countries as well as major world powers (France, the U.K., U.S. and U.S.S.R.) have now been normalized.

5. As of this writing, President Kerekou's government is still at the policy formulation stage. Since most of the officers who supported the military takeover are newcomers to Dahomey's political arena, it is difficult to predict, with certainty, what course the new regime will follow. From recent statements by President Kerekou and other top government spokesmen, however, a number of wints are clear. In the first place, the regime does not view itself as a caretaker government which will return the country to civilian rule in the near future. Instead, President Kerekou has announced that he intends to stay in power indefinitely. Furthermore, the regime is strongly nationalistic if ideologically neutral. Its stated objectives are to free Dahomey from "oppressive" foreign influences and divisive regionalism while uprooting domestic corruption and restoring order, presumably to the nation's chaotic civil service. Kerekou has also indicated that he is keen on maintaining Dahomey's traditional links with France and other western powers. He is quick to add, however, that he intends to be his own man and that Dahomey will adopt a posture of non-alignment internationally. Finally, Kerekou has stressed on several occasions that his government attaches the highest priority to the country's economic development. In this regard, the regime is prepared to take the necessary belt tightening measures to ease Dahomey's chronic financial difficulties and to generate a higher volume of public savings for investment in development projects.

6. As has already been mentioned, all the key positions in the present government are filled by young army officers. For the most part, these men are dynamic and seem to be genuinely interested in promoting Dahomey's development. On the other hand, most of them are lacking in non-military training and are woefully short on administrative and governmental experience. This greeness will take its toll and the regime can be expected to make mistakes. Most knowledgeable foreign observers, however, are cautiously optimistic that the new government team's enthusiasm and determination will permit it to more vigorously tackle Dahomey's principal problems and maybe, just maybe, spur on the country's political, social and economic development.

ECONOMIC SITUATION

1. With a per capita.income estimated at \$90 per annum, Dahomey is one of the world's poorest developing countries. It is overwhelmingly rural, agriculture is the dominant sector, the country has no significant known mineral resources $\underline{4}$ and only an embryonic industrial sector. The sixties Dahomey's first decade as an independent nation, were difficult years. The country went through a series of political upheavels and ten changes of government reflecting, in great part, Dahomey's deeply rooted regional and tribal antagonisms. The country's political instability made orderly decision making, so vital for development, difficult... This is best exemplified by the weakness of Dahomey's planning mechanism which has traditionally operated in a vacuum and has had few direct links with the different ministries.

2. Economic growth during the sixties barely kept pace with population increases which averaged 2.8 percent yearly. Chronic fiscal problems also characterized this period. The Government's budget showed annual deficits which usually exceeded 10 percent of current budgetary receipts. These deficits, caused mainly by the growth of the civil service and mounting outlays for education, were covered by French Government subsidies. As the result of its heavy current expenditures which averaged 16 percent of GDP in recent years, the different Dahomean Governments were unable to fund any significant investments during this period. In fact, they were even unable to finance proper maintenance of existing facilities, e.g., roads. Consequently, most of the runal, industrial and infrastructure development which did take place during the sixties was financed by foreign donors.

The recent past (1969-1971) saw a marked improvement in Dahomey's 3. economic situation and there are signs that most Dahomeans benefitted from this upswing. Between 1969 and 1971, GDP in real terms rose by an estimated 5.1 percent per year and exports by 21 percent. This acceleration was due mainly to increased agricultural production which, in turn, was spurred by foreign financing of important projects in the sector. This financing was provided by the European Development Fund (FED), the Fonds d'Aide et de Coopération (FAC) and IDA. Cotton production, for example, grew from 9,000 tons in 1966/67 to 47,000 tons in 1971/72. In addition, the value of oil palm exports almost doubled during the same period. Booming unofficial transit trade with Nigeria in the 1969-1972 period also fueled Dahomey's economic recovery. In this regard, consumer goods imported into Dahomey were shipped to Nigeria in exchange for cocoa and groundnuts which Dahomey subsequently re-exported. The country's financial difficulties also eased after 1969. In 1971, the current budget showed a slight surplus for the first time in Dahomey's history due to higher agricultural exports, favorable world market conditions for cotton and palm oil, new tax measures and the booming unrecorded trade with Nigeria.

4. During the next few years, the country's economic.prospects will probably be less favorable than during the recent past. Unofficial border trade with Nigeria is tapering off and world market conditions for Dahomey's major exports, palm oil and cotton, are expected to deteriorate. At the same time, the government will be under intense pressure to expand the civil

1 / Prospecting for oil in Dahomey's territorial waters has been ongoing since 1968 with Union Oil of California doing most of the drilling. Little is known about this operation but Cotonou is rife with rumors that oil has been struck although apparently not yet in sufficient quantity to justify commercial exploitation. service and to meet growing social demands, particularly with regard to education. These factors are already having a dampening effect on the country's economic and fiscal situation, e.g., the 1972 budget showed a considerable deficit.

5. The new military government has evidenced concern over the country's slipping economic and fiscal performance and has indicated that one of its principal policy objective is to spur Dahomey's economic development within a framework of fiscal austerity. In this regard, President Kerekou has set up two high ranking commissions to take an inventory of the country's resources and to assess its economic and fiscal situation. He has also attached Dahomey's hitherto weak planning office directly to the Presidency in an attempt to buttress its effectiveness. These are steps in the right direction but it still remains to be seen whether the regime will be strong enough to implement much needed but unpopular austerity measures. It will be especially hard pressed to curb growing demands for expanded outlays on education and for increases in the size of, and benefits for, the Civil Service.

6. In the longer run, Dahomey's development prospects are modest. The country's natural resources are limited and its small domestic market will tend to inhibit. as in the past, industrial development. In order to realize Dahomey's limited potential, the Government will have to foster development of the country's directly productive sectors — particularly agriculture — while instituting much needed reform in education to better tailor the present classical system to the needs of Dahomey's essentially rural population. The Government should also be encouraged to pursue a policy of budgetary austerity so as to permit it to fund a part, at least, of the country's overall development effort. Finally, the Government should expand and improve, as necessary, the existing transport infrastructure to facilitate both domestic and international transit traffic.

7. Despite its chronic political and financial difficulties, Dahomey has never encountered serious problems in attracting foreign assistance and the lack of overseas funding has not proven to be a constraint on the country's economic advancement. In fact, since independence, practically all public investment in Dahomey has been financed by external resources.

8. During the mid-sixties, disbursements of public foreign aid to the country averaged \$16 million per annum. After 1968, however, the inflow of external funds shot up by an average of 9.2 percent yearly and peaked at \$24 million in 1971. France has traditionally been, and still remains, the largest single source of this assistance but its share of total public foreign aid to Dahomey fell noticeably during the second half of the last decade. In the first years after independence, for example, French aid accounted for well over 70 percent of Dahomey's total foreign assistance package. By the mid sixties, the figure stood at 65 percent and had shrunk to 40 percent in 1971. FED has been the second largest provider of external funds for Dahomey. While its contribution to the country's development prior to 1965 was modest, it has grown markedly since then and, by 1971, FED disbursements nearly equalled those or France. U.N. agencies, including the Bank Group, and bilateral donors such as Germany, Nationalist China, Canada and the U.S. accounted for the balance of foreign public assistance to Dahomey. Their share of the country's external aid package was negligible in the first years after Dahomey's independence but it grew steadily, thereafter, and stood at 20 percent of disbursements in 1971.

9. Most of the public foreign aid given Dahomey from 1960 to 1965 was devoted to finance large infrastructure projects, e.g., the port of Cotonou and roads. Since then, however, there has been a dramatic reversal in this trend. Two-thirds of FAC aid after 1966, for example, was earmarked for agricultural projects, FED channeled 50 percent of its assistance into rural development and the Association committed \$10.7 million to foster cotton, oil palm and rice production in Dahomey.

10. The economic mission which visited Dahomey last June estimates that the inflow of foreign aid will average \$20 million through 1975. France's share of this assistance is expected to be 35 percent and FED's contribution should fall, somewhat, from 1971 levels, i.e. to approximately 25 percent. U.N. agencies, including the Bank Group, should provide approximately a fifth of this aid as will other bilateral donors. Approximately 40 percent of the public foreign assistance destined for Dahomey during the next three years is expected to finance projects in the agricultural sector. Another third should fund infrastructure development, e.g. reconstruction of the Parakou-Malanville road. The balance will be earmarked for technical assistance and investments in the social sectors, e.g., education.

11. Despite the fact that there is a high grant factor in Dahomey's foreign aid, the country's public foreign debt is rather high — \$55 million as of the end of 1970. This reflects the fact that Dahomey has contracted several important suppliers credits to finance investments, particularly in the industrial sector. More than half of this debt is owed to France while Italy is Dahomey's second most important creditor, mainly because of large suppliers credits extended to fund construction of a jute factory in Bohicon. Debt service payments during 1968-1970 averaged nearly \$2 million yearly and they are expected to double during 1971-1974. In 1971, the service due on existing debt amounted to about 6 percent of total exports and this debt service ratio is likely to increase through 1975 since export earnings are forecasted to grow less rapidly than during the recent past.

12. In view of the country's great poverty, only modest development prospects and mounting external debt, public foreign aid donors should continue to provide financing to Dahomey on concessionary terms. At the same time, the Government should be encouraged to hold down suppliers credits in the future to ease the country's deteriorating debt situation.

DAHOMEY

Stament of Bank and IDA Subscriptions

	Subsci	riptions	Voting Power			
	Amount*	Percent of Total	No. of Votes	Percent of Total		
IBRD	10	.04	350	.13		
IDA	500	.05	600	.23		

*Expressed in thousands of units of currency. The amount of subscriptions to the Bank is expressed in July 1, 1944, U.S. dollars. The amount of subscriptions to IDA is expressed in January 1, 1960, U.S. dollars.

Mr. Xavier de la Renaudière

André R. Gué

DAHOMEY - Back-to-Office Report

1. Mr. Aguirre-Sacasa and I visited Dahomey from December 13 to December 17, 1972. Messrs. Bourgin and Tillier were in Cotonou at the same time to supervise the Zou-Borgou Cotton Project. The mission was well received by the Dahomean authorities.

2. Ve had discussions with the Minister of Finance, Cuarter Master Thomas Lahami, the Minister of Rural Development, Captain Mama Djougou, and the Minister of Public Works, Captain André Achade and were received by the President of the Republic, Major Mathieu Kerekou. The mission also paid visits to the UNDP Resident Representative, Mr. Wolff, the US Ambassador, Mr. Anderson, the French Ambassador, Mr. Van Grevenynghe, and the FAC mission.

Political Situation

3. Life in Cotonou and the rest of the country seems normal. Were it not for the numerous statements of the new President, which are broadcast at regular intervals over the local radio, a visitor would hardly realize that a military coup had taken place only a few weeks ago. The President is obviously very busy trying to convince everyone that this is a real "revolution" and during our stay, he (accompanied by his entire usbinst) held two mass-meetings, one in Cotonou and the other in Porto-Novo, to explain the "revolution" and his program to the people. He had formally presented this program on November 30 (copy of his speech attached - Annex 1).

4. As the President explains repeatedly in public and in private (including to the Bank mission), the major objectives of his Government are as follows:

- (a) Internally: the eradication of corruption and reinstatement of authority, destruction of regional clans, self-reliance and Government solvency; the promotion of greater governmental effectiveness and africanization of the economy; and
- (b) Externally: nationalism, independence, non-alignment and self-respect.

5. The first actions of the new Government are encouraging. It is not only preaching but also practicing austerity and discipline. It is attacking corruption. It has dismissed and replaced the heads of two important state corporations: SOCAD 1/ and SNAHDA 2/. It has shifted the regional Prifets to reduce regional factionalism. The regime is shaking up the civil service and instituting tight financial controls in all ministries.

1/ Societe de Commercialisation et de Credit Agricole

2/ Société Nationale des Huileries du Dahomey

It is also investigating the financial dealings of many individuals and companies with the expressed intent of bringing them to court if necessary. So far, however, the government has refrained from taking decisions based on revenge or political expediency.

6. At first, many foreigners felt uneasy about the Government's intentions to nationalize foreign property, mostly because of exaggerated interpretations of the Covernment's official program published in the local (government-controlled) and foreign press. The French Ambassador explained to us that a few radical groups (journalists, trede-unionists) who have only limited support within the army have been trying to push the Government to the left. He is, however, convinced (as is the US Ambassador) that the President, his Government and the majority of the army officers are western-oriented moderats who will not embark on radical actions or policies. The French Ambassador mentioned, as an example, the highly exaggerated interpretation of the President's reference to a necessary review and renegotiation of Dahomey's agreements with France and link to the CFA franc sone. In fact, the latest interview given by the President (copy attached - Annex 2) seems to confirm the French Ambassador views that the present Government does not intend to make any drastic changes in its foreign policy and links to France.

7. The President seems to be a forceful and determined leader. He admits to knowing very little about economic and financial matters but he is absolutely certain of one thing and repeats it to everyone, i.e. that Dahomey is in such a mess that only the military will be able to clean it up once and for all. He considers this his mission as an officer and he intends to fulfill it whatever happens. Except for the Finance Minister who seems to be familiar with his field and certainly shows great self-assurance, the other ministers we met seem to be dedicated people who, like the President have little experience in government affairs but are fully determined to bring order and authority back to the country.

2. No one in Cotonou wishes to speculate on how long the military will stay in power. Their proclaimed intention is to stay until the task they set out to do will have been completed, i.e. indefinitely.

9. The members of the former Presidential Council and Government are reportedly confined in an army camp in the North of the country while special commissions continue to investigate their activities while in office. Apparently, the former Foreign Minister is the only member of the previous government to have been cleared of any wrongdoing and freed so far.

Fiscal Situation

10. We gave a short note on public finance (Annex 3 attached) to Minister Lahami for his comments. He told us that on the whole he agreed with our analysis except for our forecast of a large deficit in 1973. He said that, in the public finance field, the main task of the new Government would be to reduce Government expenditures and to balance the budget. He hoped to achieve a balanced central Government budget in 1973 by :

- (a) reducing fringe benefits of civil servents (family allowances, housing allowances, use of official cars, etc.)
- (b) tightening control over all Government expenditures. He has already requested all ministries to furnish him with an up-to-date census of civil servents--something which had never been done before in Dahomey)
- (c) improving tax collection (collection of all arrears and collection from the small shopkeepers, which in the past was almost impossible)
- (d) imposing new taxes (on external signs of wealth-cars, boats, houses).

The Minister said that there are so many loopholes in the tax system and there is so much corruption in assessments and collections that by focusing on these aspects alone, he was certain to increase Government revenues by very large amounts(up to 10 percent of receipts). He alded that he would reject any across-the-board salary increases for some time to come. More specifically, he indicated that he would not implement the new salary scheme prepared and promised by the previous Government. To increase the morale of top civil servants, however, he would permit a few promotions which have been blocked since 1966.

For 1972, the revised central government budget estimates show a 11. deficit of CFA frances 1.7 billion (about 16 percent of receipts), instead of our estimates of 1.4 billion (see paragraph 9 of Annex 3). However, if earmarked taxes are taken into account, the overall current budget would probably show a small surplus, albeit much smaller than in 1970 and 71 (para. 4 - Annex 3). Moreover, on the basis of the latest figures, the Minister is confident that actual receipts will exceed forecasts by about CFA francs 600 million (about 500 million more from customs duties and taxes and 300 million more from income taxes). A special tax collection corps empowered to collect arrears by force, if necessary, was created by decree in early December and has, according to the Minister, already achieved worthwhile results. As of December 15, borrowings of the Treasury from the Central Bank stood at CFA francs 820 million out of a maximum permissible of about CFA francs 1.6 billion. According to the Central Bank, the Treasury also borrowed CFA francs 280 million from a Commercial bank (Sociaté Dahoméenne de Banques) which it will have to reimburse shortly (presumably by drawing on the Central Bank).

12. Asked how he would finance the 1972 deficit of the central Government budget, the Minister replied that, if necessary, the Government might request a French subsidy. In any case, Dahomey would ask France to reimburse, as promised, all expenditures incurred by Dahomey for preparing the visit of President Pompidou. The French Ambassador confirmed that if Dahomey asked for a subsidy, even a fairly large one, he would support the request and Dahomey would probably get it.

13. The Minister did not yet have a budget forecast for 1973 but he said that it was being prepared and that he would have estimates ready by early January. He stated very emphatically that the 1973 budget would show a surplus.

Zou-Borgou Cotton Project

14. The supervision mission will report on this. Suffice it to say here that:

- (a) except for the management problem, the remaining effectiveness conditions will probably be met prior to January 31;
- (b) the Covernment requested and the mission undertook to furnish a written report on SONACO's management problems; the Covernment promised to act on the basis of the Bank's report;
- (c) the mission advised the Gover ment against an increase in cotton producer prices at this time and undertook to confirm its position by cable from Washington;
- (d) we gave a letter (copy attached Annex 4) to the Minister of Rural Development summarizing our discussions before leaving Dahomey.

Parakou-Malanville Road Project

15. The Ministers of Finance and Public Works asked when negotiations for this project could be held. We explained that we hoped to negotiate as soon as possible but that before proceeding, and as was the case for IDA and Bank financed projects in any country, we needed to know the Government's intentions in the fiscal field in order to be satisfied that the Government was making all necessary efforts to contribute to its own development and in this particular case, would also be able to contribute its share of the financing for the project. They replied that these efforts were being made and that they would hope that the Bank would have confidence in the new Government and agree to proceed.

Conclusion and Recommendation

16. I think the military Covernment has established control over the country and is accepted by the people. On the basis of present information, it can be assumed that this Government intends to pursue reasonable policies and I am confident that the Bank will be able to work with it.

17. I recommend, therefore, that provided that we reach agreement on a satisfactory solution to SONACO's management problem, we proceed with the negotiation of the Parakou-Malanville road project. A suitable time for negotiations might be February. By the time of negotiations, the Government should be in a position to report on the first austerity measures it has taken and give us more details on its fiscal and economic policies. We could then decide at what time and under what conditions we would present the project to the Executive Directors.

ARGu5:tp

Attachments

cc. Messrs. Chaufournier De Vries/Jansen Thalwitz PMWA

GOVERNMENT PROGRAM

ANNEX I

1. The following paragraphs contain extracts from President Kerekou's November 30, 1972, address on his government's policy objectives.

2. "The main feature and the root cause of the backwardness of our country has been foreign domination. The history of this domination has been one of political oppression, economic exploitation, cultural alienation, and the spread of inter-regional and inter-tribal animosities. But it has also been the history of the lengthy struggle of the militant populace of our country which resulted, on October 26, 1972, in a radical break with the past and the beginnings of a new policy of national independence based on and serving the interests and personality of our people."

3. "The Dahomean people are a proud people, imbued with a sense of justice, rich in the resources of their country and its spirit, capable of sacrifice and heroism, and impatient to take over and manage their own destiny."

4. "This is why the only path open to us today is a new policy of national independence. My purpose today is thus to inform you of the action program my Government intends to pursue to achieve the economic, social and cultural rebirth of the Nation."

5. "The old policies will have to be finally liquidated through the men, the structures and the ideology that support them."

- We shall first of all have to rely on our own forces, on our own resources, on the creative initiative of the great masses in our struggle to free ourselves from foreign domination, to develop our economy and to give to our people the dignity and character of a free people.

- We shall reorganize the entire economic, cultural and social structure of our country to achieve liberation from foreign domination, eradicate corruption, peculation and nepotism, and attain greater efficiency.

- We shall develop our foreign relations with all countries without discrimination on the basis of respect for national sovereignty, equality and mutual advantage.

- We shall strengthen the authority of the State."

I. THE COUNTRYSIDE

6. The bulk of the people of Dahomey live in the countryside. They make the greatest contribution to the creation of national wealth. Their

participation in the redistribution of this wealth is, however, very modest. In its action the Government will be guided by the principle of making optimem use of the country's natural advantages for the growing of both cash crops and food staples, for stockraising and for fisheries."

A. AGRICULTURE

7. "A prerequisite for stepping up agricultural output, and the most effective measure in the short term, will be a policy of guaranteeing and improving prices to the producers."

"The Revolutionary Military Government therefore recommends:

a) Transformation of the present Agricultural Produce Support Fund into an autonomous agency with effective powers of action.

b) Discontinuation of the present policy of diverting the resources of this Fund to the profit of both private companies and the State.

c) Progressive extension of the activities of this Fund to benefit the products of our agriculture, both industrial products for export and staples intended to feed our own population.

d) Taking over by the State of the processing and marketing of our ex-

e) In the medium and long term, an increase in our agricultural output and consolidation of our independence will require a qualitative change in our means of production, a reform of our agrarian structures, the abolition of monoculture, and the local processing of the products of our agriculture."

B. STOCKRAISING

9. "In the absence of a clear choice, the livestock policies of the sucsion of governments heretofore have been characterized by scattered measures as ineffectual as they have been hobbling. This explains the slow growth of the Dahomean herd."

10. "The action of the Revolutionary Military Government in this sector will therefore be guided by the principle of making optimum use of the natural advantages of the various regions of the country. Studies on areas suitable for ranching projects were carried out long ago and have been gathering dust in office drawers. They must be brought out and implemented."

11. "Special attention will have to be paid to small-scale stockraisers. This will take the form of:

- Rehabilitation and improvement of the existing stock watering infrastructure and, if necessary, the sinking of new wells along the stock routes. - The organization and control of cattle and meat markets.

- The establishment of a preventive veterinary service with sufficient facilities at its command.

- Systematic diffusion, through extension agents working with the farmers and stockraisers, of the results obtained in experimental farms.

- Modernization of slaughterhouses and processing of the products of our livestock sector."

C. FISHERIES

12. "A consistent fisheries policy must include the following provisions:

- Ban on fishing methods which are depleting our rivers and lagoons.

- Establishment of a company to run a national fishing fleet, and strict regulation and supervision of fishing along our coasts.

- Reorganization of our river and maritime protection forces, which must be provided with adequate facilities and qualified officers to ensure that our country's sovereignty over our territorial waters is respected.

- Establishment of a system of long-term government credits to enable the fishing fleet to be renewed and the processing of fish products to be developed."

II. INDUSTRY, COMMERCE AND FINANCE

13. "With regard to industrial and commercial enterprises and financial institutions, the objective must be the gradual taking over by the State of control over vital sectors of our economy that are indispensable for the development and independence of our country and the rapid exploitation of our resources. This implies:

A. INDUSTRIAL SECTOR:

- The obligation, on the part of all foreign companies operating in our country, to establish their registered offices in Dahomey and to keep their accounts there.

- Revision of our Investment Code to make it more favorable to the interests of the Dahomean people.

- Establishment of a national housing construction company.

- Making adequate means and resources available to the existing Studies Division of the Public Works Department.

- The development and exploitation of our mining resources, such as petroleum, limestone, marble, etc., and systematic prospection of the re- * sources of our subsoil.

- 4 -

- Development of our hydroelectric resources to benefit our industry and population.

- Establishment of a proper textiles complex.

- Establishment of a pharmaceuticals industry.

- Establishment of a tobacco and match factory.

- Implementation of the groundnut-oil works project.

- Establishment of a national alcoholic beverages board."

B. COMMERCIAL, TOURISM AND HANDICRAFTS SECTORS

14. "The commercial sector is at presen: characterized by a certain lack of organization and controls. The result is unrestrained speculation at the expense of the consumer. This situation will have to be remedied through a series of measures with the following objectives:

- Takeover by the State of the monopoly of exports of all our products and imports of certain major consumer items.

- Establishment of a national transit company.

- Establishment of a national insurance and reinsurance company.

- Strict regulation of local commerce, with a view to creating a clear division of labor between the large import-export firms and groups of local traders and providing better protection for the latter.

- Reorganization of domestic trade channels in the interest of producers and consumers alike.

- Diversification of our foreign sources of supply and of our trading partners.

- Development of the national railway network and extending it to our national frontiers.

- Developing and modernizing our road network.

- Examining and evaluating, solely in the light of the interests of the Dahomean people, applications by all the airline companies wishing to start operations on our territory.

- The selective abolition of customs barriers, taking due account of our economic situation.

- The development of handicrafts to service tourism is one of the concerns of the Revolutionary Military Government."

III. FINANCIAL REORGANIZATION

15. "The reorganization of public finances is being carried out with three aims in view:

- To impose respect for public property and restore the moral prestige that should attach to the exercise of a leading role in society.

- To enable the State to increase its income.

- To make it possible for the State to effect substantial savings as the result of a more efficient organization of public departments and the adoption of a way of life that is in keeping with our position as a small country with limited resources."

16. "These aims can be achieved only if the following conditions are met:

- Systematic control must be instituted over the handling of affairs of State in the financial, economic, fiscal and administrative fields, by means of a weeding out and reinforcement of both staff and equipment in the Inspectorates of Finance and Administration, the Department of Price Controls and the Directorate of Taxes, and by the introduction of an economic policing system.

- The State must make good its lost earnings. As a consequence, those companies that have not yet done so must be forced to pay over to the State the 25% deducted from the wages and salaries of workers under the heading of the National Solidarity Tax, while private companies must be made to pay up, at the earliest possible moment, any arrears of taxes they may owe to the State.

- A new Tax Code must be drawn up.

- Arbitrary tax relief measures must be abolished.

- All allowances connected with the exercise of State functions must be reduced.

- All administrative leases must be cancelled, the rent allowances paid to those entitled to receive them must be brought into line, and administrative quarters and low-income housing must be built. - A system of tight control over administration must be instituted in every department.

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- The management of State corporations must be brought under stricter control, exercised at more frequent intervals."

IV. EDUCATION AND TRAINING OF HIGHER-LEVEL MANPOWER

17. "The fields of teaching, education and culture have hitherto served the cause of foreign domination and exploitation. Here also a new policy of national independence is called for, to three off the stifling effect of traditional schools on our national values. From this point of view it is essential to establish a system of democratic and patriotic education that will allow of the teaching of modern science and technology to serve the interests of the people."

18. "For this it will be necessary to:

- Prepare a program of genuine reform in the field of education in accordance with the requirements of the new policy. This reform will have to provide for the setting up of an institutional framework and of a system of training, the content and tenor of which are in conformity with the needs of our economic development on independent and national lines.

- Raise the status of our national languages.

- Restore our national culture, by adapting it to the needs of our toiling masses.

- Open our university to all branches of knowledge and to all contemporary currents of scientific thought. This institution should be inspired, at one and the same time, by both African and universal ideals, and should devote special attention to the experience that has been gained by sister universities."

19. "The State should exercise strict supervision over private schools, both denominational and secular. As regards Catholic teaching in particular, the State should make it possible for a satisfactory solution to be found to the difficult problems with which teachers are faced."

20. "It will be necessary to ensure the development of our national culture by organizing, in our own languages, a campaign for teaching the masses to read and write; this is essential for our development."

21. "An Institute of Linguistics will have to be set up and made responsible for developing means whereby the obstacles to the use of our national languages as a vehicle for the imparting of knowledge may be removed." 22. "The youth of the country form another group that must receive attention from the Revolutionary Military Government."

23. "We are convinced that young people can play a leading role in the transformation of society, by reason of their numbers, their readiness to face changes and their impatience in demanding that the necessary changes be made."

24. "This is why, through a series of measures, my Government will:

- Promote the exercise of real responsibility by young people by entering upon a dialogue with them, to be conducted by means of direct meetings and consultation.

- Seek to find remedies, in all sectors of national life, for the hardicaps that weigh, most particularly, on the young.

- Combat juvenile delinquency through education."

25. "An adequate policy in the sphere of entertainment, sport and recreation activities will promote the mental and physical well-being of the working population."

IT IS THEREFORE NECESSARY:

- To set up a National Council of Recreation to afford greater scope for national effort in this sphere.

- To raise the status of sport by encouraging sportsmen and providing them with the means of subsistence.

- To provide appropriate basic services and equipment in the realm of sports, together with training by qualified instructors."

V. HEALTH AND SOCIAL SERVICES

26. "The Government's new policy in the field of health is to be directed mainly towards the mass of the population. There is, therefore, an urgent need to:

- Provide our country with an adequate medical infrastructure: equipment and premises; medical centers, especially in rural areas.

- Give priority to preventive medicine, rather than to curative medicine.

- Combine modern medicine with traditional medicine in the interests, both of the welfare of our masses and of progress in medical practice in Dahomey, by recognizing the extent of our traditional remedies. - Set up a National Health Council, to consist, in the main, of real practitioners, who are in contact with our urban and rural masses, which will be made responsible for inspiring and guiding the policy of the State in the field of public health.

- Make the fullest use of our thermal and mineral springs, which are of genuine industrial and therapeutic value."

VI. ADMINISTRATION

27. "Successive political crises, favoritism in recruitment, incompetence and a lack of professional conscience on the part of public officials, all have resulted in a deterioration in the administration of the country. As a consequence there has been a lack of authority and of efficiency in the organization of the State."

28. "At the organizational level, the system is still of the Napoleonic type, a vestige of the colonial era. The centralization of institutions that such a system involves stifles initiative and all sense of responsibility. It keeps the citizens at a remove from those in the seat of power."

29. "The frequent interventions of the Executive against the courts have finally made the Judiciary a mere public service subservient to the interests of the Government. The frequently affirmed independence of the courts belongs, rather, -to the sphere of ideas."

30. "This being so, the actions of the Revolutionary Military Government must be designed to:

- Restore and strengthen the authority of the State.

- Improve the efficiency of administration by doing away with vexations and sterile procedures.

- Bring the citizens back into closer contact with the seat of power, through decentralization.

- Guarantee the independence of the Judiciary."

31. "Taking a fresh look at the administration of the country, the Revolutionary Military Government proposes to give each Minister and each Head of an administrative unit the widest powers over the facilities he requires. It goes without saying that each of these officials will be held accountable for the use he makes of the means thus placed at his disposal. Since the mission henceforth entrusted to the various responsible officials is primarily of an economic nature, it will be an easy matter to judge how sound has been the use made of the resources by considering the results achieved." 32. "The revolutionary context in which we are working calls for speedy action; a general reform of procedures will consequently be undertaken. While providing the necessary safeguards, this will enable us to take, with the least possible delay, all the decisions that may be required."

33. "At the domestic policy level our basic aim is to extend the liberty, both of the subject and of the community, and to guarantee their effective exercise. It is necessary to recognize and guarantee exercise of the right of expression, the right to information and the right of assembly. These liberties must, however, be exercised within the framework of regulations laid down by the authorities."

34. "Our chief concern is, therefore, to restore the ordinary workings of democracy, hitherto blocked by the now-defunct Government. Democracy, however, does not mean anarchy, and the calling in question of the authority of the State will therefore never be tolerated. This must be said, and accepted, once and for all."

VII. FOREIGN POLICY

35. "Dahomey's relations with foreign countries must be based on the principles of non-alignment, equality, mutual respect for sovereignty, reciprocal benefits and national dignity."

36. "Thus the agreements concluded with certain friendly countries in the matter of economic cooperation, cultural relations and defense require to be reviewed, and a national commission will be set up to review these agreements."

37. "Dahomey will enter into economic and cultural relations with all African countries in a spirit of respect for national sovereignty. This policy of independence will be reflected in a reappraisal of the advantages and disadvantages of our participation in groups such as the Conseil de l'Entente, OCAM, AIR AFRIQUE, BCEAO, etc., and in the taking of any decisions that may prove to be necessary in the best interests of the country."

38. "Dahomey will, furthermore, lend its active support, within the framework of the OAU and the UN, to nations that are struggling to gain their freedom, particularly the peoples of Guinea-Bissao, Angola, Mozambique, South Africa, Zimbabwe, Namibia, Vietnam, etc."

39. "What is at stake is the fate of Dahomey itself, and what we have to do is to establish in our country a society that is good to live in, because every citizen will have at his disposal the minimum he needs to maintain a decent standard of living, a society in which inequalities of income will be mitigated until such time as it is possible to tackle inequalities of wealth."



S EULE une sentinelle veille à la porte du palais. Et c'est suns difficulté qu'elle vous ouvre le passage. Comme si c'était tout naturel.

ATERNIA -MATIN PAGE 10

Nouveau maître du Dahomey. le commandant Kérékou reçoit sans protocole. Grand, bien decouplé. strict dans un uniforme kaki de bonne coupe, il parle — Nous l'avons fait pour faciliter les choses au président Pompidou. Comment aurait-il eu des entretiens en tête-à-tête avec trois présidents dont chacun avait ses ministres? Nous avons voulu lui éviter cette corvée.

Les objectifs de son gouvernement, le commandant Mathieu Kérékou les définit simplement

sans geste, le débit lent mais la voix très assurée.

D'entrée de jeu, il évoque la visite manquée de M. Pompidou et les événements qui ont précédé la décision du président français de reporter sa visite.

--- Que M. Pompidou sache bien que nous l'attendons. Et ce n'est pas seulement un souhait. Ce voyage est une obligation, un devoir. Il est venu voir tous ses amis, pourquoi pas nous? Le changement de régime a été motivé par la nécessité de redresser la situation intérieure du pays et non pour rompre avec la France.

Et le commandant, rectifiant l'alignement des petits drapeaux des pays membres des Nations-Unies, poursuit :

— Je comprends que pour des raisons de protocole international le président Pompidou ait voulu reporter sa visite. On ne peut en vouloir à une personne à laquelle on a fixé rendez-vous à huit heures et qui vous fait savoir qu'elle ne viendra qu'à dix. Mais cette visite chez nous, au Dahomey, est un devoir.

date, 'vous imaginiez bien que vous rendiez cette visite difficile. — D'abord rétablir l'autorité de l'Etat. Celle-ci a déjà été restaurée dans l'armée. Ensuite, il nous faut mettre de l'ordre dans le pays. Ce ne sont pas les accords francodahoméens qui nous empêchent de le faire. Leur révision n'est pas pour nous la priorité des priorités. Il nous faut d'abord mieux exploiter nos ressources.

- Comptez-vous instaurer une politique d'austérité financière?

— L'austérité, vous savez, nous connaissons, nous la connaissons depuis l'indépendance. Ainsi, dans l'armée, tous les avancements ont été bloqués. Un commandant ne touche pas la solde d'un capitaine. Il en va de même pour les civils. Mais la corruption est partout. Comment expliquer que de jeunes fonctionnaires gagnant 45 000 francs par mois puissent payer des traites de 30 000 Frs pour l'achat d'une voiture? Nous sommes décidés à aller jusqu'au bout. Les militaires ne reculent pas!

« NI DE GAUCHE, NI DE DROITE, NI DU CENTRE »

 Envisagez; vous l'éventualité d'un retour à un régime civil?
Je ne peux dire quand! Je n'ai pas de chronomètre qui me permette de fixer la date à laquelle sera réalisé le redressement que nous entreprenons. Un jour viendra où le peuple lui-même nous dira que la situation est bonne et que nous pouvons prendre notre retraite.

-- On se pose beaucoup de questions sur vos intentions, sur la politique que vous allez suivre. Quelles sont les orientations de votre gouvernement?

- Je ne suis pas un politicien. Je suis un militaire. Je ne suis ni de droite, ni de gauche, ni du centre. Je suis un citoyen, un militaire qui doit servir son pays, un pays qui a besoin d'un chef et de moyens.

• La population vous a-t-elle manifesté son soutien?

— Vous savez, nous n'avons pas recherché les classiques motions de soutien. Nous nous sommes aperçus, au cours des précédents changements de régime, que les motions de soutien étaient toujours rédigées dans les mêmes termes. Renseignez-vous auprès des populations. Moi, en tout cas, je me déplace sans garde. Mes prédécesseurs se faisaient accompagner de sections armées. Je ne fais pas non plus de grands discours publics. Je n'ai pas le temps.

« LE NIGERIA, PAYS FRERE »

--- Quels vont être vos rapports avec vos voisins et d'abord avec le Nigéria?

— Le Nigéria est un pays frère. Il n'y a pas de problème. A la frontière, il n'y a qu'une barrière. Nous l'avons placée là pour limiter la circulation. Nous n'avons pas de problèmes avec nos voisins. Je ne suis pas allé au Togo mais j'y ai envoyé une délégation. Nous étions représentés au dernier Conseil de l'Entente. Notre position au sein de l'Entente ne sera pas modifiée. L'heure est aux grands regroupements. Je ne vois pas pourquoi nous ferions exception. C'est notre intérêt. L'adhésion à la CEAO qui vise au regroupement francophone de l'Ouest-Africain n'est pas non plus remise en cause.

21 aec

- On vous prête l'intention de modifier le code des investissements...

- Pas de modification. Nous verrons s'il faut le rendre plus efficace. Là encore, en prenant le pouvoir, nous avons rendu un grand service aux investisseurs étrangers. Les dossiers ne resteront plus en attente. Il ne leur faudra plus payer de pots de vin. Ils ne perdront plus leur temps dans les couloirs. Ils n'attendront plus dans les hôtels ou sur la plage. Nous recherchons l'efficacité. Les investisseurs ne doivent pas craindre notre régime. Nous ne sommes pas plus forts qu'eux et nous avonbesoin d'eux. Nous faisons appei à eux.

- Il a été beaucoup question ces jours-ci, de la parité du CFA...

- Le CFA, j'en cherche! Je n'en ai pas. Ce ne sont pas le questions de parité qui redresseront mon pays. On en parlera quand on en aura le temps.

Le visage du commandant est impassible, ses mains ne quitten pas leur appui. Une dernière question. Pour voir.

— Où sont les trois leaders politiques?

- Ils se reposent!

(N.A.P.)

ANNEX

III

Budgetary Movements

1. Towards the end of the sixties, and more particularly at the begining of the present decade, Dahomey's budgetary position showed a marked improvement, mainly as a result of rapid economic growth and higher tax levels. The following table brings out the main features of this improvement:

Ordinary Budget of the State (Billions of CFAF)

	Average 1960-65	1966	1967	1968	1969	1970	<u>1971</u>	Average ye 1966-71	arly growth 1967-71
Receipts Expenditure Surplus (deficit)	4.90 6.37 -1.47		6.88	7.54	7.35 8.71 -1.36	9.67	10.41	14.4 7.4	14.1 11.0
Percentage of expenditure covered by current receipts	76.9	75.9	92.7	86.2	84.3	100.8	104.6		

Tax revenues in particular increased sharply for the following main reasons:

(a) The past five years have seen a considerable increase in agricultural production: there has been a sixfold increase in the output of cotton and the production of palm oil has almost doubled. At the same time, world prices for these products have reached a high record.

(b) As the result of the restrictions on imports imposed by Nigeria, and the difficulties resulting from the war, smuggling between Dahomey and Nigeria has been on a much larger scale than usual. It is estimated that this clandestine trade contributed up to approximately CFAF 1 billion to budget receipts.

(c) The exceptional growth of exports, and the implementation of various industrial projects, were reflected in an increase in income which, in turn, has resulted directly (direct taxes) and indirectly (via imports) in an increase in tax revenue.

(d) Following the abolition of the Solidarity Tax, the previous Government had taken various steps to increase direct taxes and improve their collection.

2. These various factors enabled Dahomey to achieve, for the first time, a budget surplus in 1970. This improvement was mainly due to the quite exceptional growth in tax revenue, which rose from CFAF 7.3 billion in 1969 to CFAF 9.7 billion in 1970, i.e. an increase of 32%. The temporary nature of this rise in receipts is highlighted by the fact that in previous years . (1966-69) tax revenues grew at a rate of only about 9.8%, and that the rate declined again to 11% for 1970-71.

3. During the period 1966-71, current government expenditure, particularly expenditure in respect of staff (especially in the education sector) grew more rapidly than in previous years. In point of fact, while total expenditure rose by 62% during this period, expenditure in respect of staff accounted for some 80% of this increase. Between 1966 and 1971 the number of civil service jobs rose by more than 3.5% a year, exceeded 3.5%, and over half of this increase related to education. Thus, in 1971, nearly 30% of all public officials were employed in the education sector. During the same period, expenditure on equipment (and supplies) increased in absolute terms (3.1% per annum), but it came to represent a smaller proportion of total outlays.

4. The very favorable economic conditions enabled the Government not only to achieve a budget surplus, but also to pay off the greater part of its internal debts through the operation of the Caisse Autonome d'Amortissement (CAA - Autonomous Sinking Fund).

Overall	Financial	Position	of the	State
	(Billions	5 of CFAF)	

(Bl.	LLIONS OI GP.	Ar)		
	1968	1969	1970	1971
Current revenues	6,939	7,961	10,250	12,012
(including appropriations)				
Current expenditure	7,435	8,532	9,543	10,634
Gross savings	-496	-579	+977	+1,378
Debt service 1/	-417	-897	-633	-526
Net savings	-913	-1,468	+344	+852
Investment expenditure	-238	-446	-235	-627
Overall balance	-1,151	-1,914	+109	+225
Financing				
External	500	640	631	200
Internal				
Transfers from govern-	339	575	848	447
ment enterprises and				
institutions.				
Net borrowings from	896	587	1,132	-827
banks.				
Net reduction in	226	112	-456	-45
arrears of payment				
Frank Frank				

1ñ	Including	CAA	repayments

The foregoing table shows that the State has improved its financial position vis-a-vis the banking system. In point of fact, after a decade of indebtedness to the banking system, the State was in the black for the first time in 1971. This exceptional situation is explained by the fact that large tax funds allocated to the CAA were on deposit with the banks, and for this reason overall financial position of the State was better than indicated by the budget and Treasury accounts.

Central Government Budget Prospects (1972-73)

The first results of the 1972 budget give reason to believe that, 5. this year, the current deficit will definitely exceed CFAF 1 billion, representing at least 10% of budget receipts. Expenditure in respect of staff will probably increase by between 15 and 20 percent, because of the increase in the numbers of civil servants and of the higher salaries and allowances secured by the officials as the result of the strikes that marked the beginning of the present financial year. Furthermore, all categories of tax receipts have shown a downward trend because of the slowdown in foreign trade. The fact that the Treasury was compelled, at the end of September 1972, to borrow CFAF 960 million from the BCEAO beare witness to the worsening of government finances. The extent of the financial decline, with respect to the first three quarters of 1971, may be estimated at approximately CFAF 1.3 billion. Should this unfavorable trend continue throughout the last quarter of 1972, the total amount of Treasury borrowing may well amount to CFAF 1.3 billion for the year as a whole. It is, therefore, to be feared that the period of financial surplus is nearing its end and that, in the near future, Dahomey will again have to contend with considerable budgetary difficulties.

6. In actual fact, there is a strong likelihood that the worsening of the budgetary position recorded in 1972 will continue into future years because of the following factors, which will have an unfavorable effect on government receipts:

(a) On the most optimistic forecast, the output of cotton will only double during the next five years. Plantations of selected palm trees will make an increasing contribution to the output of palm oil, but yields will be lower than anticipated. The natural palm groves reached the limit of their potential towards the end of the last decade, and it will be difficult to improve this level of production.

(b) World prices for these products have begun to decline and, according to present forecasts, will continue to deteriorate.

(c) No major industrial projects will be implemented before the second half of the present decade. Apart from the asphalting of the Parakou-Malanville road, no sizable infrastructure project is to be carried out over the next few years. (e) As the burden of taxation is already high, there are only limited possibilities of introducing new fiscal measures.

7. In the light of these factors, it is possible to make preliminary estimates of export proceeds, sectoral growth prospects and income growth. Projected tax receipts for 1973 based on these estimates show a slight improvement in tax recoveries, but do not take into account any significant changes in fiscal policy. Tax receipts should thus increase by approximately 7% per annum between 1972 and 1973, less than half the rate of increase in preceding years (1967-71) but still higher than that obtained in the post-independence period (1960-66), which was only about 4%.

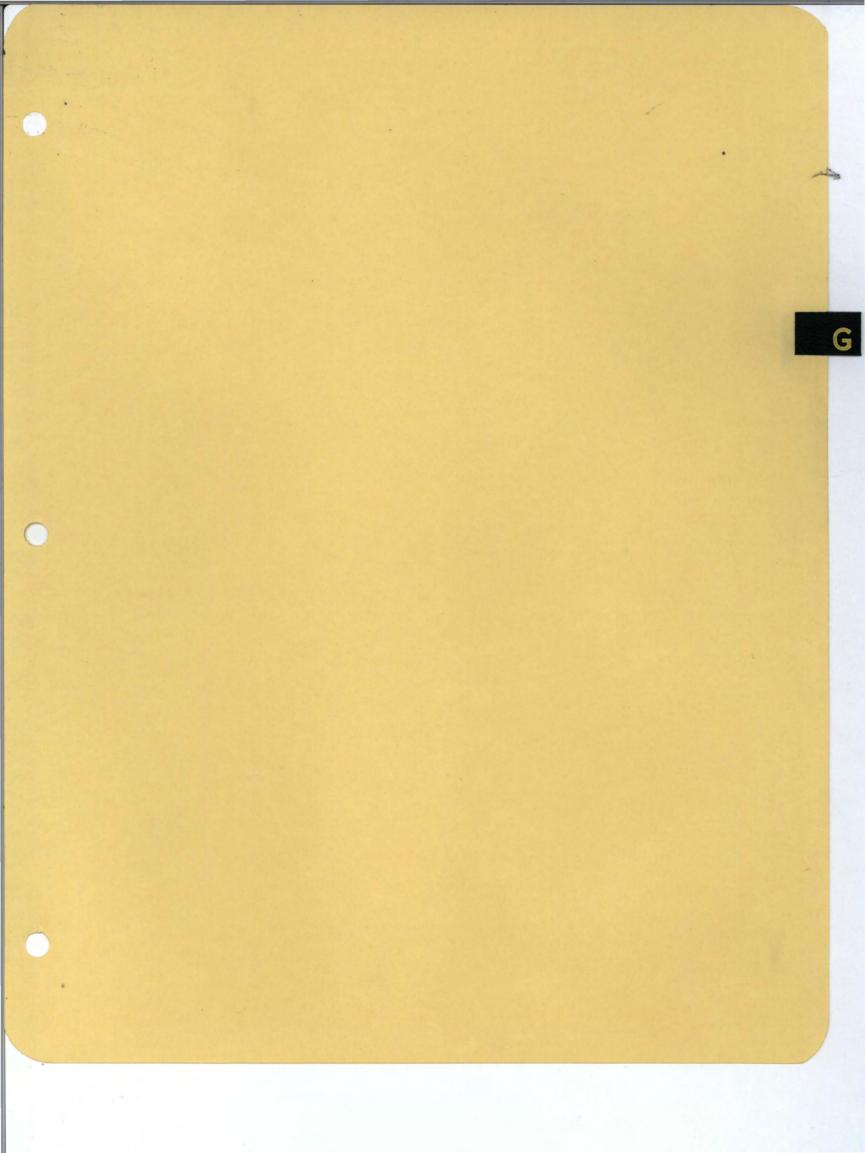
Government expenditure projections for 1973 are based on the assump-8. tion that this expenditure will continue to rise at the same rate as in the past. It is, indeed, likely that the pressure to recruit new government workers and to increase the number of teachers will continue to mount. Because of the rapid rise in enrollment rates at all levels of education, the number of those looking for jobs after completing their education will rise rapidly. The pressure will be all the greater because the possibilities of finding employment in the modern private sector will remain very limiteu, and similar problems of unemployment in neighboring countries will practically exclude any hope of alleviating the situation through emigration of part of the labor force. Finally, it should be noted that a sizable and still growing number of students in secondary schools and colleges are receiving training equipping them for a career in teaching or in other branches of the civil service, and that it will be difficult to refuse to employ them once they have completed their studies.

9. On the basis of the above assumptions, the current budget deficit in 1973 should amount to about CFAF 2 billion, or 18% of current revenues. Current expenditure includes payments under the heading of service on the national debt (which is rising sharply). However, this figure does not include possible repayment of sizable arrears on the foreign debt.

	Central Governme	nt Budgetary situa	tion 1972-73
	19 (<u>Bud</u>		increase (%)
Current revenues Current expenditure of which: personne equipmen debt ser other ou Current deficit	t 1 vice 0 utlays 2	$\begin{array}{cccc} .\underline{h} & 11.1 \\ .\underline{8} & 13.1 \\ .6 & 8.4 \\ .7 & 1.75 \\ .4 & 0.75 \\ .1 & 2.2 \\ .4 & 2.0 \end{array}$	

The 1973 deficit could in fact rise to as much as CFAF 2.5 - 3 billion, if the new salary scale prepared by the previous government were to be implemented. An addition of this nature to the budgetary charges would make even more difficult any subsequent attempt to balance the budget.

10. It therefore appears that unless the authorities act vigorously and quickly to restore the situation, Dahomey will be faced with growing financial difficulties. Given that it appears difficult to increase revenues, the only solution remaining would be a sizable cutback in expenditure. As it is undesirable to curtail the already inadequate outlays on equipment and supplies, a considerable effort will have to be made to reduce personnel costs. Only in this way can Dahomey restore equilibrium to its public finances in the short-term and, in the longer term, contribute to the financing of its own development.



ONGOING BANK GROUP OPERATIONS

1. To date, the Bank Group has extended three credits totalling \$14.2 million to Dahomey. All three lending operations are summarized in the attached statement of credits.

2. HINVI AGRICULTURAL DEVELOPMENT PROJECT (Credit 144, March 5, 1969, \$4.6 million): The purpose of this project — the Bank Group's first lending operation in Dahomey — was to promote oil palm, food crop and beef production in southern Dahomey's Hinvi area. The project's total cost of \$9.2 million was jointly financed by the Association and the French Government (FAC) each of which allocated \$4.6 million for the operation. The project's executing agency was, and still is, Dahomey's National Rural Development Company (SONADER), a government-controlled entity charged with fostering agricultural production in the country's three southern departments.

3. The proceeds of the IDA credit were originally earmarked to finance:

- a) construction of an oil palm mill with an initial processing capacity of 16 tons and an ultimate capacity of 24 tons of palm branches per hour;
- b) construction of maize storage silos with a total capacity of 3,000 tons;
- c) planting of 6,000 ha. of oil palms and the preparation of 6,000 ha. of land for food crop production;
- d) the planting of 1,000 ha. of teak and cassia trees;
- e) the purchase of 300 head of cattle for beef production; and
- f) related infrastructure and training facilities for SONADER staff.

Almost from the outset, the Hinvi Project encountered difficulties. While its oil palm production component proceeded relatively well, it soon became apparent that the processing capacity of the oil palm mill would have to be increased to handle expected yields from both the Hinvi area and neighboring plantations. In addition, the project's food crop component had difficulty in getting off the ground and only 1,700 ha. of land were prepared for food crop development because local farmers considered the crop rotation schemes worked out by SONADER impracticable and preferred to till their traditional holdings.

4. Because of the problems encountered by the project as initially defined, modifications in the Credit Agreement were agreed to and signed on September 24, 1971. Under the amended accord, further IDA financing for the project's food crop component was dropped. In addition, the construction of maize storage silos was eliminated altogether from the IDA-funded part of the project. The funds thus released were reallocated to cover the increased construction costs of an enlarged oil palm mill with an initial processing capacity of 24 tons and an ultimate capacity of 40 tons of palm bunchings per hour. It is also interesting to note that FAC, our financing partner in this operation, agreed to provide funds for a reduced food crop program in the project area and for the construction of maize storage silos with a total capacity of 2,000 tons.

5. Since the Credit's modification, and thanks largely to the dynamism of the project's manager, Mr. Bruno Amoussou (Director of SONADER), execution of the project has improved. As of November 30, 1972, disbursements on this credit amounted to approximately \$1.9 million. A further \$2.2 million had been committed, principally for contracts awarded in connection with the construction and equipping of the oil palm mill. Work on the mill itself is advancing satisfactorily. The structure to house the mill has been substantially completed and the necessary processing machinery is already being imported. Barring unforeseen mishaps, the mill should be open for operation during the second half of 1973. The project's livestock and infrastructure components are also proceeding well. Breeding has increased the initial herd of 300 to nearly 700 head of cattle and over 90 km. of track serving the project area have been graded and graveled.

6. Planting of the 6,000 ha. of selected oil palms and of the 1,000 ha. of teak and cassia trees has now been completed. Severe drought conditions in 1969 and 1971, however, are expected to seriously affect the plantation's future yields. In addition, maintenance of the new palm groves has not been up to par because SONADER has been forced, by financial constraints, to pay agricultural workers wages that are 20% below the going rate in the region. Consequently, the agency has had difficulty in hiring adequate help. Unless maintenance is stepped up, the Hinvi Plantation's expected yields will be lowered still further.

7. As mentioned above, SONADER is experiencing financial difficulties which are impairing its ability to fully execute our project. If yields in the plantings located in the Hinvi area fall significantly below previously forecasted levels, SONADER's financial difficulties will be exacerbated still further. FED and FAC, who have funded SONADER operations in other parts of southern Dahomey, share the Bank Group's growing concern over the agency's darkening financial picture. Consequently, representatives of FED, FAC and the Bank will meet in early 1973 to review all SONADER activities and discuss ways of easing the agency's present plight. Among other things, they will go over a FED-financed study on SONADER's organizational structure and review IRHO projections for future oil palm yields in the Hinvi area.

8. It is encouraging to note that Dahomey's new military regime has adopted a sympathetic posture towards SONADER and that it appears to be willing to provide that agency with financial support. Despite the fact that the previous government had been bound by Credit Agreement 144 to provide SONADER with any necessary supplementary financing to ensure the project's success, it had been reluctant to do so and government transfers to SONADER were chronically in arrears. 9. <u>HIGHWAY MAINTENANCE PROJECT (Credit 215, September 9, 1970,</u> \$3.5 million): This Credit was the Association's second lending operation in Dahomey. The project itself consists of a four-year program to improve highway maintenance in the country by providing for the overhaul and renewal of the highway maintenance equipment fleet, for the reorganization and renovation of the maintenance workshops and for necessary technical assistance. Funds were also provided under the Credit to finance the detailed engineering and preparation of bidding documents for the reconstruction of the Parakou-Malanville road in northern Dahomey and two stretches of the Cotonou-Bohicon road in the south.

10. Execution of this project is proceeding satisfactorily. Road maintenance in Dahomey — virtually non-existent at the time the Credit was approved — has made notable progress. In great part, this operation's success is due to the administrative skill, professional competence and sheer determination of Mr. Victorien Gbaguidi, Dahomey's Director of Public Works. Mr. Gbaguidi has overseen the project's execution and has been ably assisted by a team of Canadian consultants headed by Mr. Jean Sebastian of Lamarre Valois International, Ltd. As of November 30, 1972, disbursements for this project totalled slightly more than \$3 million.

11. ZOU-BORGOU COTTON PROJECT (Credit 307, May 24, 1972, \$6.1 million): This project aims at improving the living standards of small scale farmers in Dahomey's Zou and Borgou Departments by fostering cotton and rice production. The project is expected to increase the number of cotton growers in both regions from 29,000 in 1970 to 41,000 in 1974. During this period, cotton production is forecasted to rise from 25,000 to 56,000 tons. The project's total cost is \$12.7 million and foreign financing is being provided jointly by the Association and by FAC which has contributed \$3.2 million. The Government is providing the balance of the operation's cost (\$3.4 million) largely from project-generated funds.

12. The Zou-Borgou project specifically includes: i) provision of staff and equipment to administer extension, credit and marketing services; ii) construction of two ginneries and provision of six rice hullers; iii) rehabilitation of 620 kms of feeder roads; and iv) funds for an agricultural diversification study in the project area. The National Cotton Company (SONACO), a Government-controlled agency, is responsible for the project's execution with the assistance of the Compagnie Francaise pour le Developpement des Fibres Textiles (CFDT) and the Societe d'Aide Technique et de Cooperation (SATEC) — both French technical assistance agencies.

13. Although the project was started on January 1, 1972, with FAC and Government funds and on the understanding that IDA financing would be applied retroactively to that date, this <u>Credit has not yet been declared effective</u>. The original effectiveness date was August 31, 1972, but it has been postponed three times and is now set for January 31, 1973. In an effort to assist the Government in meeting the Credit's conditions of effectiveness, Bank missions have repeatedly visited the country during the past six months. As of this writing, however, a few documents still remain to be submitted to the Bank. A more serious obstacle to the Credit's effectiveness centers around SONACO's top management team which has proven itself to be deficient. Mr. Kouton, the agency's Director, does not appear to have the necessary . administrative capabilities to run the project and he has had difficulty in working with project staff — both expatriate and Dahomean. His Deputy, Mr. Bello, is at odds with Kouton and has so far refrained from participating in the project's management. Finally, SONACO's Financial Manager, a Frenchman on secondment from CFDT, is also hostile to Kouton and has failed to keep even the most rudimentary books on the project's operation. At Bank Group request, CFDT has agreed to replace SONACO's Financial Manager. As for the rest of the Agency's top management, we are asking the Dahomean Government to advise us of what measures it intends to take to remedy the present situation before declaring this Credit effective.

FUTURE OPERATIONS THROUGH FY 75

1. <u>SECOND HIGHWAY PROJECT</u>: This should be the Association's next project in Dahomey. It was appraised last February and negotiations were scheduled to take place in November but the October 26 coup forced the Bank Group to temporarily shelve the project. During Mr. Gué's recent operational mission to Dahomey, Government officials including President Kerekou — advised him that the new regime is keen on going ahead with this project and Mr. Gué recommends in his Backto-Office Report (also attached to this briefing) that we go to the Loan Committee on this operation in January and invite a Dahomean team to negotiate the Credit in February. During the course of these negotiations, we would also discuss, inter-alia, developments in the country's economic and firancial situation as well as SONACO's management difficulties.

2. The project itself calls for:

- a) reconstruction to a paved two lane standard of the badly deteriorated Parakou-Malanville Route (320 km.). This road runs through the country's northern reaches and is a major part of the 750 km. "Dahomey Route" which extends the length of the nation, is the country's principal transport axis and also constitutes an important outlet to the sea for landlocked Niger;
- b) reconstruction of two sections (17 km.) of the Cotonou-Bohicon road. This road passes through Dahomey's populous southern region and marshy terrain coupled with high traffic volumes have resulted in the break up of the Godomey-Abomey Calavi (6 km.) and Sehoué-Zakpo (11 km.) sections;
- c) supervision by consultants of the rehabilitation mentioned in items (a) and (b); and
- d) extension of the existing highway maintenance program by providing additional technical assistance and materials.

Originally, we had also intended to fund feasibility and detailed engineering studies for the paving of the 77 km. Bohicon-Dassa Zoumé Road as part of this project. This component was dropped, however, because low traffic volumes on the road (which also runs parallel to Dahomey's railroad) made this a marginal project prospect, at best.

3. The project's total cost, including taxes, is estimated at \$21.8 million. Under a parallel financing arrangement, IDA and USAID would provide \$8.2 million and \$8 million, respectively, towards the project's cost. USAID financing, which has already been approved, is earmarked to cover the entire net of taxes cost of rehabilitating the northern 160 km. of the Parakou-Malanville route. The Association's contribution would cover the foreign exchange costs of the maintenance program, of reconstructing both the southern 160 km. of the Parakou-Malanville route and the 17 km. stretches of the Cotonou-Bohicon road and of supervising construction for the entire project. The Government of Dahomey would contribute \$5.6 million, including \$3.4 million in taxes, to cover the remaining local costs. 4. During the course of negotiations, the Association will seek assurances from the Dahomean delegation that the Government will be able to make its financial contribution to the project. We will also ask the Government to submit to the Bank Group, within a year of this Credit's signing, a program, satisfactory to the Association, to improve the efficiency of Dahomey's railroad (OCDN) — another major part of the "Dahomey Route" referred to above. Finally, we will ask the Government to expand the responsibilities of Dahomey's Directorate of Land Transport in order to better equip it to define overall objectives and policies in the transport sector and to coordinate operations within the Dahomey Route, e.g., between the OCDN and the Port of Cotonou.

5. Officials in the Ministry of Public Works, including the Minister, have already been alerted to the contents of the proposed Second Highway Project and appear to be in agreement with the operation as defined.

EDUCATION PROJECT: As has been highlighted in other sections of 6. this briefing, Lahomey's education sector is beset by major problems. The number of students in the school system has skyrocketed in recent years as have government outlays for education putting a strain on the country's already tight financial situation. In addition, Dahomey's education system, based on the French model, is unsuited to the nation's present state of development and should be better tailored to meet Dahomey's actual needs. Consequently, we intend to send a four-man mission to Dahomey in mid February to review the existing system's structure and to attempt to formulate a sensible program of educational reform which would hopefully lead to a small (\$2-3 million) education project in FY 74. The new government has indicated to us that it welcomes this initiative as well as the Bank Group's financial intervention in the education sector. While the contents of this proposed operation has not yet been defined, we expect that the thrust of the project will be towards rural education.

7. PORT OF COTONOU PROJECT: Dahomey is served by a modern deep-water port built in Cotonou with French assistance between 1960 and 1965. The port's present capacity is one million tons per year and it handled an estimated 700,000 tons in 1972. At the rapid rate (8 percent) at which its traffic is growing, additional capacity will be required for general cargo by the late 1970's.

8. The Presidential Council, Dahomey's former Government, arranged FAC funding for a feasibility study of the port's expansion. We recently received the terms of reference for this study and are presently reviewing them. The former Government also asked the Bank to provide financing for the project's expansion. The Kerekou regime confirmed its interest in Bank Group assistance for this project and we should be able to include this operation in our FY 75 program. In this regard, the present lending program for Dahomey allocates a \$3 million credit for the port expansion project. Preliminary estimates indicate, however, that the port's expansion will cost \$10 million and, consequently, IDA financing in the order of \$6-8 million would seem to be more appropriate. 9. <u>CROP DIVERSIFICATION PROJECT</u>: The Zou-Borgou cotton project Credit provides financing for an agricultural diversification study which is expected to lead to a second, smaller (\$3-5 million) agricultural project in Dahomey's central and northern regions. While the study referred to above will not be ready until late 1973, we expect that this project will include an expansion of the ongoing cotton program, with its possible extension into the impoverished Atakora region. This project will also

have a substantial food crop component.

DAHOMEY

Statements of IDA Credits (as of November 30, 1972)

					Amount 5\$ million)
Credit Number	Year	Borrower	Purpose	Credit	Undisbursed
144	1969	Dahomey	Oil Palm	4.6	2.8
215	1970	Dahomey	Road Maintenance	3.5	.7
307	1972	Dahomey	Cotton Project	6.1	6.1
		Total		14.2	9.6
		of w	hich has been repaid	-	1.
		Total	now outstanding	14.5*	
		Total	now held by IDA	14.5*	
		Total	undisbursed	9.6	
		Total	undisbursed	9.6	

*Expressed in terms of the U.S. dollar of the weight and fineness in effect on 1/1/60 adjusted to reflect the devaluation of the U.S. dollar on 5/8/72.

		Credita	after 6	130/	70	
proved Country	Description	~	Loan		Return.	Remarks
10/8/79 Dahomey	Highway main- tenance and de- tailed engineer for 320 km of			\$3.5	25%	Based on recommendations of UNDP- financed transport surveys the project includes important ele- ment of technical assistance by
	roads.			с. 		foreign consultants. Main op- jective is to improve efficiency of highway maintenance through (a) strengthening and reorgani- zation of maintenance organiza- tion; (b) overhaul and renewal

2/15/72 Dahomey

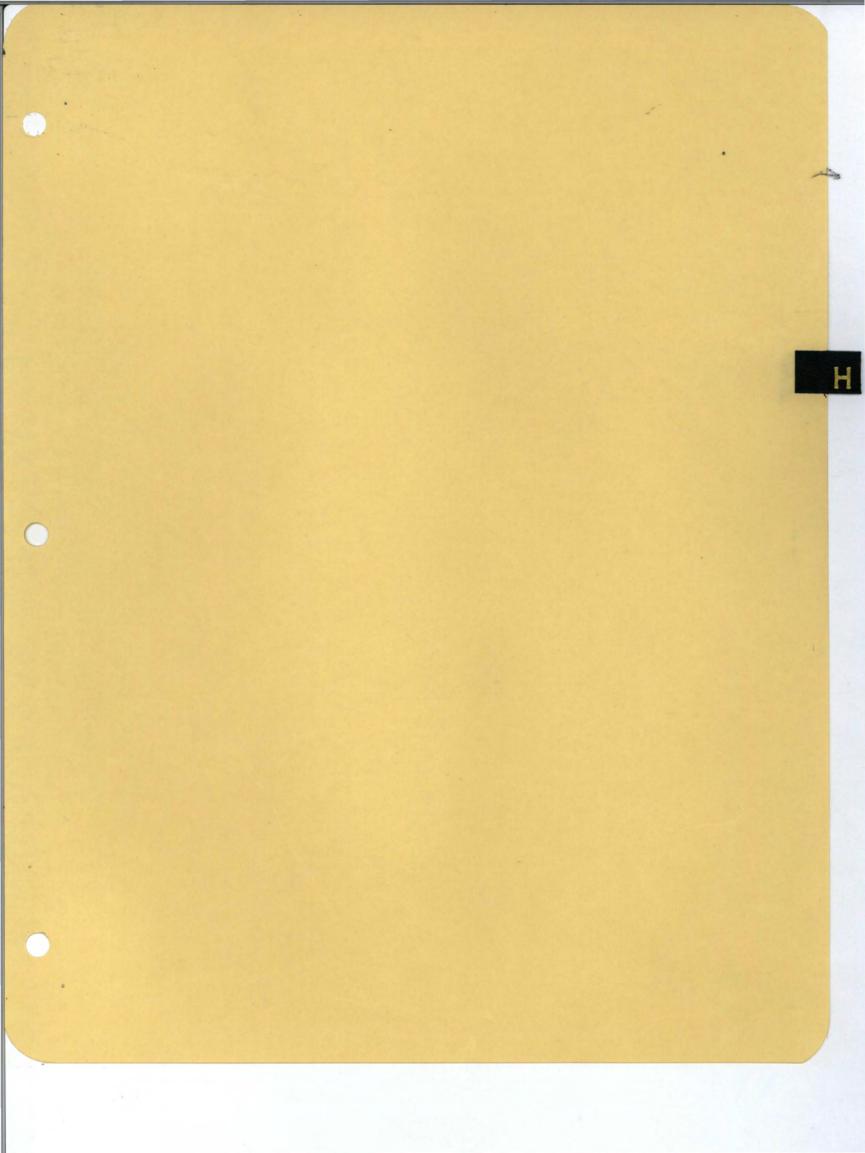
Provision of staff \$12.7 and equipment for extension, credit and marketing services; establishment of revolving fund to provide credit to cotton farmers; construction of 2 cotton ginneries and 5 small rice mills; rehabilitation of about 385 miles of feeder roads; agricultural diversification study.

\$6.1 34%

Project is part of Dahomey's long-term cotton development program to achieve higher standard of living for farmers and improve balance of payments. It is expected to increase number of cotton growers from 29,000 to 41,000 (about 350,000 persons) and increase their earnings substantially more than double cotton acreage to about 146,000 acres; and also develop some 8,150 acres of low-lying land for rice cultivation. Dahomey's ... annual cotton exports expected to increase from 35,000 to 82,000 tons, increasing foreign exchange income from \$10 million to \$20 million. FAC providing \$3.1 million equivalent grant for the project.

of maintenance equipment fleet; (c) reorganization of maintenance shops; and (d) equipment for soil laboratory; thereby facilitating more efficient communications between centers of important agricultural production. Government agreed that earmarked funds for Road Fund be exclusively used for highway maintenance and that the uneconomic west coastal railway line will be closed after rehabilitation of parallel coastal highway.

aternal financial rate of return.



DAHOMEY

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II. COUNTRY PROJECTS Approved as of 30 June 1972

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4	Executing	Date	Estimated	Estimated p (US dollar e	
Project number and title	agency	approved	completion date	UNDP	Government counterpart contribution
AGRICULTURE, FORESTRY AND FISHERIES					
AH-68-003 CULTURE ATTELEE	FAO	12/68	01/73	101,100	•
AH-66-502 PILOT AGRICULTURAL DEVELOPMENT IN THE DUEME VALLEY	FAD	06/66	04/72	1,904,800	1,295,780
AH-71-003 CULTURES IRRIGUEES ET AGRONOMIE GENERALE	FAO	10/71	01/73	46,100	
AH-68-006 AGRICULTURAL INFORMATION	FAD	12/68	01/73	102,675	
AH-68-012 AGRICULTURAL EXTENSION TRURAL YOUTH	FAD	02/69	01/73	101,100	
EDUCATION					
AH-70-001 PLANIFICATION DE L EDUCATION	UNESCO	07/70	07/72	54,100	
GENERAL ECONOMIC AND SOCIAL POLICY AND PLANNING					
AH-69-009 PLANIFICATION DE DEVELOPPEMENT ECOMONIQUE ET	UN	03/70	07/72	108,250	
AH-70-008 DEVELOPPEMENT ECONOMIQUE (IEDES)	UN	01/71	11/71	2,700	
AH-70-010 STATISTIQUES	UN	02/71	10/73	30,800	
AH-69-012 COMPTABILITE NATIONALE	UN	01/70	03/73	78,899	
AH-70-003 ADMINISTRATION PUBLIQUE	ILC	06/70	01/73	6,400	
AH-70-005 CONFERENCE INTERNATIONALE DE L'ACTION SOCIALE	UN	10/70	01/73	2,900	
AH-71-005 PUBLIC ADMINISTRATION	ILO	02/72	11/74	23,600	
INDUSTRY					
AH-68-504 STRENGTHENING OF THE GEOLOGICAL AND MINING SERVICE	UN	01/68	• 04/73	504,176	255,537
68-001 ORGANISATION CO-OPERATIVE	ILC	12/68	08/73	79,238	
	ILO	03/69	08/73	80,813	
AH-68-010 MANAGEMENT AND PRODUCTION OF SMALL INDUSTRIES	ILO	12/68	05/72	68,966	
AH-69-001 INDUSTRIAL DEVELOPMENT AND PRODUCTIVITY	UNIDO	05/69	07/72	132,000	
AH-70-002 GESTION DES ENTREPRISES	UNIDO	12/70	10/72	6,400	
INTERNATIONAL TRADE				1	
AH-71-008 RESEARCH ECONOMICS	UNCTAD	01/72	04/72	7,500	
NATURAL RESOURCES					
AH-70-007 DEVELOPPEMENT DE L'ENERGIE ELECTRIQUE	UN	12/70	01/73	54,000	
SCIENCE AND TECHNOLOGY					
AH-71-002 GEOLOGIE	UN	04/71	01/73	1,900	1.1
SOCIAL SECURITY AND OTHER SOCIAL SERVICES	11.				
AH-69-008 SECURITE SOCIALE	ILO	01/70	04/74	78,000	
TRANSPORT AND COMMUNICATIONS					
AH-69-007 MANUTENTIONS PORTUAIRES	UNCTAD	06/70	11/76	118,800	
AH-71-512 ESTABLISHMENT OF A SHIPYARD FOR THE REPAIR, MAINTENANCE AND CONSTRUCTION OF FISHING BOATS AND OTHER VESSELS	UNIDO	06/71	10/73	65,882	
AH-69-004 CIVIL AERONAUTICS	ICAO	08/69	04/72	10,700	
AH-70-012 TELECOMMUNICATIONS	ITU	11/70	05/71	2,800	
AH-71-001 POSTES ET TELECOMMUNICATIONS	ITU	03/71	01/74	122,600	
70-009 SERVICES POSTAUX	UPU	11/70	01/72	2,800	

UNDP SUMMARY OF OPERATIONS

1. The UNDP has a \$1.5 million annual program in Dahomey and it is expected to remain at the present level through 1976. Approximately 53 percent of UNDP assistance to the country goes to funding rural development projects. An additional 15 percent is earmarked for studies of the nation's natural resource potential. Technical assistance to development-oriented Government agencies such as the Planning Office accounts for 12 percent of the UNDP's total aid package and another 10 percent is allocated to provide technical assistance to Government agencies in the infrastructure sector, e.g., the Port of Cotonou. The balance of UNDP aid finances programs in industry, commerce and the social sectors, e.g., health and education.

2. The following five paragraphs summarize some of the more noteworthy UNDP programs in Dahomey.

3. <u>Oueme Agricultural Development Project</u>: This operation is UNDP's single largest program in Dahomey's agricultural sector and aims at developing rice and maize production in the country's Oueme River valley. Phase I of the program received a \$2 million UNDP contribution and drew to a close in mid 1972. The UNDP financed a feasibility study of the project and provided technical assistance to the operation's executing agency — SADEVO. Phase I appears to have been technically successful. Approximately 1,800 ha. of previously unutilized land on the river's left bank are now planted with rice and maize. It is interesting to note that UNDP intends to fund part of Phase II of this program which aims at extending food crop production in the Oueme basin.

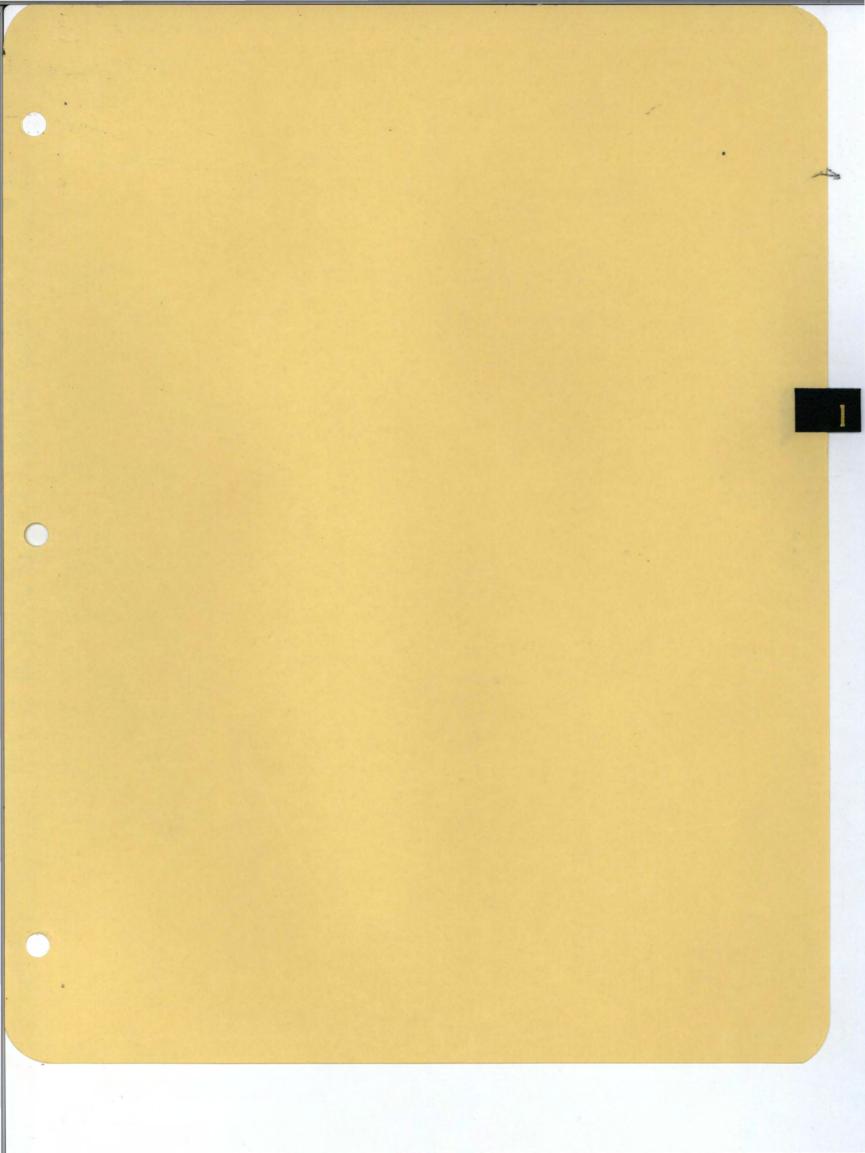
4. <u>Geological and Mining Project</u>: This \$500,000 program finances technical assistance to the country's geological service and funds a study of Dahomey's mineral wealth. To date, the nation's eastern half has been explored for mineral resources with disappointing results. A review of Dahomey's western regions is now being undertaken.

5. <u>Rural Youth Project</u>: UNDP has earmarked \$100,000 to promote the development of "rural youth clubs" in Dahomey as a means of disseminating modern agricultural techniques and handicraft skills. Mr. Wolff, the resident representative in Cotonou, is enthusiastic about this project and feels that any rural education program we might undertake in Dahomey should draw upon the youth clubs' experiences.

6. <u>Agricultural Information Project</u>: This operation aims at providing Dahomey's farmers with extension services by broadcasting information on modern agricultural techniques over the radio in local languages. While the shortage of radios in the countryside has undercut this program's effectiveness somewhat, radio clubs have been formed so that groups of peasants can come together and listen to the broadcasts. 7. <u>Animal Traction Cultivation Project</u>: This program which has just drawn to a close but which is likely to be extended later this year aims at providing extension services to encourage farmers, particularly in the North, to develop herds of livestock and to use their cattle to draw plows.

8. Cooperation between UNDP and the Bank Group in Dahomey has been good. A UNDP-financed land transport survey—with the Bank as executing agency—led to our first road maintenance Credit and to our proposed Parakou-Malanville project.

9. Mr. Wolff, UNDP's resident representative in Cotonou, is expected to be on vacation in Europe during Mr. McNamara's visit. Mr. Yonke, a Cameroonian national, will be acting resident representative in Mr. Wolff's absence. A brief-bio sketch on Mr. Yonke is contained in Section D of this book.



News Media

NEWSPAPERS:

<u>Daho-Express</u>: a daily newspaper, published by Agence Dahomeenne de Presse is a government owned newspaper. The circulation is about 2,000 copies a day.

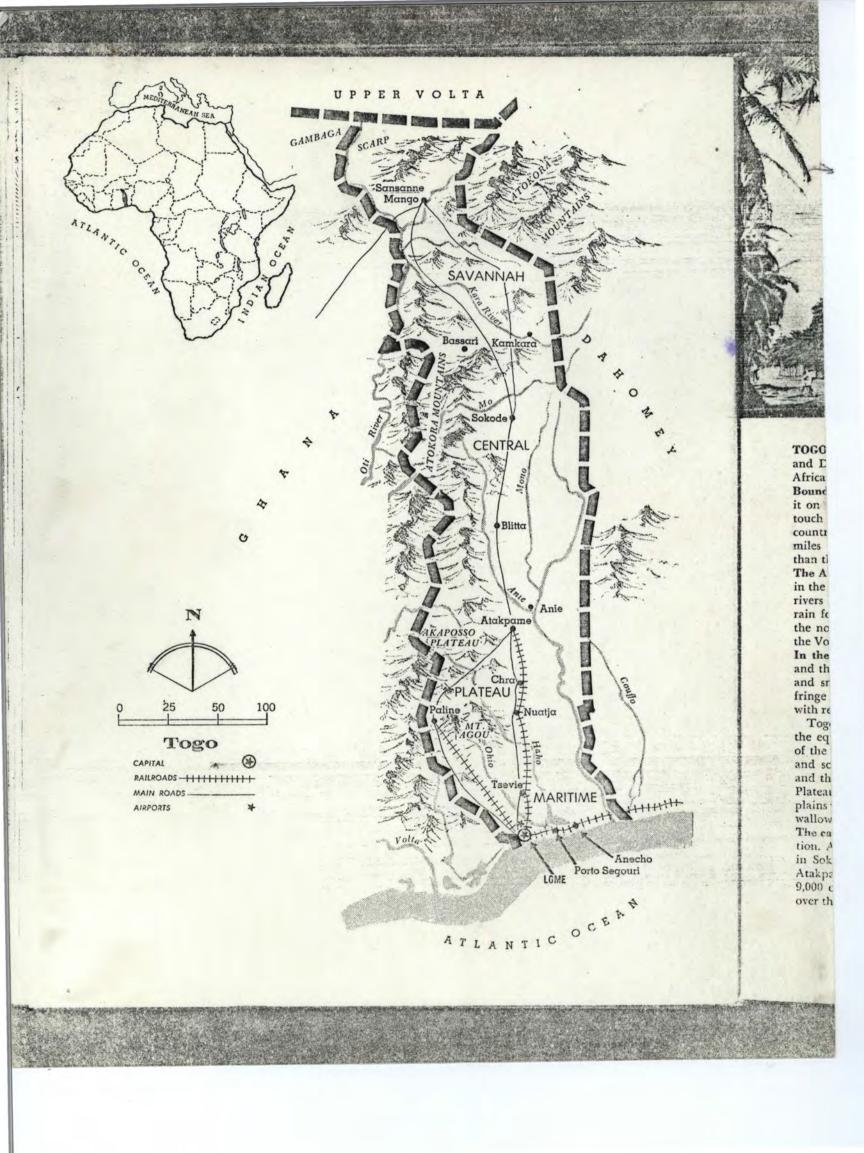
RADIO:

Radiodiffusion du Dahomey: the announcing is la "Voix de la . Revolution" (Voice of the Revolution).

The system is government owned and broadcasts daily in French and vernaculars.

Weekdays:	05:15 - 07:00
	11:30 - 13:00
	16:30 - 22:00
Saturdays:	05:15 - 07:30
	12:00 - 23:00
Sundays:	07:00 - 22:00

There is a newscast in English on Wednesdays from 19:25-19:35.





TOGO is a sliver of land wedged between Ghana and Dahomey along the Gulf of Guinea in West Africa.

Boundaries: The Republic of Upper Volta borders it on the north and 32 miles of precious coastline touch on the Gulf of Guinea. It is the 40th largest country in Africa – 75 miles at its widest, by 340 miles deep. Its 21,850-square-mile area is smaller than the state of West Virginia.

The Atokora Hills form its undulating spine rising in the south to Mt. Agou's peak of 3,400 feet. Many rivers and gushing streams cut through the dense rain forests and drain the hills. The Oti River in the north crosses into Ghana to become a part of the Volta River.

In the south the Ohio, the big Mono, the Haho, and the Anie rivers flow to the sea. Their estuaries and small lagoons separate the mainland from a fringe of tiny coastal islands which are overgrown with reeds and shaded with palm groves.

Togo basks in a tropical climate 350 miles above the equator. Lush vegetation covers the savannahs of the north in the wet season. High parched grass and scrubby bush conceal the elephant, the lion, and the leopard in the dry months. The Akaposso Plateau drops off below Mt. Agou to the coastal plains where crocodiles, snakes, and hippopotamuses wallow in the swampy rivers.

The capital, Lomé has an estimated 120,000 population. Another 20,000 inhabitants are concentrated in Sokodé; 11,900 in Palimé; 10,500 in Anécho. Atakpamé, Bassari, and Tsévié are towns of around 9,000 each. Over 2,000 tribal villages are scattered over the hills and plains. Four geographical regions make up the country. These regions are: des Savanes, de Central, des Plateaux, and des Maritimes.

Transportation: A hard-surfaced road runs south to north, twisting through the hills from Lomé to the border of Upper Volta; 700 miles of all-year dirt roads feed into the highway. Roads along the coast connect Lomé and Anécho. Another 900 miles of roads and trails, alternately too dusty and too muddy for use, link villages and farms. Almost 300 miles of railroads fan out from Lomé, running as far north as Blitta, west to Palimé, and east along the coast. There is an international airport at Lomé.

Population: Over 1,940,000 (including 1,500 Europeans), concentrated in the southern coastal regions.

Population density: An average of 88.8 persons a square mile.

Religion: Animist except for 80,000 Christians and, in the north, 30,000 Muslims.

Illiteracy: 85%; in school, 42%.

There is an estimated average of one doctor for every 58,000 persons.

Economy: Agricultural.

Chief exports: Coffee, cacao, palm oil.

Food crops: Yams, millet, sorghum.

Trade balance: Deficit.

Per capita income: \$73.00 a year.

Monetary unit: CFA* franc (247 = \$1.00).

Official language: French. Government: Republic.

Armed forces: Around 3,000; security force.

* French-African franc.

Togo République du togo

With independence on April 27, 1960, Togo, formerly a French trusteeship territory under the United Nations, became the fourth sovereign state of Africa as a result of the Black Nationalist Revolution. It was the third territory to leave the French Community, where the nationalist movement first gained momentum in West Africa.

No great medieval Black kingdoms or lost civilizations lay between the Volta and the Couffo rivers in the forests of what is today Togo. If they had existed, they would have probably been obscured by the great Ashanti Kingdom west of the Volta, and by the Kingdoms of Dahomey that lay to the east along the Couffo. But powerful tribal chieftancies still exist today in Togo, where regal chieftains in their gold-medallioned crowns and rich silken togas hold tribal court.

Practically nothing is known of the area that is modern Togo before the fifteenth century brought the European discoverers and traders to its shores. From the seventeenth

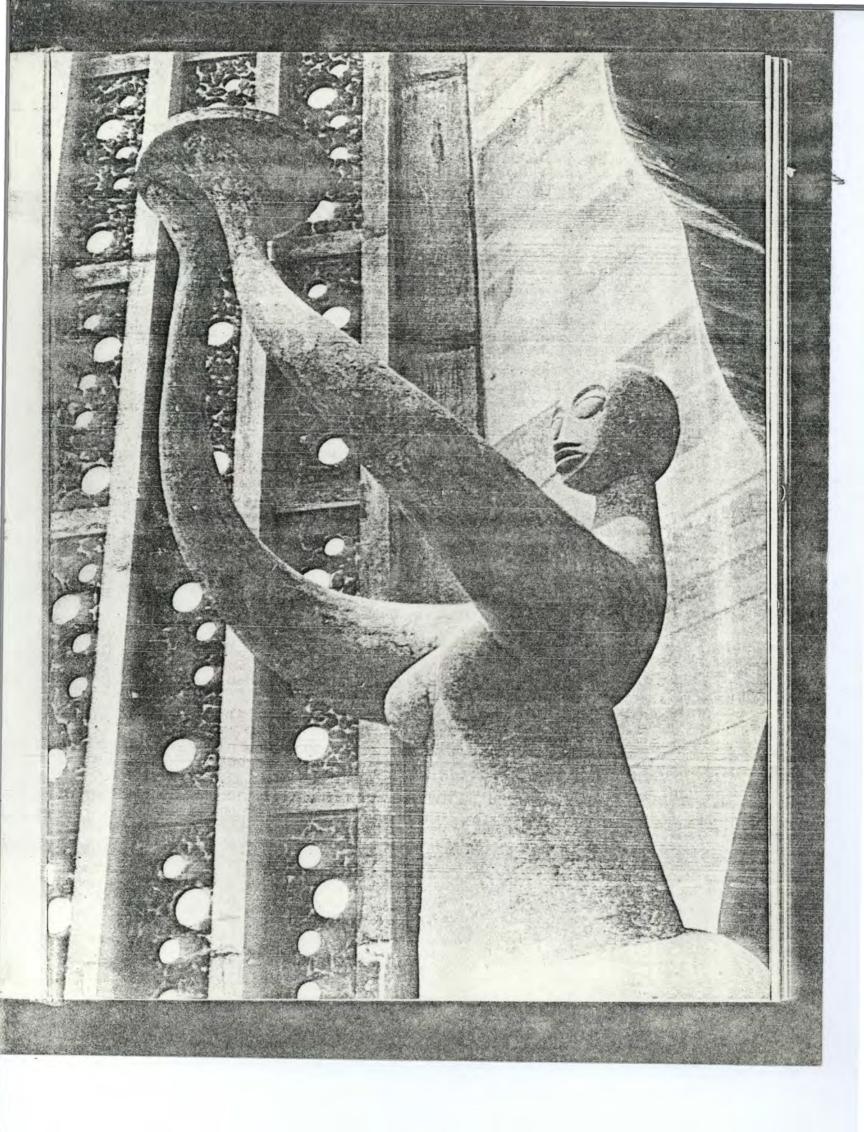
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IN THE ORDER OF

century onward, as exploration and colonization took place in the territory, Togo was the victim of the arbitrary political boundaries which were imposed on all of Africa by the colonists – boundaries that conflicted with the natural topography of the land, cut through religious groups, and divided tribal families. The history of Togo during the years under colonial rule was one of struggle to regain its tribal unities while dominated by the Europeans and surrounded by hostile tribal peoples eager to take advantage of the small territory's divided state.

At the same time, within its fluctuating borders were overlapping parts of three unrelated, inharmonious tribal groups – the Kabrai-Losso, the Ewe, and the Adja-Quatchi. Between the Muslim Sudanic Kabrai-Losso of the north, the Animist Black Ewe and Adja-Quatchi tribes of the south, there existed ancient and bitter hostilities. There were also scattered over the land a dozen or more small tribes and clans, including the Fon, Mina, Ana, Bassari, Aknosso-Akebo, Konkomba,

Salute to Independence



Gangan, and Chokossi, some of which numbered fewer than 10,000 people. Today Twi is the dominant language of the north and Ewe the common language of the south, but more than forty-five dialects of these and other tribal languages are spoken.

Long before there were any man-made borders cutting through the Guinea forest along the Bight of Benin, the Kabrai-Losso, migrating from the east, had settled over the northern reaches of the Atakora Mountains. The Adja-Quatchi also migrated from the east along the Couffo River where the Adja kings of Dahomey had once reigned. But at what time in history the Adja-Quatchi spread to the east over Togo is not known. It is, however, believed that the Ewe tribes, moving from the Niger River Valley west along the Gulf of Guinea, settled in Togo between the twelfth and the fifteenth centuries. The last migration into Togo took place only a hundred years before the Portuguese landed on the lagoon-fringed coast during the fifteenth and sixteenth centuries when the hunt for gold and slaves was in full swing. Leaving the Gold Coast (now Ghana) to the British, the "alwayson-the-sail" Portuguese moved along the Gulf of Guinea and set up trading posts at Popo and Petit Popo (now Anécho) and on the coastal islands. The traders taught the people of the Popo villages to grow cassava and corn in the poor, sandy soil. Ironically, the corn and cassava that the Black people learned to grow were used to stock the Portuguese ships that carried their own kinsmen away into slavery. The slave trade began early here and Togo became a part of what was known as "the slave coast." French ships followed the Portuguese along the palm-shaded lagoons early in the seventeenth century, but the sandlocked area was not too hospitable to the first European explorers. The chain of lagoons was often walled with a dense growth of tall reeds, and the coastal swamps were as thick with snakes of every kind as they are today.

The Germans visited the Togo coast in the mid-nineteenth century but they did not colonize until 1885. At this time the famous Ger-

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man explorer Dr. Gustav Nachtigal outflanked the French on the mainland in back of the French settlement at Porto Ségouro on the shores of a lagoon, by making a treaty with the chief of the village of Togo. The treaty gave the Germans the little community of Togo as a protectorate. Dr. Nachtigal soon moved from the enclave of Togo inland to the north, setting up a capital in the small village of Zébé and calling the surrounding territory "Togo." The capital was moved to Lomé in 1897, where it remains today. The Germans quickly set about "establishing a sphere of influence" as required by the Berlin Conference of 1884-1885, which laid down the rules by which Africa was divided up among the European colonists.

Tribal fragmentation in the small territory began in 1897 when Togo's boundaries were finally agreed upon. The French had by this time moved into what is today Dahomey to the east of Togo, and the British had occupied the Gold Coast (modern Ghana) on the west. The Oti River in the north and the Volta River in the south could have formed a natural boundary between the British and German territories all the way from the northern frontier to the sea. But an arbitrary boundary line, diverging from the Volta around two hundred miles from the coast, was drawn between Togo and the Gold Coast by Britain and Germany in 1897. This line created the "Volta Triangle," which became one of the trouble spots of Africa. The triangle, on the east of the river, was declared a part of the British Gold Coast Colony. The Ewe, Fon, and Adja-Quatchi tribal peoples who inhabited the area were then under British rule. This arrangement split for the third time the three coastal tribes, of whom part were already under French rule in adjoining Dahomey and part in German-ruled Togo. The Ewe people, who make up most of the population of the Volta Triangle, were particularly affected by the three-way split.

However, within these unrealistic boundaries, the Germans laid railway lines along the coast, cleared roads through the dense forest, set up the T War I aries c The I the Ge Germa in an railroa the no arrang of Nat date o istratic This t was at Togola became tribal land, 1 angle c tribes British The ce lims at gravate govern names, was a tribal I whole a At tl France Togola interna tions. Imme leaders unificat British of the E tion of ish and United years. The tinued 1 can Mat set up schools, and intermarried freely with the Togolese. But with the outbreak of World War I, alliances in Europe shifted and boundaries changed again along the Gulf of Guinea. The French in Dahomey and the British in the Gold Coast administered a squeeze-play on Germany's colony of Togo and divided it up in an even stranger way. The coast and the railroads went to the British, the interior and the northern region to the French. But this arrangement was not acceptable to the League of Nations. In 1922 the League set up a mandate over the small territory, splitting administration between the French and the British. This time, a strip along the western frontier was administered by the British as British Togoland, and the remaining three-fourths became French Togoland. This left the Ewe tribal people divided between British Togoland, French Togoland, and the Volta Triangle of the Gold Coast Colony. The Muslim tribes of the north were split between the British and French colonial administrations. The centuries-old hostility between the Muslims and the Black Animists was further aggravated by the divided territory. Under any governing arrangement and by any name or names, the fragmented tribal territory of Togo was a seething mass of divided, frustrated tribal people engaged in a struggle to become whole again.

At the end of World War II Britain and France placed their trust territories of British Togoland and French Togoland under the international trusteeship of the United Nations.

Immediately a few politically minded Ewe leaders petitioned the United Nations for the unification of the Ewe peoples in French and British Togolands and in the Volta Triangle of the British Gold Coast Colony. The unification of the two Togos was resisted by the British and the French and hashed over in the United Nations without solution for nine years.

The political situation inside Togo continued to grow more tense as the rise of African Nationalism among its people added to its broken tribal frustrations.

Togo's mission-educated coastal people were more advanced than were the Muslim tribal people of the north and held most of the colonial civil service posts. The potential political leaders at independence would naturally come from the southern area.

Outstanding among these potential leaders was the brilliant Sylvanus Olympio, a converted Ewe Catholic who spoke French, German and English fluently. Olympio was, however, a nationalist and not popular with the French.

In 1941 Sylvanus Olympio founded the first political party, *Comité de l'Unité Togolaise* (CUT – Committee of Togo Unity), through which he strove to kindle the fires of nationalism. Olympio was the accepted leader of Togo's "political action" and his party quickly gained power.

But other men very soon saw the advantage of political groups as a way to power and by 1947 CUT was only one of five major political parties. The other four were: Union des Chefs et des Populations du Nord (UCPN), which had its own youth adjunct, Jeunesse du Nord (JNT); the Parti Togolais du Progrès (PTP) and its youth movement, PJT; Mouvement Populaire Togolais (MPT); and Union Démocratique Togolaise (UDETO). With the exception of the UCPN and the UDETO, the parties were all controlled by the Ewes in the south.

The Parti Togolais du Progrès (PTP) was founded by Nicholas Grunitsky, a brother-inlaw of Sylvanus Olympio. Grunitsky, a pro-French active Gaullist, was born in Togo of a Polish father and a Togolese mother. Educated in France to be a public works engineer, Grunitsky ran a successful construction and transportation business in Lomé.

The prominent, well-to-do brothers-in-law were on opposite sides of almost every political issue. Olympio was the emotional persuasive nationalist. Grunitsky was the restrained, cautious moderate. Because of the latter's restraint, interpretations of his political stance at times vary greatly.

In contrast, Olympio, who had been man-

ager of the Unilever Organization in West Africa, was well known not only in Togo but in many parts of Africa. He was highly respected by and had made friends with other West African leaders, including the radical Sékou Touré of Guinea, with whom he was said to have had a warm relationship, and at one time with his next-door neighbor Kwame Nkrumah, who became Ghana's president at independence. (Ghana was formerly the Gold Coast Colony).

Olympio's prime political aim was to reunite the two Togos and the Ewe people. In the United Nations referendum held in British Togoland in 1956, Olympio strove to deter Togoland from voting to join the Gold Coast Colony (now Ghana) and to wait until French Togoland became independent of France and then unite. However, Nkrumah, allegedly, was able to influence the voting sufficiently to swing the decision of the voters to join the Gold Coast Colony, which was internally autonomous and on the verge of achieving independence from Britain.

Thus, both the controversial "Volta Triangle" and British Togoland were absorbed by the Gold Coast Colony.

In 1957 the Gold Coast became independent under the name of Ghana, and former British Togoland became the Trans-Volta Togoland region of Ghana.

This was a bitter defeat for Olympio, and his hatred of Nkrumah increased, as did Nkrumah's efforts to annex French Togoland to Ghana when the little country became free from French rule.

On October 28, 1956, a referendum was presented by France to French Togoland and the territory voted to terminate French trusteeship, choosing internal autonomy within a close association with France. The United Nations did not accept this decision, and, on April 28, 1958, held new elections in the trust territory. Olympio's *Comité de l'Unité Togolaise*, the National Unity Party standing for immediate and complete independence, won control of the new government. Olympio's brother-in-law, Nicolas Grunitsky, "puppet

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premier" for the French, was swept out of office. Olympio became Prime Minister, and France promised to prepare the country for independence, to be effective on April 27, 1960.

The Nkrumah-Olympio friendship quickly cooled when Nkrumah began to talk openly of making little Togo a "Ghanaian Province." As Nkrumah's talk turned to subversive action in his determination to expand the borders of Ghana, the enmity between the two leaders became intense.

In the 1958 elections the Grunitsky opposition group fought to achieve Togo's autonomy as a member of the French Community. It was believed that this stand was taken in order to forestall complete independence for French Togoland until it had been brought under Ghanaian influence, thus assuring its incorporation into Ghana when Togo became independent. Failing to accomplish this through the elections, Grunitsky formed a pro-Ghana fighting front called the Union Démocratique des Populations Togolaises (UDPT - Democratic Union of the Togolese Peoples) and personally took refuge in Ghana. This party was a union of Grunitsky's Parti Togolais du Progrès and l'Union des Chefs et des Populations du Nord (the Muslim chiefs of the north).

What had survived of little Togoland at last, in the spring of 1960, became free and sovereign – and known as Togo.

Togo's first independent government was headed by quiet, capable prime minister Sylvanus Olympio who had lived not only under three colonial masters, Germany, Britain, and France, but also under the Vichy French government, against which his political activities had landed him in jail. Olympio was passionately tied to his own Ewe tribal people and customs though he had become a Catholic. His education had begun in German schools when Togoland was a German colony. During the British mandate he attended the School of Economics and Political Science in London. On returning to Togo he became successful in private business and began to work for the independence of Togo, for which he eventually gave his life.

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With independence, political and tribal dissension continued to see the inside the country as outside forces tore at its fragile sovereignty. Through the free passage of the split tribes that moved back and forth between Ghana, Togo, and Dahomey, a pressure group calling for "union with Ghana" penetrated the western frontier of Togo. The subversive movement expanded inside the country under the leadership of disgruntled Nicholas Grunitsky, who continued to carry on a campaign of harassment against Olympio's government from voluntary exile in Ghana. He stirred up old hostilities between the Muslim north and the tribal south. The Ewes remained resentful of the splitting up of their people, many of whom had lost their identity when Ghana absorbed both the Volta Triangle and British Togoland. Assassination attempts were made twice on Olympio's life and each time Ghana agents were accused. However, in the midst of all this dissension; Prime Minister Olympio accomplished much to improve living conditions in the poverty-stricken little nation.

Less than three years after independence a blow fell on Togo which affected all Africa. Its implications were felt by the entire world. On the morning of January 13, 1963, gun shots broke through the early dawn in the little capital city of Lomé. President Olympio fell dying, clutching the gates to the American Embassy. Assassins had come to his home in the night. Jumping from a window, Olympio had reached the courtyard of the Embassy and hidden in a car parked in the driveway. In the early dawn his killers had discovered him, taken him just outside the gates, and shot him. The assassins proved to be a group of Togolese soldiers who had been released from the colonial army of the withdrawing French. Their explanation for the murder was that they couldn't persuade President Olympio to make a place for them in the Togolese army (which consisted of a few hundred men) nor, they complained, would he put them into government service. Though the disgruntled assassins disclaimed any political motives for seizure of the government, it was believed by many in Africa, as well as in other parts of the world, that the plot was hatched in Ghana. This opinion was expressed openly in the world press when, coincidentally, Nicholas Grunitsky, the fifty-year-old mulatto son of a Prussian doctor and a Togolese mother, returned to Togo from Ghana and accepted the call of the assassins to form a new government. His administration refused the request of five African Governments to investigate the assassination of President Olympio. However, the Monrovia Group (no longer in existence), of which Togo was then a member, met in Lagos, Nigeria, to investigate the political implica-

The gold medallion crown of a Togo chieftain



tions. No conclusions were made public from this meeting. Ghana issued a statement denying any part in the act and immediately recognized the new Grunitsky government. The late President Kennedy, brutally assassinated himself eleven months later, called the assassination and the overthrow of the government "a blow to the progress of stable government in Africa."

As time went by the name of a young army adjutant from the north was associated with the asassination plot. Admittedly in back of the military putsch against President Olympio, Adjutant Etienne Gnassingbe Eyadema continued to be connected with the violent disruptions of the new independence government of Togo. And with each incident of revolt the ambitious young Muslim officer (born 1913 at Lama-Kara) rose in rank.

After the elections of 1963 following the coup that took Olympio's life and put Grunitsky in power, Adjutant Etienne Eyadema was made a captain. In 1964 he was promoted to the rank of Major.

Declaring that free elections would soon follow, President Grunitsky dissolved Parliament and set up a military government. His first act was, paradoxically, to align Togo with the Union of African and Malagasy States (formerly, Inter-African and Malagasy Organization), composed of the pro-French Independent African nations. In May 1963, four months after coming into power, the new government held elections, supposedly to let the people "elect" their own candidates. The voters were given a single list with no alternate choice of candidates. The "independent" Togolese dutifully rubber-stamped the military government's chosen ticket, electing Nicholas Grunitsky as president and AntJine Meatchi, a thirty-sevenyear-old northern tribesman, as vice president. Meatchi was the first tribesman of the northern Muslim minority to hold such an important post in the government of Togo.

The government was intended to please all tribal factions. A fifty-six-member National Assembly represented all political parties, including CUT. No party had a majority. The

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French-trained Togo army, which had been increased to more than a thousand men, made sure that Grunitsky had no interference. Though the new president was seemingly pro-French, it was at first believed by many observers that he still supported union with Ghana, which he hoped to gain by rendering the anti-French and anti-Ghana political forces ineffective through a dictatorship government. Others believed that union with Ghana may have been only the instrument with which he undermined Olympio's government and brought about his fall. But once Grunitsky had complete control of the little country, power was much too sweet to relinquish any of it through union with Ghana, where he would soon have been shorn of his power. Whatver the internal political workings portended, by 1965 little was heard from tiny Togo. Its freedom had been short-lived as it came under a virtual dictatorship.

The women of Togo did not take advantage of their new status in the new independent society as do the women of most new African nations. The restraint of the Togolese women is still today reflected in the unstable political life. Dina Olympio, widow of the late president, founded the Union of Togo Women as a non-political organization to aid in the education and emancipation of the country's women. There were chapters spreading slowly over the south. The largest, in Lomé, had close to six hundred members. These women had grown bold enough to march on special occasions, wearing all-white national dress adorned with badges. The union sponsors lectures and classes for women in English, French, and Ewe.

Catholic and Protestant missionaries came early to the coast of Togo, and today they claim many Togolese converts. But Islam dominates the north and the majority of the Black people of the south still follow their traditional Animist religion with its many cults, beneath the surface of which witchcraft flourishes. Traditional sacrificial ceremonies are still practiced and the medicine man is all-powerful. Food, health, and education are the first problems of the tiny nation. But in fervently tribal Togo the sense of responsibility for their own people, both young and old, is still strong in the villages and family communities. This tribal responsibility carries through even in the urban centers, making a welfare state less in demand in Togo than in many other newly independent countries. Togo came into independence with 13 hospitals, 13 maternity centers, 107 rural dispensaries, 16 doctors, 4 pharmacists, 1 dentist, and 324 nurses. The average life span of the Togolese is 50 years, which is consistent with that in most African nations.

Instead of striving toward a welfare state which the country had neither the money nor the resources to support, the government of Sylvanus Olympio had concentrated its efforts on irrigation and the improvement and modernization of agricultural methods. In tiny Togo, as in all Africa, there had been the dream of overnight industrialization, but the expansion of a few miles of railroad from the iron mines in the south to the coast has been the major contribution to this objective. River projects for hydroelectric power were planned before independence and work was begun on the first of five hundred small river dams to supply water for rural communities. Today there is the usual light industry, limited to food-processing, and small plants to supply local needs.

There were, at independence, approximately 8,000 wage earners employed in government, utilities, transportation, and public service. Another 7,000 were privately employed. Small though the total was, it supported two major labor unions: the Union des Syndicales Confédérés du Togo, an affiliate of the all-Black African union, UGTAN, and the Catholic union, Confédération Africaine des Travailleurs Croyants (CATC). The annual per capita income is higher than in many new African countries.

Small, humpless short-horn cattle, sheep, and goats graze over the north and the communal tribal and family farmlands in the south. The few wells and the lack of natural water for the wide-grazing herds of stock are one of the country's major problems.

For "spending money" Togo depends on French aid. This amounted to the equivalent of \$12 million from July 1958, to June 1962. United States aid in 1961 totaled \$1.4 million and has continued proportionately. Togo came into independence with a trade deficit of \$11 million for that year, which was balanced off with contributions from "paternal" France.

At independence it was estimated that around 200,000 of the Ewe tribal people lived along the coast of Togo (the rest of the 700,000 Ewes were incorporated into Ghana, along with British Togoland, in 1956); about 350,000 Sudanic Kabrai-Losso were scattered over the dry savannahs of the north; and some 160,000 Adja-Quatchi inhabited the southern regions. Added to the "pure" West African Black population of southern Togo were the mulatto descendants of the German and French settlers who had mixed and intermarried with the Togolese.

Togo remained after independence not only the victim of the colonial slide-rule that distorted its boundaries almost a century ago, but was until the fall of Kwame Nkrumah's government prey to the simple arithmetic of African power politics. Togo's 22,000 square miles and its million and a half people, could have, if added to small, aggressive Ghana, totaled up to an increase in manpower and votes worth striving for. On the other hand, Togo and Dahomey (both French-speaking countries) served as buffer states between aggressive, expansion-minded Ghana and big, crowded Nigeria both former, "not-too-friendly" British colonies. However, with the overthrow in early 1966 of the corrupt Nigerian government followed by the ouster of the Ghanaian government of Nkrumah by military coups d'état the tension between the two former British colonies relaxed. Tensions along Togo's border also lessened as the new military governments of Ghana and Nigeria declared policies of peaceful coexistence with their neighbors. Nevertheless, the frustration of the

Ewes still exists with many of them still a part of Ghana, and all with close ties to Nigeria. (Before migrating into Togo, the Ewes inhabited the valley along the Niger River which is now a part of Nigeria, and the Hausa language is widely spoken across the north of Togo as well as Dahomey and Nigeria.)

President Grunitsky, however, may very well have felt nervous after the ouster of Kwame Nkrumah. Nkrumah's overthrow was followed with some very revealing evidence of the Ghana dictator's subversive activities in many African countries - particularly in the assassination of Togo's president which brought Grunitsky to power in 1963. This allegedly included a reported confession by a special Ghana police agent, Jacob Fulani, that he was responsible for Olympio's murder on Nkrumah's orders. Mr. Fulani recounted that \$140,000 had been supplied by Nkrumah to arrange the coup that overthrew the Togo government and brought Grunitsky back from Togo to take over. Nothing came of the confession.

And he was rightfully apprehensive for on November 21, 1966 an attempted take-over was made by Olympio's old supporters. The result failed when President Grunitsky called on Colonel Eyadema (later Chief of General Staff of the Togolese Army) and the army came in on the side of the President and put down the revolt. The leader of the rebellion, Noe Kutuklui, Deputy General Secretary of Togo, went into hiding.

By now Colonel Eyadema's little army was definitely in power and could decide whether the government would fall or stand. Grunitsky was in trouble all around. There was dissension within the ruling UDPT coalition party and a power struggle was under way between Grunitsky and Vice President Antoine Meatchi.

After the abortive coup, Grunitsky, to solve his many problems, formed a new compromise government which, among other amendments to the constitution, abolished the vice presidency and nipped the power aspirations of young Meatchi, thus doing away with what was possibly becoming a two-headed govern-

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ment. Meatchi was relegated to the head of the Ministry of Works, Mines and Transport.

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No matter what he might do, however, Grunitsky's days as the head of the Togo government were numbered. On January 13, 1967 Colonel Eyadema asked the President to resign. Grunitsky did so and went into exile in France. The army took over the government in the name of the Committee of Reconciliation, headed by Colonel Kléber Dadjo, who had served as chief of staff of the army under Olympio.

There was only one more step left for the young northerner who, between the bloody coup that eliminated President Olympio and the bloodless coup that sent President Grunitsky into exile, (January 12, 1963 and January 13, 1967) rose from adjutant to Lieutenant Colonel and Army Chief of Staff.

Lieutenant Colonel Etienne Gnassingbe Eyadema took that final step three months later, April 14, 1967, when he mounted a coup against the government of his preceding January coup and dissolved the National Reconciliation Committee, declaring himself President of Togo. Colonel Kléber Dadjo, who was president at the time, was ironically made Minister of Justice.

The new President was about thirty years old, born sometime around 1937. He had been a soldier all of his short young life. Entering the French army at the age of sixteen, he was sent to Indo-China. At the end of the war there he was moved to Algeria and later stationed in Dahomey.

Preceding the abortive coup in November 1966, in which he had backed Grunitsky, the young army chief had visited France and was reported to have been received by President de Gaulle.

Throughout 1967, following the final takeover by the Army, and during the early part of 1968, the Togo economy came to a standstill. Foreign investments were cut off and the government instigated little new activity. The expansion of the port at Lomé had brought employment and a certain amount of prosperity in the years preceding 1967. The Datcha Textile Mills and Togolese Brewery (Germanowned and operated) were the main industries.

It was anybody's guess what would happen to little Togo next. The answer lay in who the soldiers with the guns backed. As 1969 moved on to a close they were still loyal to President Eyadema, who in January of 1969 called off promised elections and indicated his intention to stay in power indefinitely.

Just as civil war broke out in Nigeria in 1966 there was much talk of Dahomey joining Nigeria as a region of the Federation. But with the outbreak of the Ibo revolt nothing more was heard of the plan.

Such a move on the part of Dahomey could inspire "Tiny Togo" to seek economic and political alliance with some one of its three neighbors. Remaining alone, its problems are many.

Regardless of what shape the little Republic of Togo may take in the future, and no matter in what direction its leadership turns politically, Togo will remain for some years to come a primarily agricultural country of tribal subsistence farmers — a country of migratory workers who follow the planting and the harvest across the hills and plains of the south a land of nomad shepherds who graze their stock over the arid northern savannahs.

Footnote – In 1969 Bonito H. Olympio (a student in the U.S. at the time of his father's assassination) was accused of plotting to overthrow the government, from a nearby African country.

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Dahomey

RÉPUBLIQUE DU DAHOMEY

At independence on August 1, 1960, the Republic of Dahomey became the tenth country to achieve independence as "Black Nationalism" continued its sweep over West Africa. It was the seventh former French territory to leave the French Community but maintained its ties with France. The little country, roughly the shape of the baobab tree, retains its colonial boundaries, which were formed by Anglo-French rivalry in the late nineteenth century. Dahomey had been a French territory since 1902.

The northern tribes of Dahomey are ethnic continuations of the peoples of modern Upper Volta, Niger, and Nigeria. The people of the south, however, are made up of kindred tribes, most of which stem from one ruling family whose many branches established the medieval coastal kingdoms of Dahomey.

The story of the kingdoms of Dahomey, which flourished in the tropical forests along the Bight of Benin (Gulf of Guinea) from the twelfth century until the last king was conquered by French forces in 1894, is pieced

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together from legend, fragments of historical jottings, and telltale ruins. The first kings of Dahomey, it is believed, came from the aristocracy of the Adja tribes who lived around the delta of the Couffo River and along the banks of the Mono River where it forms the border between modern Dahomey and Togo. The Adjas were fierce warriors and generally practiced cannibalism as did many primitive tribes of the tropical forests and equatorial jungles of Africa – (and as did many peoples in many lands long ago).

Through rivalry within the royal family and intertribal hostilities, a segment of the Adja people moved east in the twelfth century and founded a tribal chieftaincy at Allada, which eventually became the Kingdom of Ardra. But the same old rivalry and quarrels among the princelings beset the little kingdom and one of the pretenders to the throne of Ardra left Allada to establish the kingdoms of Jakin and Juda along the coast at a point later called by the Portuguese, Porto Novo. At about the same time, another would-be Adja king traveled north with his followers and vassals to



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amily and the Adja ntury and da, which of Ardra. els among gdom and of Ardra s of Jakin ater called about the king travvassals to create the third paramount chieftaincy among the Adjas. This kingdom was called Abomey, from the native word "agbome," meaning "inside the rampart walls." These new chieftaincies remained, however, under the loose suzerainty of King Dako of Allada.

According to legend, Ouegbadja, the king of Abomey who had ruthlessly expanded his kingdom, one day left his well-fortified royal village on a raiding foray to the north. He eventually came upon a native chieftain who resisted the invasion of his lands and accusingly chided Ouegbadja, "You'll soon be building on my stomach." By way of a quick answer, the king had him killed, devoured him, and built a palace on his bones, calling it Dahomey, *Dan-Ho-Me* – meaning "on the stomach of Dan" – whence came the name of the kingdom and ultimately the country.

The Kingdom of Dahomey eventually dominated the other surrounding kingdoms and continued to expand. However, each kingdom dealt independently with the European traders who arrived in the sixteenth century, each king making and breaking his own treaties.

The kings of Dahomey, like the kings of France and England, the emperors of Japan, and the sultans of Turkey, were alternately weak, strong, tyrannical, and benevolent with one Dahomey king losing what his predecessor gained. Conquerors followed on the heels of the vanquished as the forest kingdoms rose and fell.

Of the original four kingdoms of the Adja tribes, only the tales of the kings of Dahomey were passed down through the centuries. Here is the dynasty in brief: King Dako (1625-1650) subdued the Fons; Ouegbadja completed the conquest and established the Dahomey Kingdom; Akaba (1680-1708) gained control of vast lands; Agadja, the most remarkable of all the kings, conquered and occupied Allada in 1727, providing an outlet to the sea and expediting trade with the Europeans. Agadja seized Savá and the coastal kingdoms of Jakin, Juda, and Offra, correlating them into states of the Dahomey Kingdom. (Around this time the Portuguese occupied points along the coast and completed their slave fort at Ouidah.) King Tegbessou (1729-1775) suffered reverses when the Yorubas from the east (now Nigeria) seized the capital city of Abomey in 1738 and forced the Dahomey Kingdom to pay tribute to the Yoruba chieftains until the middle of the nineteenth century; King Kpengla (1775-1789) tried unsuccessfully to free his kingdom from the Yoruba overlords; Agongio (1789-1797), a weak king, lost more ground, and strife began within the kingdom.

King Gezo (1818-1858) was the redeemer of the Dahomey Empire. His older brother, legal heir to the throne, committed so many atrocities that the people arose, poisoned him, and massacred all of his descendants in order to make way for Gezo. Gezo became King, restored internal order, and organized a formidable army of 20,000 women, the famous Amazon warriors who fought the Yorubas and freed the Dahomey Kingdom from its Yoruba overlords. Gezo, however, also had a taste for floors paved with the skulls of his enemies and colorful rituals of human sacrifice at the burial of chieftains or other festive events. It was also Gezo who gave way to the European invaders, signing the first treaty with the French and, in July 1851, permitting them to build a second fort on the coast at what is today Cotonou. But Gezo's son, Glegle (1858-1889) and his successor, Behanzin (1889-1894) came to open hostilities with the French and threw another Amazon army into all-out battle against the French forces. This time the female warriors were defeated and Dahomey came under French domination. It was declared a French protectorate in 1892. Behanzin surrendered in 1894 and was deported to the French island of Martinique in the Caribbean. He later died in Algeria. His brother, Agoli Agbo, was exiled in 1900 - and this was the end of the kings of Dahomey.

As the Black tribal kings were battling among themselves, the Europeans were moving in along the coast. The Portuguese discoverers arrived in the early seventeenth century, followed by the English, Dutch, French, and Spanish. The same pattern of colonization as

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The battle of the Amazons - as depicted by an artist of the 1880s

that along the coast of West Africa and the Gulf of Guinea took shape. The Portuguese discovered, the British explored, the Germans organized, and the French set up trade. Only the names of the coastal villages were different. In Togo it was Popo and Anécho-in the Ivory Coast it was Bassam and Assini - in Dahomey it was Savá, Ouidah, and Porto Novo that became the slave-trading villages. Captives brought back by King Daka from his forays east into Yorubaland and west into Ashanti territory became grist for the European slave "mills" that were soon strung along the coast of Dahomey. The Adja kings marketed slaves to the Europeans under the strictest control of the Abomey functionary, the "Yevogan," who collected a tax on the trade.

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The slave trade reached a barbarous height on the Dahomey coast, surpassed only on the adjoining coast of what is today Nigeria, known in the seventeenth century as "the slave coast." Although the British declared the slave trade illegal in 1807, it was not until over fifty years later that palm oil and cocoanuts actually replaced the slave trade along the shores of Dahomey.

British and French rivalry continued around Porto Novo. The nimble kings of Dahomey took first one side, then the other, to save their kingdoms from both colonial powers, until 1889 when, by Anglo-French agreement, the British abandoned the coast of Dahomey. In 1902 it became a French colony. Its *status quo* remained the same until the end of the Second



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intinued s of Daother, to powers, reement, omey. In tus quo 2 Second World War when the new French Constitution of 1946 granted Africans their first representation in the French West African Colonial Government. The status of all of France's African possessions was changed at that time from that of colonies to overseas territories of France. Dahomey was granted representation through a deputy and two senators to the French Parliament, and an elected territorial assembly. The new territorial body was given judicial and budgetary powers but no legislative functions. It wasn't much local authority but for the Africans it was a change from none. The Territorial Assembly was elected by the hated dual electorate whereby a certain number of members were elected by metropolitan citizens of France living in Dahomey and a smaller number of representatives were elected by a limited African suffrage of a few thousand. This system always kept the number of African members of the Assembly less than the number required for a majority thus providing insurance against their ever achieving voting control.

This taste of representation brought political awakening in the urban parts of Dahomey. The country became involved in the conflicts brought about by the interterritorial movements that were being formed among the African deputies to the French National Assembly who were disappointed in the reforms of the 1946 Constitution. But politics in Dahomey was more concerned with tribal affiliations and personalities than with ideologies and broad colonial policies.

The first interterritorial movement was the Rassemblement Démocratique Africain, RDA (Democratic Rally), founded by Ivory Coast leader Félix Houphouët-Boigny in October 1946. A radical, Communist-controlled faction of the new party centered around Sékou Touré, Guinean labor leader.

Shorily thereafter, in 1948, Léopold Sédar Senghor, leader of Sénégal, who had been attempting to establish an interterritorial movement counter to the RDA, established the *Indépendants d'Outre Mer*, IOM (Independents of the Overseas Territories), which later became the Parti de Régroupement Africain, PRA (Party of the African Reunion).

Neither the RDA nor the PRA was clear cut in its policies and goals. Both had been rendered schizophrenic by the many dividing factors beyond the African leaders' control. Though on the face of it PRA backed an early, qualified independence with some kind of federation of the French states within the French Community, it had other interests that contradicted this aim. The conservative wing of the openly split RDA advocated self-government under French guidance, while its radically "nationalist" wing, under Communist influence, was not only for immediate independence but was also violently "down with the French."

By 1956 most local parties of the French territories had aligned themselves with one of the two interterritorial parties in some way, and in one form or another African nationalism was forcing new reforms on the French colonial government. The *loi cadre* (framework law) of 1956-1957 gave the Overseas Territories of the French Union universal suffrage along with a greater measure of self-government, and did away with the hated *dual electorate* which for the last ten years had been "the cross" of French West African politics.

Understandably, however, African leaders feared and fought the loi cadre for its obvious danger to the African states individually - through "Balkanization." With each territory's powers increased through greater individual autonomy but reduced at the interterritorial level by the absence of a representative federal body, the French territories were without a common voice with which to bargain with France. A French-appointed "Head of Territory" also made sure that each territory individually remained under the French thumb. The vaguely defined PRA and the RDA may have represented all things to all politicians, but both certainly supported independence. These interterritorial movements became the catalysts of the political factions in French West Africa.

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Dahomean (Dahomeyan) politics, however, shied away from the Communist-tainted RDA and touched on the IOM (later, PRA) only lightly, leaving political influence a basically local matter between 1946 and 1951. The north fought the domination of Dahomean politics by the educated southerners. Political parties were formed sectionally and opposing leaders rose on the local issues involved. Hubert Maga, a northern school teacher, became the leader of the Groupement Ethnique du Nord Dahomey, GEND, which later became the Rassemblement Démocratique Dahomey, RDD (Dahomey Democratic Rally), an affiliate of the RDA. Sourou Apithy, a Catholic bookkeeper in Paris before going into Dahomean politics, formed what is today the Parti Republicain du Dahomey, PRD (Republican Party of Dahomey), and was the leader of the south; and a third so-called national party, the Union Démocratique Dahoméenne, UDD (Dahomeyan Democratic Union), came into being, led by Justin Ahomadegbe. Both Apithy and Maga had served as deputies to the National Assembly in Paris.

When the famous De Gaulle "surprise" Referendum of September 28, 1958, burst on French West Africa with its three choices of status: 1) as a department of France, 2) as an autonomous republic within the French Community, or 3) complete and immediate independence, Dahomey chose to become an autonomous republic within the French Community, with independence promised in 1960.

The first elections came in 1959 and a government was finally set up through a coalition of all three leading parties, with Hubert Maga as prime minister and Sourou Apithy as leader of the National Assembly. This coalition was only on the surface.

An attempt at federalization of the Frenchspeaking territories within the French Community was the dream of Léopold Senghor, leader of Sénégal. His efforts brought Dahomey, Upper Volta, Soudan (now Mali), and Senghor's own Sénégal to the brink of federation as a beginning of a union of all former French West African territories. The plan

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was thwarted at the last minute, however, by the withdrawal of Dahomey, followed by Upper Volta's refusal to join, leaving only Mali and Sénégal to form the short-lived Mali Federation.

For the duration of these negotiations on federation, a close coalition of the three Dahomey parties had been brought about. But the withdrawal of Dahomey from the almostfinalized federation, maneuvered by Apithy who controlled the Territorial Assembly, was believed by other party leaders, particularly those from the north, to be an act to gain political advantage and more personal power.

The resulting discord broke up the threeparty coalition and threw the country into a period of political instability, out of which new parties emerged in the north and violent factions rose in the south. However, in 1960 a variety of circumstances and a coalition between the Democratic Rally and Apithy's Republican Party elected Hubert Maga President of the Republic and Apithy its vice president. Apithy then right-about-faced, declaring for "federalization," which he had sabotaged at the time of the Mali Federation. He used this issue in heading up the opposition to the new administration of President Hubert Maga.

President Hubert Maga was a quiet man, seemingly a leader and a strong man by African political standards. But he proved to have many of the extravagant ideas of the ancient Adja kings of Dahomey and none of their flamboyance and administrative mastery. Maga had strength in the labor ranks, having served in an important labor post in the French Parliament in 1954. Though a declared anti-Communist, Maga kept "in touch" with Mali and Red China.

France paid the bills. The United States helped out with around \$3.1 million in 1961 and similar amounts in subsequent years, and many other nations gave assistance to the new republic. When Ahomadegbe's opposition party, the UDD, got bothersome, Maga solved the problem by jailing the leaders and dissolving the party. But the political situation ever, by by Uply Mali ali Fed-

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States in 1961 urs, and he new position solved nd distuation in Dahomey was a difficult one because of the way the country was evenly divided into three parties, always requiring a coalition to obtain a majority. Also, government and politics are little understood except by the educated few living in the urban communities. The usual African type of government is administrated through district officers, often tribal chieftains. The courts are based on the French Penal Code, the customary African tribal laws, and Muslim religious laws. Taxes are to be paid by everyone. A personal tax is levied on all able-bodied adults, an income tax on wage earners, and a transaction tax on business firms.

The French educational system had organized all of French West Africa into one académie (corresponding to France's own system), with institutions of higher learning in Dakar, Sénégal, the cultural center of France's West African colonial empire. Outlying territories had only lower-school facilities. After 1958 secondary and primary schools became the responsibility of the autonomous governments of the former French African states, whether outside or within the French Community.

Dahomey had supplied educated Africans for many years to neighboring African territories for public service and also to large European firms operating in West Africa. Its 20 percent literacy is one of the highest in French-speaking West Africa, and at the time of independence there were well over a hundred college graduates in the small country.

The unusual education standards in the little country is attributed to its density of population and missionary work, which was more active in the south of Dahomey and Togo than in any other part of West Africa. This extensive missionary work is also evident in the unusually large number of Catholics (over 170,000) and Protestants (over 20,000) among the Dahomeyans.

Dahomey came into independence with 433 primary schools, of which 203 were mission schools; 12 secondary schools, of which 7 were mission schools; plus a complete Muslim school in Cotonou and the large Victor Ballot Secondary School in Porto Novo. Around four hundred students are usually studying in Sénégal and France. The first government of the new republic earmarked almost 25 percent of its budget for education.

The palace of the last kings of Abomey houses a museum of history and art objects, and a branch of the *Institut Français d'Afri*que Noire (IFAN) in Dahomey has a library and publishes the journal, Études Dahoméennes. There are no daily papers; one fortnightly, L'Étoile du Dahomey; two monthlies, Ouest-Afrique and La Groix du Dahomey, all with less than 5,000 circulation; and three biweeklies, each with less than 2,000 circulation.

Young Peuhl tribesmen of the north



As is true in many parts of Africa where the literacy is highest, Dahomey has comparatively few locally published papers, perhaps because those who read the French language prefer the European newspapers with international coverage which are available in the major cities, and also because the local press has very limited freedom and deals with only local, government-approved subjects. The real tribal news of the country travels by the famous African (word of mouth) "bush telegraph."

One of the great game preserves of West Africa, the "W" National Park, lies across the top of Dahomey, a haven for every species of wild life found in West Africa. Between 1591 and 1595, in this untamed region of upper Dahomey, the disintegrating Songhai armies of the Gao Empire took refuge, retreating as the remnants of their kingdom fell to the Moroccans. In the nineteenth century, during the Fulani wars for supremacy, their armies pillaged and plundered across this area. Mungo Park, the Scottish explorer and the first white traveler to cross the region (he was seeking the mouth of the Niger), was assassinated in 1805 just east of the plains of Kandi.

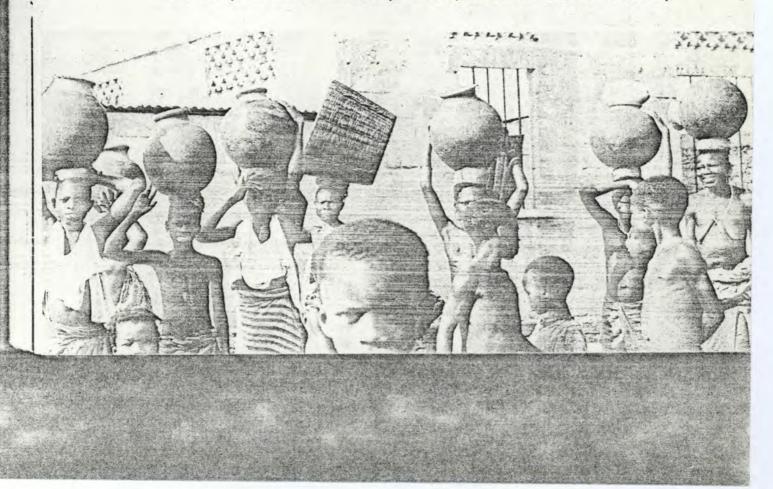
Public health and social services were set up in the larger towns of Dahomey in 1955; there are two large hospitals, seventy-four medical centers, and at independence, averages of one doctor for each administrative "cercle" (subdivision) and one dispensary for every three-mile radius. By the mid-twentieth century the French had made great progress in the control of leprosy, yellow fever, yaws, sleeping sickness, and tuberculosis, all once rampant on the Dahomey coast.

Through the all-Black Union Général des Travailleurs de L'Afrique Noire, UGTAN, and the French Christian and Communistoriented unions, hours, wages, and benefits have been established for the fewer than 50,000 wage earners, who are mostly government and railroad workers.

Gold, which is being mined in very small amounts, is Dahomey's only known wealth to date. Industry consists of the processing of Dahomey's agricultural produce. This includes plants for extracting palm oil (Dahomey's basic resource and chief export product), cotton gins, peanut oil, soft drinks, soap, margarine and furniture factories.

The oil from thirty million palm trees that cover 2,500 square miles of the south is Dahomey's real wealth. Another 29,660 acres of cocoanut palms produce, besides cocoanuts, exportable fiber for rugs and brushes and supply soap and food for local consumption. Pea-

There's always the need for water, always burdens for the women and children to carry



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Market woman in indigenous Yoruba dress

nuts are the second most important export crop. The indigenous kapok and shea trees in the north produce fiber and nuts which are exported in small quantities. Cotton, coffee, and tobacco are making their place in the economy.

The effect of bad crops all over Africa and the resultant falling prices was also felt in Dahomey in 1962. The value of palm kernels dropped, and lowered peanut prices further increased the trade deficit which was carried through 1963. France takes 75 percent of Dahomey's exports and is the little country's number-one supplier. Its second largest import item in 1962 was automobiles.

For local consumption corn, yams, sorghum, and millet are grown in the upper part of the country; rice, bananas, guavas, and paw paws in the south.

Basically an agricultural country with a onecrop (palm oil), economy, Dahomey's hope for growth lies first in diversification of crops, for which it is striving and on which France, before and after Dahomey's independence, spent a large part of a \$20 million overall development fund. A U.S. oil company's explorations for oil off Dahomey's shore hold hopes for new riches.

The building of the politically controversial deep-water harbor at Cotonou, which became an internal political issue, was begun by French engineers in 1959. First expected to be completed in 1963, the date for completion was changed to 1965. This shipping outlet to the sea, costing around \$28 million provides berths for ten vessels, an enclosed dock area for freighters, tankers, and trawlers, warehouses, and all other modern facilities. The French government advanced \$8 million to get the project underway. A controversy arose over the harbor, stemming from old northern and southern tribal and political rivalry.

Cotonou, the commercial center of the country, grew out of a fishing village on Cotonou Lagoon. Now, its waterfront is crowded with the business and bustle of shipping, warehouses, import and export offices, shops and people, railway tracks, and modern service stations for the many small boats that still ply between the wharves and the freighters loading and unloading their cargo on the sea beyond the sand barrier. Brightly colored modern villas sit back among the palm groves, casuarina pines, and African fir trees. The poor live in the "carrés" (small block houses) along broad sand streets that crisscross the big African settlement. A huge native market with tinroofed stalls stretches on for blocks.

Along the lagoon, hundreds of villages extend far out over the water on stilts. Fishermen

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throw their huge round nets skillfully as they stand erect in dugout canoes. Over 100,000 such fishermen live by their catch from the rivers and lagoons of Dahomey.

Porto Novo, the seat of government, is an old colonial town which is overgrown with shiny new government buildings, a modern hospital, a cinema, night clubs, French restaurants, and shops along palm-lined avenues. It accommodates the rich houses of Yoruba tradesmen and the walled villas of the French, the modern Victor Ballot School (named for the first French governor of Dahomey), and King Toffa's palace with little African houses clinging around it - loath to give up the past. The indigenous market is noisy, languid, and crowded by day. At night the city drifts away into palm groves where hundreds of kerosene lamps and open cooking fires flicker in the darkness around Black African huts.

- Around Cotonou and Porto Novo there are as many as three hundred people to the square mile, but 95 percent of the nation's people live in "family villages" back in the forest and on the farms scattered over the savannahs, or herd their flocks near the northern border. Around 85,000 tribal farmers cultivate the rich Ouémé River valley.

The largest tribal group are the 700,000 Fons (Dahomans) who live in the south. Once fierce warriors they are now fine farmers. The Fons are close kin to the Ewe tribes of Togo. The over 300,000 Adjas and Adja-Quatchis, who are descended from descendants of the kings of Dahomey, are legendary in their fierceness in battle and their ability to organize and administrate. They still inhabit the banks of the Couffo and the Mono rivers, where they farm and take a mild interest in modern politics. Kindred Adja-Quatchi tribes spread across Dahomey's borders into Nigeria and Togo. In the ancient city of Abomey, crombling six-foot-thick walls that once rose to thirty feet now trace the hundred-acre royal enclave of the last Dahomey kings - evidence of the Adja tribes' past glory.

Over 200,000 Baribas, famous for their

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horsemanship and rich raiment, are scattered over upper Dahomey. Centuries ago they were vassal tribes to the King of Bussa (in modern Nigeria), who traveled far and wide across Dahomey dragging his vassals and his court with him.

The Yoruba, whose some 160,000 tribesmen are the farmers and tradesmen who came from the northeast, are highly advanced and for centuries have lived in organized communities. The Yoruba people are believed to have been driven into what is today western Nigeria and eastern Dahomey centuries ago by the Muslim invasions of the Sudan that crossed the Niger River into Yorubaland and reached as far south into Dahomey as the Hills of Dassa.

The 92,000 Aizos and the Plas, living in the lagoon villages which cluster around Cotonou and Ouidah, are talented fishermen.

The Somba (45,000), one of the most unique tribal peoples in all Africa, live in an isolated region in the Atakora Mountains in the north along the Togo frontier. Like the Dogon of the cliff villages in the Hombori Mountains of Mali and the Mossi of Upper Volta, the Somba were geographically protected during hundreds of years of invasions into the Sudan, which first were made by Jews and Berbers as early as the fifth century and as late as the seventeenth century by Muslim Arabs and Arabized Berbers from north of the Sahara. The Somba retained their traditional Black culture and their Animist faith. Their twostory, thatched-roof houses are joined together by turreted walls into castle-like family villages called "tatas," where they live in a patriarchal society. Livestock and grain are housed on the first floor. The second story of the tall round houses, which is occupied by the family, opens onto a common second-story courtyard. But great privacy is afforded in the different living compartments. For dress, a Somba tribesman wears only a primitive protective "box" (equivalent to a loin cloth), his bracelets and other ornaments; the women dress in two clusters of leaves arranged in front and

back on a braided grass belt around their waists. The Sombas are talented farmers and great hunters with bow and arrow, with which they protect themselves from the fiercest of wild animals that roam the region. Over 80,000 of the Muslim Fulani nomad shepherds, who are the backbone of the Islamic faith across all West Africa, wander over the northern frontier of Dahomey. Some of the Fulani are also part-time farmers. Other

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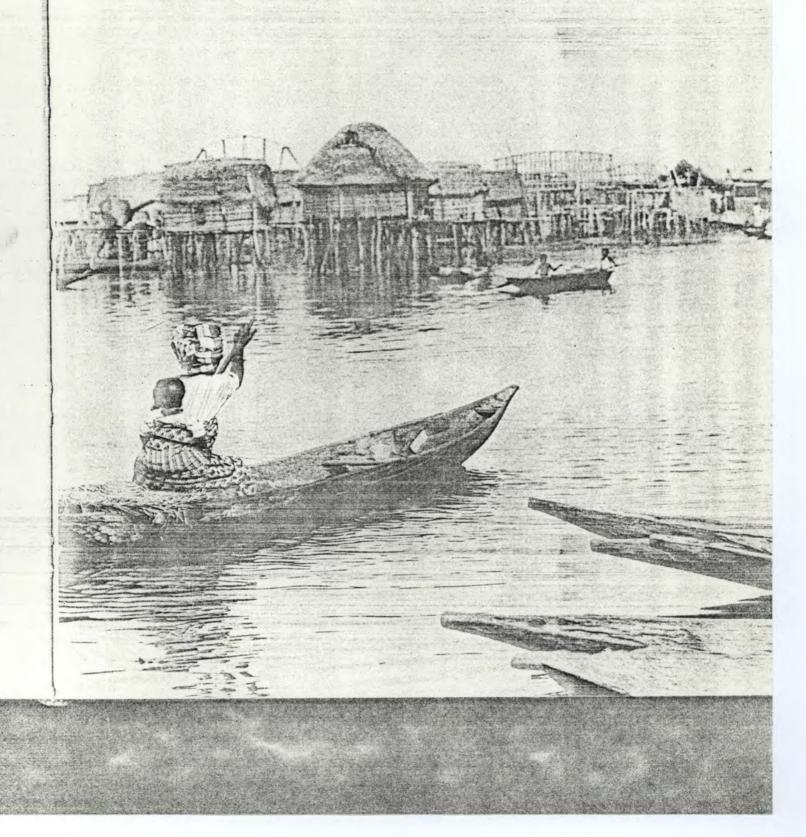
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smaller Muslim tribes also live along the northern frontier.

The traditional Animist religion of the majority of the Black tribes involves the worship of spirits believed to be inherent in the forces of nature and in departed ancestors. Among some tribes in southern Dahomey the python is sacred, and in the old "slave city" of Ouidah and along the coast there are temples of the fetish pythons. Other cults worship trees, images, animals, and the "bush," also believed to be the dwelling place of spirits. The wishes of the spirits can be learned by contacting the "Fa," which must be done through priests. Those called to the spiritual life train in "convents" as novitiates before returning to the outside world. The Catholic and Protestant faiths claim almost 200,000 converts among the Dahomeyans, many of whom at the same time consult with witch doctors and cling to their pythons, their "gree-gree," and other fetishes. There are tribes in Dahomey that have accepted parts of the militant Muslim religion but continue to commune with "the spirits" and listen to the voice of the "Fa." Religion, like politics in Africa, is often not too clearcut, and wisely so.

The major African languages are those of the Fon and Yoruba which are spoken in the south, and those of the Mossi and Fulani in the north.

Dahomey at independence had plenty of industrious people both skilled and unskilled to more than fill the jobs available. But it needed industrialization to put them to work, and above all it needed some political stability to encourage foreign capital. President Maga seemed little concerned with such mundane things as he busied himself with the pomp and ceremony appropriate to his new presidential palace, which boasted a gold balcony and a flag larger than the *Tricouleur* hanging from the *Arc de Triomphe* in Paris – and which cost \$3 million to build.

Both political stability and industrialization seemed to be growing more uncertain in Dahomey on October 27, 1963, when Colonel Christophe Soglo and his eight-hundred-man

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army seized the government after "striking" workers demanded the ouster of President Hubert Maga along with the dissolution of the National Assembly and the revision of the constitution. Colonel Soglo forced the dissolution of Parliament and formed a three-man provisional government made up of the hostile leaders of the three fiercely competitive political parties. The new three-man government consisted of deposed president Hubert Maga, Sourou Apithy (ousted vice-president) and Justin Ahomadegbe, who was not in the government prior to the coup. After vowing his loyalty to the new three-headed Government, the following day Colonel Soglo changed his mind, stepped in, and took over the reins.

The uprising had long been simmering in the all-African labor union where it was believed that the workers were paying for the country's austerity program while government officials lived far better than had the French colonial rulers before independence. The release, ten days previously, of a parliament deputy who had been jailed on charges of murdering a political worker triggered the retaliatory labor strike which followed. The army maintained order and Maga, Apithy, and Ahomadegbe, who had been forced into the three-man Government, (along with the accused murderer), members of the cabinet and Dr. Zinsou, Foreign Minister (who returned unfortuitously from the United Nations at that moment), were taken off to a military detention camp, held briefly-while Colonel Soglo set up his new government.

Maga was put under house arrest in an "unknown" village, along with his cook, butler, and chauffeur. Most of his cabinet were languishing in less elegant jails, awaiting trial for corruption. It was said that there were mountains of evidence of corruption and crime on which to convict all of them, but it was not likely they would be punished. The reason why they would not be convicted explains a great deal about the "political crime and punishment" theory that operates in many parts of the new Africa. As it was expressed in the words of a young Dahomeyan: "This is a ter "striking" President Hulution of the vision of the d the dissolua three-man of the hostile petitive politin government Hubert Maga, resident) and ot in the gover vowing his Government, o changed his the reins.

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arrest in an his cook, buts cabinet were awaiting trial tat there were prruption and of them, but it punished. The convicted expolitical crime berates in many as expressed in an: "This is a small country. Most politicians – and that means anybody who is educated – know every other politician. Suppose we convict these ministers; it is very possible that someday they may be in power again. Who wants to risk a series of vendettas?" One Frenchman's viewpoint: "It may have been corruption, unemployment, and low wages that brought on the revolt, but it was 'the palace' that brought Maga down." The glittering palace now dubbed "Maga tomb" long stood empty. No government official or politician would touch it, much less move into it – to do so would mean political suicide.

But it was not until January 19, 1964, that elections were held to restore a legal, civilian government. There was only one candidate for President – Sourou Mignan Apithy, who, according to the reports, won more than 850,000 of the 940,000 votes cast. Justin Ahomadegbe was made vice president. President Apithy's Parti Républicain du Dahomey won all forty-two seats in the National Assembly.

In May of 1964 Maga's northern Bariba tribesmen, led by Chabi Mama, went on a rampage of terrorism which brought out the army to put down the rebellion. New plots to overthrow the Government of Sourou Mignan Apithy and Justin Ahomadegbe and put Maga back into the golden palace, were uncovered in May of 1965.

The new government of Apithy was made up mostly of young professionals, many of whom were only a few years out of French universities. Many had been waiting on the sidelines, watching impatiently while Maga and his so-called "political hacks" drained the country of its vitality, disillusioned the people regarding their new independence, and squandered the country's meager assets and financial reserves. Soon the young government was eagerly forging ahead while Maga and his dethrored government and his Bariba tribesmen waited in the wings for another turn. In the meantime, General Christopher Soglo, "the reluctant general" who fought in the Second World War and in Indochina for the French, repeatedly declined the call of the

people to take a part in government, saying that he was a soldier and the army shouldn't run the government.

As the Maga faction continued its efforts to regain control and the wrangling between President Apithy and Vice President Ahomadegbe brought the government to a stalemate in December 1965, General Soglo once again took control of the country in a bloodless coup headed by a Committee of Military Vigilance.

Still reluctant to assume the functions of administration, the general appointed the President of the National Assembly, Tahirou Congacon, as Head of State, and asked him to form a new government, which the virtually unknown, politically inexperienced Congacon was unable to do.

The "reluctant" general then assumed the office of President. Political parties were banned, strikes were declared illegal and an austerity program was initiated.

Northern-southern regional rivalries were, at least temporarily, suspended and tribal factions accepted the military government of President Soglo, a Fon tribesman from the south. The president concentrated on a self-help program for Dahomey and personally led the people back to working on the land, building roads, bridges and schools. There was little time devoted to strengthening the army, which President Soglo left up to his loyal Chief of Staff, thirty-nine-year-old Colonel Alphonse Alley, a member of the small northern Widji tribe. Obviously General Soglo felt very secure.

The austerity program did not in the long run prove any more popular with the people than the spendthrift regime of former President Maga. The last part of 1967 brought a popular revolt against increased taxes and decreased wages.

The fishermen, whose stilted houses circle the shores of Noukoué Lagoon, had grown fearful of their future as the government continued to ignore their pleas to close the tidal inlet to the lagoon. The incoming salt water from the sea was destroying and driving away the fresh-water fish. Before independence the tidal inlet had been periodically opened for as

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The "tata" of the Somba - two stories and set apart for privacy

long as three years at a time without drastically reducing the fish supply but now that it had been open for eight years, the Lagoon villagers complained. The village chieftains claimed they had made repeated pleas to the government without response. In retaliation the fishermen began to drive away the tax collectors — whom they could not pay anyway.

In the meantime opposition to the government began to grow within the army ranks and aggressive young northerners moved up. Dissension threatened to split the army.

A widespread illegal strike crippled the country. Poor crops added to the country's dilemma and on December 17, 1967 the government of President Soglo fell before a *coup d'état* – Dahomey's fourth since independence. The first three were led by General Soglo. The fourth one was instigated by a group of young army officers led by Major Maurice Kouandete, a northerner.

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President Soglo and his wife took refuge in the French Embassy. Chief of Staff Colonel Alley and the next highest ranking officer, Lieutenant Colonel Phillipe Aho, were put under house arrest. With the overthrow of President Soglo France withheld the so urgently needed \$8 million subsidy which had virtually sustained the little country since independence.

The government was replaced by a Revolutionary Committee of which Major Kouandete was chairman. All fifteen committee members were army officers ranging in rank from major to the lowest. Northerners dominated the committee. Major Kouandete declared himself head of government and also served as Minister of Defense and Information. New elections and a new constitution were promised in mid-1968.

The old extravagant, overthrown, ousted and outmoded politicians – Maga, Apithy and Ahomadegbe – were living in exile in Paris but still running the country by blocking every move of anyone else to unify the country.

In May of 1968 the elections were held as promised by the military government. Again their efforts to set up an elected government were thwarted by the three "Paris spoilers" who kept their respective tribal people from the voting polls. The boycott resulted in a turnout of only twenty-six percent of the voters. An unknown, Dr. Basile Adjou Moumouni, living temporarily in the adjoining Congo (Brazzaville) was elected president. This election was voided by the military government and former Foreign Minister Dr. Emile Derlin Zinsou was appointed president by the Military Revolutionary Committee on June 27, for five years. The "Paris political trio," again instigated a protest against 50-year-old Dr. Zinsou that forced a referendum on his assumption of office. President Zinsou was retained in the presidency by an almost unanimous vote.

In 1969, Dahomey remains in a precarious economic position with the French turning a cool shoulder; a \$32,000,000 budget that can't be met; a coup plot uncovered in May of 1969 and plagued with labor and school teacher strikes. President Zinsou declared an austerity program (almost always fatal to an African government) and cut thousands off the Government payroll. Dr. Zinsou has no tribal or political power base and unless something comes along to solve Dahomey's financial crisis the country is in great trouble. The greatest hope is that its coastal oil prospects can produce revenue more rapidly than it seems possible.

It seems that Dahomey, like many of the new countries of Africa, by 1969 had passed into the hands of the younger, fresher "military politicians," who had little if any part in the independence revolution. This was the generation of the Black Counter-Revolution.

These young soldier-politicians found they could not cope with the professional politicians – even though they were outlawed from holding office and were in exile – if they still controlled their. tribal factions and labor unions. The young counter-revolutionaries in Dahomey were the first military government in Africa to call elections to return a government to the civilians. The young military leaders in Dahomey found it was easier to "take" the government than it was to give it back.

• See page 823 for latest developments up to January, 1970

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