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McNamara Papers

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Contacts with member countries: Niger - Correspondence 01

Folder 145

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NIGER

NIGER

- 1/14/71
(Fort Lamy) Mouddour Zakara, Chairman of the 12th meeting of the Lake Chad Basin Commission, and Minister of Finance
- 3/5/72
(Niamey) President Hamani Diori
1. 3/5-6/72 Mr. McNamara's Impressions on visit to Niger (*Filed in McN office*)
2. 3/5/72 (Saga Rice Proj. & Kirkissoye Livestock Station) Mai Maigana, Secretary of State to the Presidency
Harouna Bembello, Secretary of State for Rural Economy
Diallo Abdoulaye, Commissioner General for Development
Lee Nan Hsing, Chinese Ambassador
- 3/5/72
(Niamey) Gilles Grondin, UN Resident Representative
- " Dinner hosted by President Diori (ladies included)
Boubou Hama, President of the National Assembly
Courmo Barcourgne, President of the Economic and Social Council
Leopold Kaziendi, Minister of Economic Affairs, Commerce, Industry and Mines
Harou Kouka, Minister of Education
Noma Kaka, Minister of Rural Development
Mahamane Dandobi, Minister of Transportation and Public Works
Mai Maigana, Secretary of State to the Presidency
Harouna Bembello, Secretary of State for Rural Development
Diallo Abdoulaye, Commissioner General for Development
Gilles Grondin, UN Resident Representative
- 3/6/72
(Niamey) Baba Kasse, Representative of ECA in West Africa
3. " Leopold Kaziende, Minister of Economic Affairs
Harou Kouka, Minister of Education
Mai Maigana, Secretary of State to the Presidency
Harouna Bembello, Secretary of State for Rural Development
Diallo Abdoulaye, Commissioner General for Development
Noma Kaka, Minister of Rural Development
- " President Hamani Diori
- 3/5-6/72 Others possibly met
Issa Ibrahim, Minister of Posts and Telecommunications
Mamaodou Maidah, Minister of External Affairs
Abdou Sidikou, Secretary of State to the Presidency
Zakara Moudour, Minister of Finance and Saharan Affairs
4. 5/30/72 Oumarou G. Youssoufou, Chargé d'Affairs
C. Payne Lucas, President, Africare

1.

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OFFICE MEMORANDUM

TO: Mr. Roger Chaufourmier

DATE: March 13, 1972

FROM: André R. Gué *AR*SUBJECT: NIGER and UPPER VOLTA - Mr. McNamara's visits to Rice Projects

1. Attached are two notes, one on the Saga rice project in Niger and the other on the Kou valley rice project in Upper Volta.
2. According to preliminary calculations based on the data obtained in the field, the main results are as follows:

	<u>Saga Project (irrigation by pumping)</u>	<u>Kou Project (irrigation by gravity)</u>
a) Investment:	<u>US\$3,000 p/ha.</u>	<u>US\$2,080 p/ha.</u>
b) Net Return per ha/per year (before depre- ciation, interest and on-farm labor costs):	<u>US\$345 p/ha.</u>	<u>US\$1,035 p/ha.</u>

3. The data I have collected on these two projects are not exhaustive and not entirely comparable between projects, but I think that the orders of magnitude are nevertheless valid for comparison purposes. They show that the Upper Volta project is far superior to the Niger project, mostly because in Upper Volta:

- Investment costs are much lower (no pumping, less mechanization).
- Maintenance costs are infinitely lower (same reasons).
- Yields are higher.

4. I am sending these data to the Agriculture Department and to PMWA for review.

5. In Upper Volta, we were given a preliminary study about a rice project in the Banfora area (about 750 ha.) that would be similar to the Kou valley project. The total cost of the project would be about US\$1.6 million. Implementation could start in 1974 and last about four years. The Chinese Ambassador told me that his team is anxious to develop the Banfora project as soon as the Kou project is completed (in 1974). He added that his Government would be willing to pay for the technical assistance part of the project; it would also finance detailed engineering.

Mr. Roger Chaufournier

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March 13, 1972

6. Before my departure from Upper Volta, the Minister of Planning, Mr. Yaméogo, told me that he would highly appreciate it if we could make a preliminary analysis of the Banfora study and tell the Government whether IDA would be interested in principle in financing the investment and agricultural credit parts of the project. If our reply were positive, the Minister would ask the Chinese to start detailed engineering immediately; detailed engineering would take about a year to complete and the project could thus be ready for financing in FY 74.

7. I recommend that we give a high priority to the Banfora rice project and advise the Government as soon as possible whether we would be willing to take it under active consideration.

8. I also recommend that we send out a team of two experts, one agronomist and one agricultural economist (possibly from PMWA) to undertake a more complete evaluation of the Saga and Kou rice projects. I feel that such an evaluation would be very helpful for the purpose of drawing conclusions on the feasibility of similar irrigation projects in the Sahelian zone.

cc: Mr. McNamara
Mr. W. Clark
Mr. Ljungh ✓
PMWA

cc: Mr. Chadenet
Mr. Evans
Mr. Rowe

OFFICE MEMORANDUM

TO: Files

FROM: André R. Gué *AK*

SUBJECT: N I G E R - Mr. McNamara's Visit to the Saga Rice Project

DATE: March 13, 1972

1. On Sunday afternoon, March 5, Mr. McNamara visited the Saga rice project on the banks of the Niger river, about 7 km. downstream from Niamey.

2. This 1000 ha. project is being developed in five stages over five years, with Chinese (Taiwan) financial and technical assistance. At present, the first two stages have been completed and 413 ha. are under cultivation; the project will be completed in June 1973.

3. The following data on this project were collected during the visit:

- a) Financing: grant from the Chinese Government.
- b) Technical Assistance: Chinese (a total of about 40 experts during peak periods); the salaries of these experts range from about \$500/month for the project Director to about \$200/month for a field officer; experts get free housing provided by Niger; their families in Taiwan receive an average allowance of about \$100/month/family from the Chinese Government.
- c) Irrigation Works: irrigation by pumping; main canals lined with concrete; earth protection dikes along the river; all equipment is Chinese.
- d) Yields: IR 22 rice variety; 2 crops per year, yielding on average about four metric tons of paddy each.
- e) Investment Cost for 1000 ha. of rice:
- | | US\$ |
|---------------------------------------|-----------|
| - land clearing | 150,000 |
| - canal, dikes, pumping installations | 1,568,500 |
| - equipment (agriculture and other) | 600,000 |
| - technical assistance (Chinese) | 609,500 |
| - capitalized interest | 72,000 |
| Total | 3,000,000 |

or US\$3,000 per ha.

March 13, 1972

f) Annual Maintenance Charges:
(Irrigation works and equipment): about US\$207.50 per ha/year.

g) Farmer's operating costs
(per ha/per year): US\$

- seed	17.60
- fertilizer	86.50
- labor	129.40
- insecticide	11.70
- fuel	39.30
- depreciation of agricultural equipment	<u>78.50</u>
	363.00

h) Net Return per ha/year US\$

- gross income: $4,000 \times 0.098 \times 2$	784.00
- farmer's operating costs	363.00
- Maintenance cost of works and equipment	207.50
- Net return per ha/year (before depreciation and interest)	<u>213.50</u>

i) If farm labor cost is deducted, the net return becomes:

$213.50 + 129.50$: US\$343.00 per ha/per year.

Note: The farmer receives CFAF 25 for a kg. of paddy (US\$0.098).

Bulk transportation cost Cotonou-Niamey is about CFAF 9,400 per metric ton (US\$ 37.0).

cc: Mr. McNamara
Mr. Chaufournier
Mr. W. Clark
Mr. Ljungh ✓
PMWA (w(attachments)
Division Files (w/attachments)

cc: Mr. Chadenet
Mr. Evans
Mr. Rowe (w/attachments)

ARGué: sjb

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OFFICE MEMORANDUM

TO: Memorandum for the Record

FROM: André R. Gué *AT*

SUBJECT: N I G E R - Mr. McNamara's Visit

DATE: March 16, 1972

1. Mr. McNamara, accompanied by Mrs. McNamara and Messrs. Kochman, Chaufournier, W. Clark, Ljungh and Gué, visited Niger on March 5 and 6, 1972.

A. Discussions with the Government

2. On March 6, Mr. McNamara held a working session with the following Ministers for about two hours:

Messrs. Léopold Kaziendé, Minister of Economic Affairs,
Governor

Harou Kouka, Minister of Education

Noma Kaka, Minister of Rural Development

Mai Maigana, Secretary of State (Presidency)

Harouna Bembello, Secretary of State
(Rural Development)

Diallo Abdoulaye, Planning Commissioner,
Alternate Governor

Also present were Messrs. Kochman, Chaufournier, Clark, Ljungh and Gué.

3. Minister Kaziendé opened the discussion and described Niger's main development problems. He said that Niger's worst enemies were thirst, hunger, ignorance and distance from the sea. Thanks to aid from France and FED, thirst had been brought under control, and hunger had now become enemy number one.

a) Hunger - Population was increasing, rainfall decreasing and the desert moving southward. Nature was not generous with Niger, and they had the impression of living in a geological period. They had to ask for food aid the last few years. But the solution to hunger existed right there in Niger - more precisely in the Niger river valley where there was water. They wanted and needed help to develop irrigation schemes in the valley.

b) Ignorance - People had to learn new ways. They had to be made aware of their possibilities. Therefore, an extension of the successful ETV pilot scheme was essential.

c) Distance from the sea - Niger was a vast and landlocked country. IDA had already helped in this respect by paving roads, but more needed to be done and the highest priority should be given to developing river transport.

4. Mr. McNamara replied that he agreed with the priorities outlined by the Minister and that the Bank, which had been able to develop its activities in this part of the world only during the last two or three years, was most anxious to help. It took, however, time to get to know and understand a country's problems and, therefore, to operate effectively. Mr. McNamara stressed that the Bank's role could only be one of complementing the country's own efforts and invited the Ministers to tell him about their programs, starting with education.

5. Education: the Minister of Education explained that Niger had made great efforts to increase primary school attendance to 11% since independence. This had been achieved with inadequate planning and ill-trained personnel and resulted in a high proportion of drop-outs. The country needed thus to pause, think back and define new approaches and new programs, particularly for rural areas. He pointed out, for instance, that the summer vacation period was ill-timed since it coincided with the cool season when children could work harder. But then buildings would have to be constructed to protect children against rain. Mr. McNamara pointed out that the rainy season was also the season during which field work had to be done, but the Minister maintained that parents would nevertheless let children attend school. The Minister explained that ETV had been very successful in reducing dropouts and this was the main reason why they wanted to extend it.

6. On ETV, Mr. McNamara said that the Government should not feel that the Bank was against ETV per se, but that our main concern was to see countries adopt educational systems that are adapted to their needs and resources. The problem, as we saw it, was therefore not so much one of technology as one of devising the right means of training people as effective members of society at reasonable cost. In reply to Mr. McNamara, the Minister said that Niger had now 20 ETV classes of 35 children each in the Niamey area; programs of one hour a day were transmitted live. ETV programs for adults did not yet exist. Receivers were operating on batteries. The Government wished to extend ETV to high population density areas like Tillabery and others along the Niger river; that to reduce the initial investment cost of ETV extension they were hoping that France would now agree to finance the hertzien network.

7. The Planning Commissioner added that the Bank had also been approached for the financing of the hertzien network but had concluded that its expansion would be premature. He explained that Niger was, therefore, caught in a vicious circle: expansion of the transmission facilities was deemed to be premature and extension of ETV could not support the initial high cost of transmission. He hoped that when looked at in the proper context, i.e. global role of ETV in training all sections of the population and existence of transmission facilities, gradual extension of ETV to high population density areas might be justified.

8. Mr. McNamara replied that the Bank would give its full support to Niger's rural education programs. The Bank's problem was to give its support in a form which would be in Niger's long-range interest and be compatible with the country's own resources. The Bank was struggling to find appropriate ways of applying ETV; if successful methods were devised, ETV could be used by more than two billion people. Even in a country like India, which had great concentrations of population and where transmission facilities existed, the Bank had not been able to use ETV. The Bank had supported pilot schemes, like the one now in progress in Ivory Coast, but these schemes were still experimental and the major cause for concern remained their high cost. The Bank would be doing a disservice to countries if it encouraged them to use facilities, the operating costs of which would be unreasonably high. Mr. McNamara concluded by saying that the Bank was not against ETV, but that ways had to be found to use it properly and at reasonable cost. He thought that in ten years time, ETV would certainly be in wide use throughout the world.

9. Transportation: Minister Kaziende spoke in the name of the Minister of Transport (absent) to state that Niger attached a high priority to the Niamey airport project. In reply to Mr. McNamara, the Minister said that the project would consist mainly in lengthening and strengthening the runway to permit landing of jumbo jets; the project would also result in a better utilization of airport facilities, both for cargo and passengers. The Planning Commissioner drew attention to the Government's request for training of additional personnel in the next highway project.

10. Agriculture, Livestock: Minister Bembello said that the agricultural credit project faced difficulties that would be overcome in time but pointed out that if Niger had not drawn larger amounts from the existing credit it was because:

- i) recent draughts had deterred farmers from incurring debt; and
- ii) IDA had not agreed to finance certain elements that were needed like:
 - improved seeds;
 - oxen;
 - locally-produced farm implements.

Also, the adviser provided by CCCE had left and they had not been able to recruit a replacement; the question of financing an accountant under the IDA credit was not settled yet. Mr. McNamara promised that the Bank would look into these matters and write to them promptly. Minister Bembello added that the Government would expedite preparation of the Maradi and livestock projects.

11. Mr. McNamara asked about the Government's new approach to rural development. Despite several attempts by Ministers Mai Maigana and Bembello to interrupt him, Minister Kaka did not really reply to the question and spoke instead about the problems of agricultural development in Niger in very general terms - lack of water, erratic climate, need to develop irrigation, need to train extension services.

12. Minister Kaziendé concluded by saying how happy they all were that Mr. McNamara had been reelected as President of the Bank and that he had come to Niger. Mr. McNamara said how impressed he was by their analysis of development priorities and by the determination of the Government to find solutions for the country's development problems; he indicated that greater efforts would be made by the Bank in the future to develop and finance more projects in Niger.

B. Meeting with UNDP Resident Representative

13. On March 5, Mr. McNamara met Mr. Grondin (Canadian), UNDP Resident Representative in Niger, for about half an hour. Also present were Messrs. Chaufournier, Clark, Ljungh and Gué. In reply to Mr. McNamara, Mr. Grondin said that Niger's major problems resulted from its isolation and distance from the sea. For political reasons, Niger did not want to rely on the Dahomean route and was therefore anxious to develop alternative accesses to the sea through Nigeria (river navigation), through the Sahara (Trans-Sahara road) and through transportation links to the East (link-up with Trans-Africa road) and West (link-up with Abidjan-Ouagadougou railroad). The development

of agriculture and livestock production was also an important albeit very difficult problem; in his opinion, the best alternative was small irrigation works along the Niger river. The third problem was education; he felt that ETV had been very successful.

14. The UNDP program amounted to \$10.0 million over five years. UNDP's present main activities were:

- a) SOTRAMIL project (industrial pilot-plant trials for producing flour from millet);
- d) DALLOL Maouri (irrigation project);
- c) Training Projects (primary teachers, nurses);
- d) Mineral Research;
- e) Technical Assistance in various fields.

The new five-year program had not been fully defined yet.

15. Mr. McNamara remarked that \$10.0 million for Niger was small compared to \$7.5 million for Congo-Brazzaville. Mr. Grondin agreed, adding that he could use a higher amount in Niger for worthwhile purposes.

C. Meeting with Regional Representative of ECA

16. On March 6, Mr. McNamara met Mr. Kassé (Malian), Regional Representative of ECA, headquartered in Niamey, for about half an hour. Also present were Messrs. Chaufournier, Clark, Ljungh and Gué. In reply to Mr. McNamara, Mr. Kassé, recalling his eight years experience in Niger (he was about to leave his post and return to ECA Headquarters) said that he felt ECA had failed so far because:

- ECA and African Governments had put too much emphasis on politics.
- ECA and Governments had ignored the legacies of French and UK colonization.
- ECA had embarked on over-ambitious and politically motivated undertakings.

Therefore, a different approach to regional development in Africa was needed, i.e. hard work on well-defined and concrete development projects involving no more than a few countries. He thought that the promising groupings in West Africa were: the Entente: 5 countries; the Liptako-Gourma organization: 3 countries; and the Chad Basin Commission: 4 countries. He added that, to be successful, any regional project should consist of national sub-projects in which every country had a definite stake.

17. In Niger, the sector priorities were:
- a) agriculture and livestock;
 - b) communications (transport and telecommunications);
 - c) mining; and
 - d) education.
18. In Upper Volta, the priorities were much the same as in Niger but the situation there was worse than in Niger because of a lower resource base and even less water, except in the deserted valleys infected by riverblindness. In Mali, the situation was "dramatic" because past governments had not been able to exploit a relatively favorable resource base. If Mali wanted to develop, it should join the Entente Group because most of Mali's affinities and traditions pointed in that direction. This is why the OERS grouping made no sense for Mali and had no future.
19. In conclusion, he said that he personally felt that the Bank was absolutely right in choosing projects independently; but before taking final decisions, the Bank could perhaps more systematically collect all the information available and, in particular, have more contacts with field representatives of other UN Agencies.

D. Field Visits

20. On March 5, Mr. McNamara and his party visited the Saga rice project accompanied by Ministers Mai Maigana, Bembello and Planning Commissioner Abdoulaye. The Chinese (Taiwan) Ambassador, Mr. Lee Nan Hsing, was at the site and personally showed Mr. McNamara the main elements of this project (Please see my separate note of March 13, 1972).
21. On March 5, after the Saga visit, Mr. McNamara, accompanied by the same Ministers, also visited the Kirkisoye livestock research station on the Niger river, about 3 km. from Niamey. The station is experimenting with cattle breeding (Kouri and Bororo types) and various fodder trials (irrigation).

E. Private Talks with the President of the Republic

22. Mr. McNamara had several private talks with President Hamani Diori. He was accompanied by Messrs. Kochman and Chauffournier.

cc: Mr. McNamara
Mr. Chauffournier
Mr. W. Clark
Mr. Ljungh
PMWA

cc: Mr. Knapp
Mr. Chadenet
Mr. Demuth
Mr. Ballantine
Mr. Evans
Mr. Knox

ARGué:sjb

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4.

OFFICE MEMORANDUM

TO: Memorandum for the Record

DATE: May 31, 1972

FROM: Roger Chaufournier *RC*

SUBJECT: NIGER: Meeting with Mr. Oumarou G. Youssoufou

Mr. Oumarou G. Youssoufou, First Secretary, Embassy of the Republic of Niger, accompanied by Mr. C. Payne Lucas, President of Africare, visited Mr. McNamara on Tuesday, May 30, 1972.

5/31
Mr. Youssoufou explained that Africare had been established to raise funds from private individuals and corporations to finance the provision of health facilities for the rural poor in Africa. Most of the needs consist of improvement or construction of village wells to reduce the incidence of water-borne diseases.

Mr. Youssoufou explained that the organization would hope to raise some \$10 to \$12 million over the next ten years. Fund raising activities would extend to the developed countries outside the U.S., such as Italy, Japan, etc.

Mr. Youssoufou gave Mr. McNamara some documentation on Africare and asked Mr. McNamara for his personal support of the idea.

cc: Mr. Ljungh

RChaufournier:sm

President has seen

OFFICE MEMORANDUM

TO: Mr. Robert S. McNamara

DATE: May 26, 1972

FROM: Roger Chaufourmier *rc*SUBJECT: Visit by Mr. Oumarou G. Youssoufou, Charge d'affaires of Niger in the U.S.

1. You have agreed to meet with Mr. Youssoufou on Tuesday, May 30, at 6:45 p.m. We do not know the purpose of the visit. The following points may be raised:
2. As you know, we are making special efforts to activate the preparation of an integrated rural development project for the Maradi area. We have enlisted the cooperation of Fonds d'Aide et de Coopération (FAC), which is lending an expert for six weeks in May and June and is sending to Niger another expert to work full-time on the preparation of agricultural projects. With this type of assistance, we hope the project can be appraised in the fall and it seems that Mr. Evans will be able to use staff freed recently from other tasks.
3. The Government has been anxious for IDA to "engage in water control projects along the Niger River and wherever water is available". You may remember that a rice project was brought to our attention during your visit to Niger in March, the so-called Saga project. Agriculture Projects Department has made a first review but the information submitted to us is too scanty to reach firm conclusions. We have asked our Permanent Mission in Western Africa (PMWA) to gather complementary information as soon as possible.
4. Mr. Cheek recently planned to visit Niger to review with the Government arrangements necessary to speed up the preparation of agricultural projects, among which the Maradi project which we still hope to realize in FY 1973. After Mr. Cheek had left Washington for Abidjan, the Government cabled Mr. Kochman that the timing of the visit was not opportune. The Charge d'affaires may have been instructed to clear up what happened.
5. During your visit to Niger, you promised assistance in preparing a rural development and education strategy which might involve the use of ETV, and you subsequently agreed to the recruitment of an expert to be put at the disposal of the Government of Niger for one year. We have identified a candidate for the assignment and are planning to approach him after clearing the proposal with Mr. BaLantine when he returns next week.
6. Preparation of other projects proceeds on schedule. A third road project is scheduled to be appraised in November, and the airport project will be appraised in October. Financing of a proposed telecommunications project, however, seems to be slipping, largely because Niger has received interim assistance from African Development Bank.

AMaillard/RChaufournier

President has seen