

UNITED NATIONS  
AFRICAN INSTITUTE FOR ECONOMIC  
DEVELOPMENT AND PLANNING

IDEP/REPRODUCTION/245

D A K A R

EXTENSION MECHANISMS OF GROUNDNUTS CULTIVATION

1885-1970

II. DIFFICULTIES OF INDUSTRIALIZATION 1959-1969

by

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MAY 1971.

## II. THE DIFFICULTIES OF INDUSTRIALIZATION 1959-1969

The lead of Senegal over the other territories of ex-French West Africa is not only noticeable in the field of the country's agricultural development. A light import substitution industry was built up to serve the home market resulting from this agricultural development, this industry being located, as we know, almost entirely in the Cape Verde peninsular.

A systematic study of the industries located in Cape Verde has been made<sup>(1)</sup> the strict profitability rule governing the location of these industries induced French private capital, on which this "industrialization" is based, to confine itself to very narrow fields : firstly, the industries which had to be located in Africa because of the geographical protection which transport costs entail (oil extraction plants, packing, canning, cement) and, secondly, the industries for which cheap labour is a decisive advantage (canning, sugar processing, brewery, tobacco and matches, textiles etc..). This absolute submission to the rules of profitability in a relative price structure imposed from abroad (for the requirements of development imply a relative price structure different from that "transmitted" to developing countries by the "world market"), reduces very considerably the scope and the possibilities of industrialization. One consequence, among others, is to give an advantage to industries which are only "profitable" because of the very low level of wages and, therefore, to favour an international division of labour which prevents the developing countries from creating skilled labour, this being "monopolized" by the "rich"

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(1) Les Industries du Cap Vert, ISEA, Dakar 1965 cylostyled document.

countries and in this way perpetuating and accentuating underdevelopment. Thus, in the whole of the Senegalese industry, foremen represent only 7% of the total number (only half being Africans) and senior technical staff (engineers etc.) 1.4% (8% being Africans). In modern advanced industries, the corresponding percentages are 40% and 15% respectively.

The industries of Cape Verde were set up "in fits and starts", partly during the great depression, in the thirties but above all during and immediately after the second world war<sup>(1)</sup>. Moreover, as we are all aware, they were created for the markets of the whole of French West Africa. That is why, in this field, Senegal had a considerable lead over other countries on the eve of independence in 1960, with some 250 factories employing 14,000 workers, it had the only light industry complex of the region. Since then, Ivory Coast is in a fair way to catch up, by constituting, since 1960, a complex similar on all points. But today, Senegal is still far ahead in West Africa; in the processing industry, it has 38 factories employing more than 200 wage earners (that is one factory for 90,000 inhabitants) as against 36 only in Ivory Coast (one factory for 120,000 inhabitants); 9 in Mali (the only other French West African country to have attempted an experiment in industrialization - one factory for 500,000 inhabitants - which moreover is questionable) and only 5 for the five other countries (Dahomey, Niger, Upper Volta, Togo and Mauritania - one factory for 2,400,000 inhabitants).

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(1) Consult the article of Suret Canale on "L'Industrialisation de l'A.O.F. apres la 2eme guerre mondiale, Revue Economique de Madagascar, 1968.

Even Nigeria with its population of 55 millions has only 86 factories of this size (one factory for 640,000 inhabitants).

The latent depression of the Senegalese industry which has been at a peak since 1955, was of course worsened by the break-up of French West Africa and than by that of the Mali Federation. The very type of these industries is such that they have only a weak developing capacity; based on the sole criterion of profitability, they have very few interconnections, on the contrary they are either directly connected with export farming, being simply an extension of it (oil-extraction plants), or, geared directly to final consumption, importing not only all their equipment, but also 35% of their raw materials and semi-finished products. It has been shown that, under these conditions, their possible development must quickly reach the maximum and that they can only slightly improve the balance of payments. (This is the limit of any "import substitution" policy)<sup>(1)</sup>, with less than 15,000 wage earners, they already meet 37% of the needs for locally consumed industrial products, and, 60% total demand for local and imported products. similar to those they supply.

But the present natural urbanization rate (7% a year) throws on the labour market in the Cape Verde area some 10,000 additional male adults a year. If we consider that one job in industry creates, a total of 4 jobs in the urban area, (which was the actual proportion of wage-earning jobs outside the government services in 1960-61), the mere maintenance of the relative employment level of 1960 - which was not very good - would have required the creation of 25,000 jobs

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(1) This has been shown by the "I.S.E.A." (document quoted above) which analysed the input-output table of Senegal.

in the manufacturing industry between 1960 and 1970. We only have to calculate this - however roughly - to understand that the light import substitution industry has for a long time ceased to be a possible strategy for Senegal; especially since the major component of these industries (the oil-mills which represent 35% in the weighing of the whole industrial complex) is a forward linkage of a stagnant agriculture, and that the rural market - an essential element of the market for the industries producing for local consumption - is, for the same reason, stagnant.

Senegal has therefore no choice. It must get out of the rut, out of the alternative of the mere processing of primary products for export (which represents half the turnover of industry) or light local consumption industries (which represent the other half of this turnover).

They must create industries serving as an outlet for the industry itself, that is, capital equipment producing industries. But, this is impossible within the dual constraint of a market as small as that of a small African state and of a "liberal" integration in the France zone and association with the European common market. Problems which the other former French West African countries do not yet have to face have already been tragic realities in Senegal for fifteen years.

According to official estimates, the growth of industry at current prices from 1959 to 1969 was about 7.7% a rate brought down to 7.3% by the IBRD estimates, and 6.3% at constant prices. The index of average

annual growth in physical production from 1959 to 1968 gives a rate of 5.6%, 10.3% of which is for electricity, 32% for mining industries, 4.5% for oil mills and 8.5% for textiles and footwear. The World Bank estimates these rates at 8.9% for electric power, 28% for mines, 3.3% for food producing industries, 10% for textiles and 8.7% for other industries (this last index is itself "distorted" on account of the construction of the "SIES" fertilizer factory which represents the main element in its increase). The study of the physical indexes of the major types of production shows that the increase has been very slight, sometimes even negative, for a large number of the traditional industries of Cape Verde. The underlying causes of this situation are known: since they were designed to supply the market of the former French West Africa, the industries of Cape Verde were the main victims of the balkanization of the region. The smallness of the home market compels a number of these industries to operate very far below their capacity, that is at higher costs. Hence the stagnation in the production of cement, tobacco, matches, accumulator batteries, beer, soft drinks, textiles, footwear, chemicals, cereals and meal etc. That is also why the major industrial achievements of the decade were obtained by industries producing for the foreign market. Such is the case for mining: phosphates, the output of which rose from 407,000 tons in 1961 to 1,110,000 in 1968. Extensions in the important oil extraction industry increased the refined oil production from 36,000 tons in 1961 to 56,200 in 1967, and that of crude oil from 116,700 to 120,800 tons. The grinding

capacity has been raised to one million tons as has already been mentioned. A certain number of industrial ventures, particularly in canning industry ( tuna fish) as well as the building of the "SIES" fertilizer factory, have improved some of the indexes. The increase in electric power production at the rate of 10% a year and the building of the S.A.R. Petroleum Refinery did the rest. All these industries, largely export-oriented and not constituting an integrated whole has, because of this lack of interrelation, only limited linkage effect on overall growth.

During this decade Senegal did everything possible to encourage foreign private capital. The investment code promulgated in 1962 grants, with the utmost liberality tax exemption (total exemption for 8 years, 50% tax remission on distributed profits deduction of reinvested profits from taxable income, refund of customs duties on materials incorporated in re-exported products, guarantees (for no increase in tax rates for 25 years!), protection (tariff protection from 40 to 70% and often prohibition of competing imports!) and facilities (soft loans granted by the "Banque nationale de Développement du Sénégal"). The result is that the tax burden on the industry is abnormally low : 4.2 billion in taxes as against gross profits after taxes of 5.2 billion for all the industries in 1962, of which 3.3 billion paid by oil mills and some other food producing industries alone and only 0.9 billion for all the remaining industries (this representing a taxation of about 18% of the gross profits before taxation. Furthermore, the

involved are mostly indirect taxes which are ultimately passed on to the consumer<sup>(1)</sup>.

Senegal is, however, undoubtedly suited to industry. Its maritime vocation and Mauritanian ore immediately suggest a maritime iron and steel plant and the construction of a true West African merchant navy; just as its urban infrastructure and its possibilities of training senior management would favour locating there important sectors of an integrated West African basic industry, particularly a chemical industry. But just as specialization in groundnuts production has never been questioned, this industrial alternative, so far, has not been seriously studied. The result has been a very slow growth of industry, since foreign private capital is not attracted by this alternative.

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(1) Calculated on the basis of the figures provided by the document "Les Industries du Sénégal" (industrial survey of 1962, published in 1965.



III - GROWTH BASED ON "INTERNATIONAL SPECIALISATION"  
SLOWNESS AND DISTORTIONS

1 - Stagnation of the real per capita product

During the decade 1959 to 1968, it seems that Senegal's gross domestic production rose from 119 to 177 billion current CFA francs thus according to official estimates<sup>(1)</sup>, ensuring an annual growth of about 5.5%, although there were strong fluctuations from one year to another, mainly due to irregular weather conditions and an obvious slowing down in the growth rate starting in 1965.

There are no complete accurate price indexes available (wholesale prices, retail prices, characterizing the living standard of the various social classes and so on.....) which makes it difficult to estimate the average growth rate at constant prices. But if we accept an annual average price increase of at least 3% (a price increase of about 35% in ten years) corresponding to the rise in import prices (annual increase in French prices for example) and a price increase in the "European" cost of living in Dakar (2), the real growth rate must have been a maximum of about 2 to 2.5% per annum, which corresponds to the population growth. Consequently, there has been no progress in the real average per capita product during the last ten years.

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- (1) 5.5% is the rate recorded in the third plan (page 8), corresponding to a trend which does not take into account the stagnation of the last few years. Calculated over the years from 1959 to 1968 the growth rate is 4.5%.
- (2) The third plan p. 16. This rate of about 3%, is the same as the increase in the construction cost index between 1961 and 1967.

The IBRD has arrived at the same conclusions concerning the stagnation of the per capita product. The IBRD estimates the growth rates at current prices at 3.2% for agriculture, stock-breeding and fishing, 7.3% for industry and 3.2% for the gross domestic product during the years from 1960 to 1970. Furthermore, it points out that this growth rate tends to decline, since it was 4% for the period 1959 to 1964 and only 1.9% during the following period (1965-1969). The IBRD gives the following figures at constant prices: 3% for agriculture, 6.3% for industry and 2.5% for the GDP.

We thus note that the Bank's estimates assume a very low average price increase (0.8% per annum), since the deterioration of the price of groundnuts (and groundnut products) and the price freeze of certain products of primary necessity largely offset the great increase in certain prices (particularly of imported manufactured goods due to the increase in indirect taxes on these products).

Consequently, the per capita product at current prices increased by only 1.1% per annum (1.9% from 1959 to 1964 and -0.15% from 1965 to 1969). Since private per capita consumption grew from 37,700 francs in 1959 to 39,100 francs in 1969, according to the IBRD, the deterioration of the level of living in real terms is certain, because even taking into account rural "self consumption" (representing only 17% of total consumption in value), the price increase in final consumption must have been well over 4% during this ten year period. The per capita product at constant prices was stagnant: the IBRD sets the average rate at 0.14% per annum, being positive from 1959 to 1964 (0.9% per annum) and negative from 1965 to 1969 (-0.8% per annum).

A stationary real per capita product implies considerable deterioration. Not only does the gap separating the country from the developed countries widen in these circumstances, but the stagnation of the real per capita product necessarily entails serious economic distortions.

2 - The social distribution of non-agricultural income, unemployment:

While the growth rate of the urban population is 6% per annum since the population in the towns rose from 700,000 in 1959 (22% of the total population which was then 3,150,000 to 1,250,000 in 1968) (32% of the population which amounts to 3,900,000, the potential urban working population (85% of the men and 15% of the women from the age of 15 to 59) increased by 115,000 units or 65%, since it rose from 175,000 in 1959 to 290,000 in 1968. Yet the increase in the product of urban activities (industry, services and government) remained very low. Official sources estimate the non-agricultural product at factor cost at about 80 current billions for 1959 and 115 billions for 1968<sup>(1)</sup> (or 90 billions at 1959 prices), which means that the increase amounted only to 13% in real terms.

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(1) Third plan p.p. 9-10 and 15.

If, then, the urban population increased by 65% in nine years whereas the product of non-agricultural activities grew by almost 22%, that means that the real urban per capita income decreased considerably, the reduction being about 35%. Since the productivity of the labour force actually employed was more or less stagnant (it probably even increased slightly), the degree of actual employment of the urban population fell heavily: on that basis, in 1969 there were in the Senegalese urban areas at least 90,000 "theoretically" unemployed (man - years of unemployment), that is one third more of the labour force than in 1959. Unfortunately this very high figure is far from being unlikely since in 1968 the number of jobs filled in the modern sector is estimated at only 125,000 (of which 55,000 in the public sector). This figure differs little from that of 1962-1963 and is 7% less than that of 1960. The registered number of unemployed is 50,000. However, a substantial proportion of the unemployment is in fact disguised due to the more rapid turnover of workers (particularly with respect to casual labourers who, on the average, put in fewer working days a year) and "independent" non wage-earning employment which is becoming increasingly abundant and the turnover of which is comparatively stagnant. This is a classic form of "disguised unemployment." (1)

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(1) We have arrived at the same conclusions as the report of the the IBRD (p. 28 to 30) according to which the number of actually unemployed is far higher than the registered figure of 50,000.

The vast increase in the visible and disguised unemployment - rising from 11 to 38% of the labour force, as indicated by the figures below - is not the only change in the social distribution of urban income in the course of the last ten year period.

Urban employment and unemployment: (000 units)

	1959	1968
Labour force	175	190
Employed: modern sector	135	125
"Traditional" sector	20	55 <sup>(1)</sup>
Unemployment	20	110

In fact, a very high proportion of the urban product does not relate to the **senegalese** population. The salaries of the Europeans in the public and private sectors, the gross income of the individual enterprises of the Lebanese and "poor whites" the gross income of foreign firms in the capitalist sector (industries, trading companies, banks and insurance companies and so on...) constitute about half of the non-agricultural product. It is unfortunate that the national accounts do not show this essential distribution, but are confined to aggregates that are meaningless in the African countries. But the proportion of 50% - which is that of the Ivory Coast - is no doubt the minimum figure for Senegal as well, where the Europeans and Lebanese population is more numerous. The non-African population fell from 60,000 in 1959 to 48,000 in 1969, and if we reckon the salaries paid to this population as more or less proportional to their number (allowing for an increase of 1% in the real average salaries per year, the people who emigrate being the last wealthy) the volume of these salaries fell from 20 billions in 1959 to 18 billions in 1968 at constant prices. If the gross

(1) This rather high estimate reduces our estimate of real unemployment by the same amount.

If the gross income of the companies (individual and incorporated) rose in line with the non-agricultural product, it would have increased from 25 to 31 billions. The urban African income must consequently have risen from 47 to 63 billions, i.e. a rise of 33%, which is considerably higher than the increase in employment (which must be at most 12%). This reflects a more unequal social distribution of income, which cannot be doubted. Those who definitely benefited from this change are among the new higher ranks of the civil service - which is the chief result of independence - and among the business circles which have expanded somewhat in the last ten years. But wage-earners as a whole, and in particular the lower ranks, are among the victims of this evolution, as the SMIG (guaranteed minimum wage) was kept stable from 1961 to 1968 and was increased by only 15% in July this year (reaching 50.6 francs an hour) despite the considerable price rise in urban consumption.

### 3 - The social distribution of agricultural income.

If the rural population increased from 2,350,000 in 1959 to 2,650,000 in 1969 (the growth rate being 1.4% per annum) and the product of agriculture, stock-breeding and fishing increased at a rate of 3% at constant prices, according to the IBRD, the average per capita product must have slightly increased: by 15% in nine years (from 1959 to 1968) rising from 17.500 francs in 1959 (the agricultural product then being 41 billions) to 20.000 francs in 1968 (the agricultural product amounting to 53 billions at 1959 value). But this very general calculation is misleading, since in the narrow sense of the term the agricultural product increased

only by 1.5% per annum as against 6.1% for stock-breeding and fishing. It is very important to note here that the prices of fish and meat - products that are intended largely in the home market - did not fall like the prices of products intended for the foreign market. This favourable trend, which shows once more that the obstacle to development lies in the mechanism of domination which operates in the so-called "world market", has stimulated stock-breeding and fishing. This expansion benefited certain fractions of the population, but unfortunately it is impossible to feel whether it is the stock-breeders, fisher-men or middle-men who made profits. In any case, the improved economic situation of the Mauritanian and Senegalese wholesale and retail butchers and fishmongers has its origin here.

With respect to the farmers, where per capita product at constant prices has remained stable, it is difficult to say whether their position has actually deteriorated. They have been gradually giving up groundnut farming, which has enabled them to produce more millet - and "to eat better". On the other hand their money incomes have decreased in face value and even more in real terms. By how much? In order to settle this tricky problem, we would need to have a separate price indexes for rural and urban consumption. In any case, having been stationary for a long time, the producer's purchase prices for groundnuts were reduced (by 3 francs or 15%) whereas import prices increased by 35% in ten years and the increased burden of indirect taxes designed to meet the increased budget expenditure probably resulted in an even heavier increase in retail prices. The same effect may have been produced by an increase in the profit margin of

rural trade which must to some extent have enabled the traders to face the decline in business turnover as a result of the abolition of their part in the groundnut trade. Little information is available on all these effects related to the price structure : but it seems likely that there has been a deterioration in the rural purchasing power of about 40%. This gradual deterioration - in the first period from 1959 to 1965 - was partially (or possibly fully) offset by an improvement in productivity. But well aware that the world market absorbed the whole of the results of their efforts, the Senegalese farmers are becoming reluctant to increase their groundnut production.

Unfortunately, no more can be said in this problem since there are no figures on the evolution of the distribution of agricultural income among the various categories of farmers.



IV - THE CONSEQUENCES OF INTERNATIONAL SPECIALIZATION  
PROBLEMS OF FINANCE

One essential factor is at the root of Senegal's difficulties: the groundnut specialization which was out-dated long ago and which led the country into a blind alley. It also explains the difficulties of public finance, the relative stagnation of investments and the difficulties of financing them, and the potential deficit of the balance of payments.

1 - The financing of investment :

The volume of gross investment has certainly been substantial. From 1961 to 1968, gross capital formation increased regularly from 9.3% of the GDP to 13.3%, and the annual average volume of investment amounted to about 20 billions during the decade. Since the growth rate of the GDP has been low - 3.2% per annum at current prices - the capital output ratio is about 3.5.

The distribution of total investments between the government and the productive economy has on the whole developed favourably: government investments increased slowly from 8.5 to 9.4 current billions between 1961 and 1968 (their proportion of the GDP falling from 5.1 to 4.5%), whereas investment in the productive economy increased from 7.0 to 18.4 current billions (their proportion of the GDP increased from 4.2 to 8.8%).

The IBRD, providing a more precise sectorial distribution of the investments between 1959 and 1968, gives the following average figures per annum : infrastructure and government : 44%, agriculture: 21%, power and mining : 14% (the main investments are the Phosphate mines and the Petroleum Refinery), industry: 14% (of which 42% for agricultural industry, mainly the oil extraction plants, 20% for fertilizers and 38% for all the other light industries, textile industry and so on....), construction: 4%, transport, services and trade: 22%.

Most of the investments in the productive sector were made by the foreign sector (including mixed-economy enterprises as in the IBRD break-down) whereas the national private sector made only minor investments in transport (lorries), construction, trade and agriculture. During this ten year period the Senegalese private sector probably contributed no more than 2 to 2.5 billions out of the total annual average private investment of 11.2 billions. The financing of the gross investments of the foreign sector amounting to 9 billions (annual average from 1959 to 1968) was provided partly by reinvestment of gross profits and partly by bringing in fresh capital. Unfortunately the proportions of these two sources are unknown, but an estimate could be made of 4 to 5 billions for reinvested profits (replacement investments and major maintenance at least being financed in this way) and a maximum of 4 to 5 billions for the inflow of fresh capital. According to the survey of 1962, these more or less equal proportions are those which emerge from the distribution of the gross operating income of industries between depreciation and net profits.

Only a declining proportion of public investment - an annual average of 8.8 billions - were financed by public saving (the surplus of tax revenue over current government expenditure). Public saving in fact decreased regularly, falling from 5.5 billions in 1961 to 2.2 billions in 1968 (the annual average being 4.6 billions). Since the net foreign inflow, earmarked for the financing of development, amounted to an average of about 4 billions per annum - and since it has tended to remain stable-increasing recourse to monetary resources has been necessary which has resulted in growing decline in foreign reserves.

The pattern of investment financing can be outlined follows:

Approximate financing of gross investments 1961-1968:

	Annual average (billions)	Trend 1961-1968
<u>Gross investments</u>		
government	8.8	stability
private	<u>11.2</u>	increase
TOTAL	<u>20.0</u>	

Financing :

1. Local savings		
a) public	4.6	rapid decline
b) private enegaese	2.2	stability
c) foreign private (depreciation)	4.5	stability

## Approximate financing of gross investments 1961-1968: (contd.)

	Annual average (billion)	Trend 1961-1968
<u>Foreign inflow :</u>		
a) public (net)	4.0	stsbility
b) private (fresh capital)	4.5	increase
c) decline in foreign reserved <sup>(3)</sup>	0.2	increase

Non-foreign local savings, private and public, provided only about 34% of the financing needs (about 4% of the GDP). The private component of these savings, invested almost entirely in housing and certain types of African activities (particularly transport) is probably comparatively stable, although lacking in dynamism since it is made up to a large extent of "spontaneous" savings by the wealthier wage-earning population and is not derived from enterprise profits. Furthermore, it is important to note the decline in public savings.

The essential dynamic element is thus constituted by foreign capital. It is true that, to the extent of 22% of total financing needs, this consists of local reinvested savings, that of foreign enterprises. But the dynamics of these reinvestments of exportable income cannot be controlled by the national authorities. The foreign inflow of fresh capital, amounting to about 8.5 billions

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(3) This is the decline in foreign reserves due to the financing of investment; the overall decline is far greater than this figure, as we shall see later.

per annum, represents 12% of total financing needs: half of it is public aid and the other half is private capital.

The financing of investments structurally dependent. Thus it serves the strategic policy of "development", based on the promotion of the Senegalese groundnut "specialization" and a few import substitution industries. Consequently, it is responsible for the deterioration in the structure of financing, since the efficiency of investment thus oriented is very low. This weakening of investment efficiency, which the crisis of groundnut specialization, reduces the capacity of public saving, which is the main element in local financing. It is in fact the drain on the Senegalese economy by the world market that reduces to zero the possibilities of dynamic local financing. In fact, the country's balance of payments confirms this. Thus this structural dependence is increasing at the present moment Senegal depends on the goodwill of foreign aid to an even greater extent than it did ten years ago.

## 2 - Difficulties of public finance:

The difficulties of public finance in Senegal stem not so much from growing expenditure as from the very inadequate growth of revenue, the relative stagnation of which reflects that of the physical basis of the economy. It is true that between 1959 and 1961 the establishment of the new Senegalese state entailed a drastic rise in the level of public expenditure. This is a wide-spread phenomenon in Africa and is the piece of its balance balkanisation. However,

during the following period the growth rate of public expenditure remained moderate, as indicated in the table below<sup>(1)</sup> (current billions).

	1959	1963	1965
Current expenditure	22.5	35.2	35.8
(Including subsidies)	(1.2)	(5.7)	(6.9)
Capital expenditure	3.5	6.8	9.7
TOTAL	26.0	42.0	45.5

There was a large increase in public expenditure between 1959 and 1963, the causes of which are known: the establishment of the institutions involved in sovereignty, and the handing over of responsible posts to Senegalese civil servants, who had formerly been in the service of (French West Africa) and the Federation of Mali. Since 1963 the increase has been insignificant and is no greater than that of the physical basis of the economy. From 1965 to 1968 ordinary expenditure grew from 33.1 to 36.8 billions, and revenue from 35.8 to 36.8 billions, whereas the increase in current expenditure was 55% (or 12% per year) between 1959 and 1963, it has been only about 3% per year since 1963.

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(1) Third plan p. 21.

But although the growth of government expenditure has been small since 1963, it has, nevertheless, grown faster than the physical basis of the economy. According to IBRD estimates, the share of public consumption in the GDP has gradually increased from 17.1% in 1961 to 21.2% in 1968. This growth is due mainly to technical assistance, because, according to the IBRD, the product of the Senegalese government services at constant prices did not increase between 1959 and 1968. Public capital expenditure, which was relatively stable in current value between 1961 and 1968, has fallen slightly in relation to the GDP.

In Senegal, as most other African countries, the inadequate growth of the physical basis of the economy has made it necessary to sacrifice the efficiency of the government services (where resources are getting increasingly smaller) in order to meet the immediate requirement of salaries (although there has been a wage freeze the running of the services has entailed a great increase in staff): between 1962-1963 and 1967-1968 there was a more or less complete stagnation of expenditure on equipment and public works, whereas the expenditure on staff increased by 5% per annum<sup>(1)</sup>. The substantial volume of subsidies deserves a closer study. But we must not jump to conclusions as is often done and attribute the deficit in public enterprises to bad management. Despite certain deficiencies in the running of public enterprises, it is important to remember that the nationalisation of groundnut marketing transferred to the government responsibilities that the private sector could not

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(1) Third plan, p. 24.

longer cope with, at least not at the same cost: part of the declining income due to the deterioration in the terms of trade has been borne by the Senegalese government ("structural" deficit of the OLA<sup>(1)</sup> and ONCAD<sup>(2)</sup>) and of the railways: rates "frozen") as well as by the Africanized sectors of the private economy (traders and particularly - carriers)<sup>(3)</sup> since the capital of the colonialist had withdrawn to the sectors in which were still profitable (importing and wholesale).

The IBRD estimates that public corporations on the whole do not show a deficit but are in fact making a gross saving of 1.3 billions, the deficit of the RTS<sup>(4)</sup> being offset by the gross profits of the Harbour, the Post Office and the Family Allowances Fund<sup>(5)</sup>. The deficit of the RTS - 850 millions accumulated during the five year period from 1961 to 1966, representing the turnover of one year<sup>(6)</sup> may be reduced but probably not entirely eliminated since this type of transport is not as suited to African conditions<sup>(7)</sup> as the "mammy lorries" and hence cannot be as profitable. The "deficit" of the railways (which according to the IBRD, could be at least partly eliminated by 1969-1970) is above all due to the low tariffs<sup>(8)</sup>. This "deficit" like that of the OLA and the ONCAD, constitutes a disguised subsidy to the groundnut industry.

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(1) Agricultural Marketing Board.

(2) National Board for Aid and Cooperation in Development

(3) See Samir Amin, Le Monde des Affaires Sénégalaises.

(4) Senegalese Railway Board.

(5) IBRD report P. 50.

(6) IBRD report Annex II, p. 14.

(7) See Le Monde des Affaires Sénégalaise.

(8) IBRD report quoted Annex II.



With respect to routine administration and social services the growth of expenditure is obvious. In 1964-1965 Senegal employed about 100 civil servants for 10,000 inhabitants, as against 67 in the Ivory Coast, 57 in Dahomey, 27 in Mali and 24<sup>(1)</sup> in Niger at the same time.

With respect to education the number of primary-school students only doubled in the course of the fifties whereas it increased by 2.5 in the decade 1959-1969 (the school attendance rate increased from 24 to 35%) and the number of student attending secondary schools and technical colleges increased fivefold (the school attendance rate increased from 5 to 14%). The results of this school enrolment, however, seem modest, judging from the students' knowledge of French. It is clear that the problem of the language of instruction constitutes an almost unsurmountable handicap, as elsewhere in sub-saharan Africa, particularly in French-speaking Africa. Although the total number of Senegalese students is considerable (in 1969-1970 there were 1,700 students at the University of Dakar) their distribution among the disciplines and the actual orientation of the studies are controversial. There is a clear improvement in health conditions, a where Senegal was already well in advance of the other ex-AOF countries, as shown by a far higher rate of population growth (1.8% between 1932 and 1961 as against 1.2% at most in the other countries during the same time). But here again the orientation of the effort is questionable. The 160-1961 survey revealed a fundamental inequality in the death rate, the crude death rate being 9.5% in the urban areas as against 18.7% in the rural areas and that of infant mortality is 36% as against 109, while the natural population growth is 3.6% in the urban areas as against 1.8% in the rural areas.

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(1) IBID report quoted p.6.

The functional analysis of government current and capital expenditure carried out by the IBRD, covering the last four years, makes it possible to locate the sectors responsible for the increase in current public expenditure and to measure the recurrent expenditure entailed by public works on infrastructure.

With regard to Senegalese government expenditure on capital equipment, we can clearly distinguish two periods. Between 1959 and 1965 this expenditure increased continuously from 5.5 to 8.5 current millions. From 1965, however, it fell year by year down to 3.9 billions in 1967-1968. During the first period capital expenditure is definitely responsible for the increase in public expenditure; its share grew from 14% of total expenditure in 1959 to 21% in 1965. Public investment then took over from the inadequate private investment and its share in the total volume of national investment rose from 22% in 1959 to 42% in 1965. This distortion in the investment structure was not exactly what the government had wanted. Although in retrospect it was sometimes asserted that government expenditure thus sustained the level of activity, in fact, the public investment programs have always fallen short of the needs, despite occasional wastage. For example the intensive development of groundnut production and the deterioration in the price of this product made it necessary to embark on a programme to improve the road network in order to reduce transport costs. But this overheard capital expenditure necessarily entails heavy recurrent maintenance expenditure. Subsequently, from 1965 onwards the difficulties suffered by public finance made it necessary gradually to give up this attempt at sustained investment.

The economic stagnation led to a stationary tax revenue, which increased only from 34.5 billions in 1962-1963 to 36.2 billions in 1968-1969, that is an average annual growth of 2.8% from 1961 to 1965, but virtually no growth since 1965. The surplus earmarked for capital development was gradually reduced from 5.8 billions in 1961-1962 to zero in 1968-1969, whereas the implementation of the current and capital budget taken together showed an increasing deficit varying from one year to another from 1 to 3 billions, averaging 2.1 billions during the decade and amounting to a cumulative figure of about 12 billions from 1960 to 1969. Only about 37% of this deficit was covered by long-term and medium term loans, mainly foreign (about 3.3 billions) and to some extent by domestic loan (1.1 billions made up of compulsory loans issued in 1968-1969). The rest was provided by monetary resources. The Groundnut Stabilization Fund provided the main part of these resources - only 6.5 billions for the year 1966-1967 to 1968-1969 - but it was also necessary to resort to the classic methods : there was a reduction in the liquid-holdings of the Treasury, Centralisation of all public and semipublic assets with the Treasury (CCF<sup>(1)</sup>, pension and savings funds and so on). Since the possibilities of placing Treasury Bills with the banks and the enterprises are extremely limited within the framework of the operation of the monetary system the ultimate expedient was to speed up the inflow of tax revenue (through the system of "pay as you earn" which meant that in 1970 taxation covering a two year period (1969 and 1970) was

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(1) Post Office Bank Accounts (giro).

levied) and to increase the Treasury's debt at sight towards suppliers and customers of the government. As Jean Collin, the Minister of Finance, declared : "we implemented our first plan by exhausting our reserves and since 1965 we have been implementing the second plan by exhausting our liquid assets, so that we can no longer rely on these for the implementation of the third plan" (1).

In fact the monthly average of the Treasury's liquid assets fell from 10.4 billions in 1962 to 4.8 in 1968 the permanent overdraft account of the Treasury decreased from + 4.0 billions in 1961-1962 to -4.5 billions in 1967-1968, and the Treasury assets placed with the overall banking system decreased from 10.8 billions at the end of 1962 to 2.4 at the end of 1968 and to 1.6 on the 31st of August 1969 (as against 3.3 on the 31st of August 1968).

The quasi taxation of the groundnut sector, which has taken the form of surpluses of the Stabilization Fund, is now meeting with difficulties due to the farmers' refusal to produce groundnuts. These difficulties are not specific to Senegal: they exist everywhere in the former French West Africa, French Equatorial Africa and reflect the actual difficulties in pursuing the colonial growth strategy based in "international specialization" (exports crops) which is made worse by the balkanization of the region. (2)

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(1) The quotation is taken from a speech made by the Minister on the 11.1. 1969 to the National Council of the Union Progressiste Sénégalais reprinted by the monthly bulletin of the BCEAO (Central Bank of West Africa) No 159, Feb. 1969. The figures which follow are taken from this source as well as from the IMF bulletin.

(2) See our article: Pour un aménagement du système monétaire des pays africains de la zone franc, Le Mois en Afrique, May 1969, table 24.

3. The balance of external payments: the tendency to a deficit.

There is no official balance of payments for Senegal, apart from the one which the IBRD attempted to compile for the five years 1964-1968. However, all the necessary components for compiling it, at least roughly, are available.

According to the IBRD study, the increase in exports during the decade was quite small (1.9% a year), as indeed was the increase in imports. The average figure for exports in the four years 1965-1968 was apparently about 43.8 billions CFA francs, including transit duties on goods going to Mali. It will be noted that, owing to the solidarity of the franc zone, Senegal was unable to raise the price of its groundnut oil and groundnut exports to France to offset the 12.5% devaluation of the French franc in August 1969, although the African countries could not be held responsible for that. The reduction of imports of manufactured consumer goods clearly reflects a reduction in consumption, while the increased imports of foodstuffs is the inevitable consequence of the specialization in groundnut production. It is true that the output of millet has greatly increased in the last few years, but this is consumed by the peasant producers themselves. The same applies to most of the rice production (which rose from 79,000 to 137,000 tons between 1960 and 1967), 80% of which is supplied by Cassamance which markets very little of it, and 20% by the Fleuve region (about 20,000 tons of local rice are marketed by a government agency). Rice production only meets 30% of local needs, and consumption is growing at a rate of 4% a year (about 10,000 tons). As a result,

cereal imports rose from 12% of total imports in 1962 to 20% in 1968<sup>(1)</sup>. As for the imports of capital goods, they of course depend closely on investment. The overall average of imports was apparently 46.8 billions during the four years 1965-1968. According to the IBRD, all these exports and imports figures take accounts of smuggling, particularly in connexion with Gambia.

The expenditure of foreign personnel and administrations in Senegal appears to have been constant at about 4.9 billions. This item is likely to increase in future if tourism in Senegal expands. As to pensions paid by France (1.5 billions), they should tend to disappear as the recipients gradually die off. But the remittances from Senegalese who have migrated to France (0.5 billions according to the IBRD) seem to have been greatly underestimated<sup>(2)</sup>. In the opposite direction we must take into account Senegalese private and public expenditure abroad (3.5 billions according to the IBRD).

Thus defined, the current balance of payments as a whole is roughly in balance (average 1965-1968: revenues: 50.7 billion; expenditure: 50.3 billion). While the net inflow of foreign public funds (technical assistance, loans to the Treasury, grants and loans for capital equipment, minus government debt repayments in principal and interest) was on the average 10.3 billion taking into account the reduction of Senegal's foreign reserves the net outflow of private funds seems to have been 12.6 billions a year. This is almost exactly

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(1) All these figures are taken from the IBRD report, pp. 42-43.

(2) See the recent document by J.P. Ndiaye, who estimates the number of Senegalese workers in France at 100,000, which would mean, at the rate of 5000 CFA francs per person per quarter, transfers of the order of 4 billions.

the figure shown by the most complete national accounts we have - those of the period 1958-1962 - and by the IBRD estimates of exported private local savings. (1)

Only 37% of the public foreign inflow - which amounted to an annual average for 1965-1968 of 10.3 billions - relates to development, since 6.5 billions represent firstly French current technical assistance (minus the costs borne by Senegal), amounting to about 5 billion (roughly 2,700 officials), and secondly various amounts of current aid, including the "price support" provisionally provided by the Common Market (an average of 1.2 billions from 1965 to 1968), some advances from the French Treasury etc. The funds actually earmarked for development - a gross sum of 4.7 billion a year - consist of grants, the proportion of which is decreasing (from 80% in 1964 to 57% in 1968) and loans (of which the correlative proportion is growing). The resulting very general trend is a growing foreign indebtedness for Senegal. However, up to now this indebtedness has remained quite small, being about 1.7 billion CFA francs as of 30 June 1969. Hence the debt service (interest and repayment of principal) is not large : 0.9 billion a year (2% of exports). For the whole period 1959-1963, foreign aid commitments earmarked for investment amounted to 58.3 billion (of which 39.1 billions in grants, and the actual disbursements came to 36.1 billion. France (with its commitments of 20.6 billions or 35% of the total) and the Common Market (commitments: 19.6 billions or 29%) head the list, followed by the United Nations (13%), the United States (7%) and Federal Germany (7%). Of the aid from France and the European Development Fund, about 40% went to agriculture, animal husbandry and fishing, 7% to industry and mineral prospecting, 30% to infrastructure and 22% to administrative and social equipment.

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(1) See above the financing of investment; the IBRD gives the figure of 11.8 billion annual private savings between 1961 and 1968.

The inflow of foreign private capital can be assessed, despite the view to the contrary, probably for reasons of modesty. It is in fact done, by estimating the gross investments of foreign firms. If we add these investments together, we find an average of about 5.0 billions a year for 1965-1968 under the heading of depreciation and 7.5 billions for extensions and new ventures.

We then have all the components of a balance of payments, so that we can deduce the private transfers by difference, as is shown by the calculation reproduced below (in billions of current CFA francs):

	Annual average 1965-68	Trends and observations
<u>Resources :</u>		
Current :		
Exports and transit	43.8	Very slow growth stability except expansion of tourism
Foreign personnel tourists	4.9 } 50.7	
Pensions and transfers of Senegalese workers	2.0	underestimated
Foreign inflow		
a) Current	6.5	will depend on technical assistance
b) Development -	} 10.3	
Public Fin.		
. grants 3.6		} 3.8
. loans 1.1		
- debt repayment ment -0.9		reduction increase



(contd.)

Annual  
average  
1965-68

Trends and  
observations

Resources :

Current :

c) Private capital			
. Depreciation	(5.0)	} 12.5	depends on "profitable" foreign investment
. Foreign capital	7.5		
d) Reduction of foreign reserves		1.9	
		<hr/>	
TOTAL		75.4	

Expenditure

Imports	46.8	} 50.3	slow growth
Travel, embassies etc.	3.5		
• Gross transfers of profits and savings			slow growth
. Individual savings	7.0	} 25.1	
. Depreciation	(5.0)		
. Net enterprise profits	13.1		

Depending on whether the inflow of private capital is credited only with new capital or also with reinvested profits, the outflow of profit transfers will in its turn, either be limited to profits actually transferred or will also include reinvested profits which are recorded as transferred (because they are transferable) and then reimported. Private transfers comprise a maximum saving by foreign employees of 7 billion (2,700 technical assistance officials, a few hundred French military personnel, and 5,000 employees of private firms). There remains about 13 billions representing the profits, of (French and Lebanese) firms: net profits, proportion of gross profits not reinvested, miscellaneous transfers ("patents", etc.). Thus, in addition to the huge invisible transfers due to unfavourable terms of trade, there are about 20 billions of "visible" private transfers. The public and private gross foreign inflow, including technical assistance, which is also roughly 20 billion, only offset the "visible" part of reverse transfers. Overall, Senegal does not "receive" foreign "aid"; the transfer of funds definitely goes in the opposite direction: from Senegal to the developed world.

The figure we have obtained is certainly not overestimated. While it could be reproached for containing "errors and omissions", these could just as easily involve underestimation as over-estimation. In any case these errors and omissions cannot amount to more than a few billions, and we have already seen that the transfers of Senegalese emigrants in France were grossly underestimated. Indeed the figure is close to that of Ivory Coast, which is not surprising.

It is no wonder that the balance of payments with such a leakage ultimately shows a deficit. The gradual running down of Senegal's foreign reserves from 15.2 billions at the end of 1962 to zero in 1969 (in August 1969 Senegal was a debtor for the first time) is likely some day to re-open the issue of the monetary system.

#### V CONCLUSION :

##### Criticism of the "development strategy" - The alternative of an integrated and internally-centred West African strategy.

It is instructive to re-read in 1970 the "Ten-year perspective 1960-1970", written at the beginning of the decade. The perspective and the Plans which gave it substance forecasted very high growth rates : 8% for the first Plan and 5% for the second (in real terms). Because of the gap between these targets and reality - 3% - it is worthwhile questioning the validity of the strategy on which those Plans were based. That strategy involved specialization in ground-nuts and "development" of import-substituting light industry financed by foreign capital. In our view this could only lead to stagnation in Senegal's present conditions. Instead of the blame being attributed to this strategy of continuing the colonial "development" policy, attempts are often made to confine the guilt to the "African administration", accused of being solely responsible for a failure which was really imposed from outside.

Hence we cannot but be astonished to find that the IBRD - after a correct analysis of the causes of stagnation finally proposes a "strategy" which amounts to continuing up this blind alley. The IBRD projection for 1980, based on a growth rate of 5%; implies a growth in exports of 6% a year, a gross private foreign capital inflow rising to 11 billions in 1974 and 19 billions in 1980 so that the net inflow remains constant in relative terms (2.8% of the GDP) despite the increased debt service (which would reach 9% of exports in 1980). The debt service would, then, absorb 50% of government savings in 1980, with the savings growing at the rate of 8% a year (16 billions in 1980!)(1). This obviously makes no more sense than the projections - similar in all respects - made 10 years earlier. Such a growth will never be attained with groundnuts; in those circumstances, foreign capital will never find encouraging ("profitable") investment opportunities, government savings of that size will never be reached, and lastly, the balance of payments will never allow the transfer of that amount of growing surplus!

In economics, as elsewhere, the same causes produce the same effects. If the slowness of growth, the distortions and the financial difficulties which accompanied it are the logical result of "groundnut specialization", any strategy which did not envisage another alternative would be bound to lead to the same difficulties as in the past. Is it not an illusion to expect to obtain a growth of 5.5% (at constant prices, of course) by giving priority in agriculture to groundnuts and, as regards industry, without seriously posing the problem of African integration?

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(1) IBRD report, p.104.

The draft of the third Four-year Plan (1 July 1969-30 June 1973) sets a target of 1,450,000 tons of groundnuts, through the use of intensive methods (by increasing fertilizers use from 75,000 to 135,000 tons, and by providing the farmers with 80,000 to 100,000 units a year of various types of equipment: seed drills, hoes, lifters, plough and carts. Thus groundnut specialization is not really questioned; the target is unquestionably impossible in view of the perfectly rational reluctance of the farmers to continue in that direction. The pursuit of that target is liable to require a de facto priority as to action. Will not this priority in fact entail postponing the achievement of the target of doubling rice production (which should make it possible to reduce imports by half)? Yet sustained and varied studies can find valid technical justification for the various possible choices leading to that result. This is in fact the real first priority. Thus, with respect of agriculture, the target (real) growth rate of 3% is largely based on improving the productivity of the groundnut sector. What will happen if, as is likely, the terms of trade continue to deteriorate?

The industrialization projects included in the draft Plan - which are supposed to ensure a real growth of 6.4% a year - would entail gross investment of the order of 20 billions, of which 11.3 billions for replacements, modernization and extension of existing enterprises: 3.1 billions for electric power: 3.0 billions for phosphate mining. The rest going mainly to the extension of oil extraction plants, tuna fish canning, textiles and a few chemicals for the domestic market (fertilizers, etc.). The new industries, which are to receive 8.6 billion of capital, are of the same types: light industries for the home market - sugar refining and some food industries an additional textile plant, a few light chemical industries producing for the home market (plaster, detergents hollow glass, electric batteries ect.). The only projects involving

another type of industry are the electrolysis of sea salt and an electrical iron and steel plant. But in this field the projects contemplated are very small, because of an understandable desire for "realism", i.e. uncertainty concerning the possibility of a true African economic integration.

It is obvious that the policy of import - substituting industries based on a small market - which in its first stages led to very high growth rates (for example Ivory Coast still has rates of 10%-20% a year) has practically exhausted its possibilities in Senegal. Here, even more than elsewhere, there is a need for the alternative of a modern heavy industry both for a vast organized integrated market and for export in anticipation of a fundamental revision of the present forms of international specialization. With regard to basic industries of the first type, why not consider a large iron and steel complex on the coast, with Miferma ore, heaving as its market a large shipbuilding industry which could provide the West African states with a joint merchant fleet able to meet the needs of their trade, the production of railway equipment (rails and wagons, joining up the present penetration lines, etc.) etc... why not contemplate a large-scale basic chemical industry, for example in co-ordination with the use of the huge electric power potential of Guinea (Boké)? As to the basic industries of the second type, which could lay the foundations of a new equitable international specialization giving Africa its share, why is it forgotten that the continent which produces 70-80% of the numerous ores needed for the production of special steels (cobalt, titanium etc) and possesses the best iron ore deposits (Mauritania, Mount Nimbo Gabon) is well placed to supply the whole world with the special steel alloys which are bound gradually to replace ordinary steels in heavy infrastructures? Industries of this type, as well as those based on chemicals (using the vast energy resources of the continent), tropical timber etc. could provide a basis for fair trade, i.e. enabling

Africa to keep a surplus for the modernization of the other sectors and the development of light industry.

These are only daydreams - true, but so long as the daydreams do not become realities the possibilities of development will remain as they are: tragically limited.

Is there any sense in the alternative of a development based on "more modest choices"? The draft Third Plan goes into quite a long analysis of the possibilities offered by tourism. It seems to me that in this field we are confusing (here and elsewhere in the Third World, what tourism contributed to certain European countries (Spain, Italy, Greece, Yugoslavia) with what it could contribute to underdeveloped countries. In the former countries, industrial growth was hampered by the bottleneck of foreign exchange resources: by eliminating that bottleneck, tourism released potential forces willing to finance accelerated industrialization (private or public capital). In the latter countries where these prerequisites are not met, the main result of tourism is serious economic (and social) distortions: "demonstration" effects in consumption habits, attraction of the small amount of local capital available towards the tertiary sector ("investment in milk bars") etc. In the long run the direct and indirect import content of tourist spending - in view of these distortions - becomes so large that there is even doubt as to whether the effect on the balance of payments itself is positive. Thorough studies in this field are still needed, drawing the lessons of experience (West Indies, Tunisia, Kenya etc...).

Should we regard as a proof that groundnut specialization and modest projects within the context of the Senegalese market is a blind alley the fact that the draft Plan does not contain any study of the dynamics of financing (capital inflows needed, related outflow of profits, flows of government revenue and expenditure, etc...?) In this area the draft Plan confines itself to proposals for austerity. Can they be met? Is it desirable that they should be?

The lead from which Senegal benefited because of its early development enabled it, during the decade 1958-1968, to pave the way for a technical and scientific training of a relatively higher level than that of most French-speaking African States. Yet the draft Plan proposes to slacken the pace: 4% annual growth for the primary education against 14% in the previous decade; 6% for secondary education against 20%. Here one has the feeling that, apart from the problems of a necessary readjustment of guiding principles and the financial preoccupations, there is some confusion between "employment planning" (the production of professional specializations suited to the immediate needs of the economy) and that of "human resources". The latter is something quite different: its task is to make a very long-term forecast (that of the human life of the generation now being trained). In this perspective the causality is largely reversed: the need for men no longer depends on the economy, but economic development depends very largely on human capacities. Both the contemporary technical and scientific revolution (automation, atomic energy, cybernetics, conquest of space) and the strategy of integrated and internally centred African development require mass literacy, accelerated secondary and university level training; in other words, in this field of human resources the gap between the Third World and the developed world must not be widened, but on the contrary be progressively reduced.



TABLEAU 1

## SENEGAL - LE DEVELOPPEMENT DE L'ECONOMIE ARACHIDIERE, 1885-1970

PERIODES	Production exportée équiv. coques (Moyenne annuelle 000 tonnes)	Indice du prix du quintal coque à Dakar (1938=100)	Indice des prix de détail des marchandises importées (1938=100)	Termes de l'échange des marchandises (1938=100)	Prix réels salariaux (1) (1938=100)	Termes de l'échange factoriels doubles (2) (1938=100)	Valeur de la récolte 1970 (20 F le kg), Moyenne annuelle mlds C.F.A.	Valeur de la récolte aux termes de l'échange 1880-99 (mlds C.F.A) Valeur 1970 moy. ann.	Surplus transféré Moyenne annuelle mlds C.F.A.
1884-89	32	20	15	128	-	-	-	-	-
1890-99	68	18	15	125	346	295	1,4	1,4	0
1900-09	146	22	15	135	339	290	2,9	3,0	0,1
1910-19	216	35	41	101	(379) <sup>(3)</sup>	(325) <sup>(3)</sup>	(4,3)	(4,3)	-
1920-29	374	114	111	102	255	238	7,5	9,3	1,8
1930-39	440	75	83	97	109	98	8,8	26,6	17,8
1940-44	244	192	326	50	119	112	4,9	13,0	8,1
1945-49	392	966	1692	57	101	96	7,8	24,0	16,2
1950-54	435	2270	1750	130	68	64	8,7	40,0	31,3
1955-59	670	2360	1600	148	50	47	13,4	84,0	70,6
1960-64	770	2420	2025	120	-	(40)	15,4	114,0	98,6
1965-69	750	2110	2165	105	-	(40)	15,0	110,0	95,0

(1) indice du prix d'achat de l'arachide/indice du salaire horaire réel moyen du manoeuvre en France

(2) indice du prix réel salarial/indice de la productivité dans la production et le transport des arachides

(3) jusqu'en 1914 seulement

Source : chiffres calculés d'après A. VANHAEVERBEKE

TABLEAU 2

SENEGAL - INDUSTRIES, 1959 - 68

milliards F CFA

	1959	1969	1961	1962	1963	1964	1965	1966	1967	1968
<u>VALEUR AJOUTEE, PRIX COURANTS</u>										
Energie, eau	1,7	2,0	2,3	2,5	2,7	3,1	3,5	3,8	4,1	4,4
Mines	0,1	0,2	0,4	0,5	0,5	0,6	0,8	0,9	1,0	1,0
Industries agricoles et alimentaires	8,1	8,4	9,2	9,4	9,9	10,1	10,9	11,5	10,8	11,7
Textiles et cuirs	1,4	1,7	2,0	1,9	2,3	2,5	2,8	3,2	3,6	3,5
Autres industries manufacturières	4,3	4,6	4,9	5,3	5,6	6,1	6,8	7,4	7,8	9,0
Total industrie	15,6	16,9	18,8	19,6	21,0	22,4	24,7	26,8	27,1	29,6
Artisanat textile	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7
<u>VALEUR AJOUTEE, PRIX CONSTANTS 1959</u>										
Energie, eau	1,7	2,0	2,2	2,4	2,5	2,8	3,0	3,2	3,5	3,7
Mines	0,1	0,2	0,4	0,7	0,5	0,6	0,7	0,8	0,9	0,9
Industries agricoles et alimentaires	8,1	8,3	8,3	9,0	9,4	9,9	9,8	10,2	9,7	10,6
Textiles et cuirs	1,4	1,7	2,0	1,9	2,3	2,5	2,8	3,2	3,6	3,5
Autres industries manufacturières	4,3	4,6	4,8	5,2	5,5	5,8	6,3	6,8	7,1	8,2
Total industrie	15,6	16,8	18,3	19,0	21,1	21,6	22,6	24,3	24,8	26,9
Artisanat textile	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7	0,7

Sources : B.I.R.D., rap. cité, tabl. 5 et 7; Comptes nationaux révisés par la mission de la B.I.R.D.

TABLEAU 3

SENEGAL - PRODUIT INTERIEUR BRUT, 1959 - 1968

milliards F CFA

	1959	1960	1961	1962	1963	1964	1965	1966	1967	1968	Taux annuel moyens de croissance
<u>P.I.B. AUX PRIX DU MARCHE (COUPANTS)</u>	154,0	158,3	167,6	177,9	180,5	187,4	192,3	201,0	201,7	208,4	3,2
<u>PRIX CONSTANTS 1959</u>											
Agriculture	40,8	43,3	44,6	47,3	46,7	48,8	51,7	55,3	54,6	53,8	3,0
Industrie et artisanat textile	16,3	17,5	19,1	19,8	20,8	22,3	22,2	25,0	25,5	27,6	6,3
Constructions	6,1	5,6	5,3	5,4	4,2	4,4	4,3	4,5	4,6	4,8	- 2,8
Transports	7,6	7,6	7,6	7,9	7,9	8,9	9,3	9,6	10,0	10,5	3,7
Commerce	20,1	21,3	23,7	25,5	28,0	28,5	29,7	30,5	29,4	34,8	6,2
Autres services	12,0	13,0	12,0	11,7	11,9	11,5	11,3	11,6	11,7	12,7	0,7
Administration	29,4	29,8	30,0	30,7	30,6	30,6	26,9	27,0	27,6	27,2	- 0,1
P.I.B. au coût des facteurs	132,3	137,0	142,2	148,2	150,2	154,9	155,8	163,5	163,4	170,2	2,5
+ Impôts indirects	21,7	20,6	22,9	23,9	23,6	23,9	23,2	22,7	23,2	23,1	-
P.I.B. aux prix du marché	154,0	157,6	165,1	172,1	173,8	178,8	179,0	186,2	186,6	193,3	-

Sources : B.I.R.L., rap. cité, tabl. 5 et 7.

TABLEAU 4

SENEGAL - EMPLOIS SALARIES - 1960-68

	1960	1965	1968
Agriculture, pêche	3.410	4.080	'
Mines	2.230	1.520	1.340
Industries de transformation	12.640	15.950	16.740
Construction	13.950	14.780	'
Energie, eau	2.790	3.010	'
Banques et commerces	20.300	16.860	'
Transports	10.520	15.920	'
Autres services	23.030	12.400	'
Administration	45.700 <sup>(1)</sup>	35.140	36.850
TOTAL	134.570	119.660	125.000

(1) y compris les administrations "étrangères" (AOF, Féd. du Mali, France)

Sources : Ministère du Travail, situation économique 1968, B.I.R.D., rap. cité, tabl. 4.

TABLEAU 5

GAMBIE, FINANCES PUBLIQUES, COMMERCE EXTERIEUR ET PRIX, 1963-1970

	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>	<u>1968/69</u>	<u>1969/70</u>		
<u>BUDGETS</u> (1)							
Recettes	2.724	3.278	3.034	3.904	3.141		
Dépenses :							
- courantes	2.744	2.940	3.441	3.713	3.303		
- équipement	972	832	978	849	1.208		
Déficit du Trésor	992	494	1.385	658	1.370		
Financement britannique <sup>(2)</sup>	1.478	857	695	800	1.145		
<u>COMMERCE EXTERIEUR</u> (3)	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
Exportations	3.097	3.296	4.882	5.862	6.450	5.480	-
Importations	4.230	4.333	5.794	6.500	6.993	8.094	-
<u>INDICE DES PRIX</u> (1960 = 100)	108	105	104	105	106	111	116

(1) Exécution effective, sauf pour 1969-70 (prévisions), milliers £ G.

(2) Subvention budgétaire, dons et prêts du British Overseas Development Fund

(3) Enregistré au port de Bathurst, y compris le transit clandestin du et vers le Sénégal, milliers £ G.

TABLEAU 6

GAMBIE - DONNEES SUR L'ECONOMIE ARACHIDIERE, 1958-1970

	<u>1958/63</u> (1)	<u>1963/64</u>	<u>1964/65</u>	<u>1965/66</u>	<u>1966/67</u>	<u>1967/68</u>	<u>1968/69</u>	<u>1969/70</u> (2)
1 - Commercialisation (000 t. coques)	71,4	73,3	91,0	118,0	126,4	117,0	120,1	120,0
2 - Prix (£ G. par tonne)								
21. Achat coque au producteur	27	27	27	28	27	27	28	30
22. Coûts de commercialisation <sup>(3)</sup>	12,3	12,3	11,1	11,3	12,8	12,1	12,1	12,8
23. Export décortiqué <sup>(4)</sup>	59,6	56,2	67,8	64,0	61,4	54,3	74,3	71,0
3 - Prix (F. CFA par kg) <sup>(5)</sup>								
31. Achat coque au producteur	18,8	18,8	18,8	19,4	18,8	15,8	16,4	20,0
32. Coûts de commercialisation <sup>(3)</sup>	8,5	8,5	7,6	7,8	8,8	7,1	7,1	8,5
33a. Export décortiqué <sup>(4)</sup>	41,2	38,8	46,7	44,3	42,4	32,7	43,4	47,2
b. (équivalent coque) <sup>(6)</sup>	(28,8)	(27,2)	(32,6)	(31,0)	(29,6)	(22,8)	(30,3)	(33,0)
34. Ponction de l'Etat et du G.O.M.B. <sup>(7)</sup>	1,5	- 0,1	6,2	3,8	2,0	- 0,1	6,8	4,5

(1) Moyenne annuelle

(2) Estimations provisoires

(3) Coûts de transports, marges des commerçants et coûts de décorticage, taxes exclues.

(4) Prix moyen à l'exportation ou livraison aux huiliers.

(5) Aux taux officiels de change, soit 690 F. CFA pour une £ G. jusqu'en décembre 1967 (dévaluation de la livre), puis 585 F. CFA jusqu'en août 1969 (dévaluation du franc), et 665 F. CFA depuis.

(6) Sur la base de conversion 0,7 Kg décortiqué pour 1 kg coque.

(7) Taxes sur l'exportation et marge revenant au Gambia Oilseeds Marketing Board, en francs CFA par kilogramme coque. Cette ponction est obtenue en retranchant de la ligne 33b la somme 31 + 32.