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D A K A R

UPPER VOLTA BETWEEN THE YEARS 1960 AND 1970 .

BY

Mr. S. AMIN

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Upper Volta constitutes a permanent pool of labour for the Ivory Coast. From 1950 onwards, when large-scale development of the lower coastal region began, Upper Volta provided the major part of the labour force for the plantation of the Ivory Coast and later, for the light industry sector of Abidjan. Out of the present population of about 5 million, Upper Volta supplied to the coastal countries - Ivory Coast and Ghana, 800,000 "temporary" or "permanent" immigrants, the average annual rate of emigration being 30,000 during the 1950-59 decade and 40,000 during the following decade. This level of emigration has considerably reduced the growth rate of the remaining population of Upper Volta, taking into account the natural growth rate of the population of 2.2% per annum. The remaining population has risen from 4.4 millions in 1960 to only 5 millions in 1970, a figure which would have been about 5.4 millions had there been no emigration. In addition, there is no doubt that this emigration is causing a distortion in the age and sex pyramid of the Upper Volta population since mainly young men and in recent years young married couples have been leaving the country on a basis of "permanent" rather than "temporary" emigration.

Labour from Upper Volta has no doubt largely contributed to the miraculously high growth rate of the Ivory Coast. Upper Volta on the other hand has suffered from almost total stagnation. It was only in 1947 that the Upper Volta hinterland was separated from the Ivory Coast and administered as a separate colonial territory. As a result, it has proved difficult for the country, since its independence in 1960, to break away from a traditional subsistence economy. It will be seen that from this point of view, Upper Volta is of all the countries of West Africa, the least integrated into the world economy. The country was therefore found to experience permanent difficulties in matter of public finance although the level of public expenditure is very low and has increased very slowly throughout the decade.

Born out of the R.D.A. (Rassemblement Démocratique Africain), the government of President Maurice YAMEOGO, at the time responsible for the affairs of the new country, refused to form part of the proposed Mali Federation of 1959. As a result, the creation of the administrative apparatus of the country, which could have been regarded as non-viable, was only made possible thanks to massive current financial aid from France. A reduction in the flow of aid soon made it difficult for that government to survive. We know that, forced to lower civil servants' salaries in 1965, the government fell from power in January 1966, overthrown by the coup d'etat organized by General LAMIZANA. We shall later see what a small sum was involved in the "deficit" which brought about the downfall of that government. The military government has since redressed the financial situation, but the country's ability to provide public funds remains precarious and the economy is still stagnating.

THE TRADITIONAL ECONOMY OF UPPER VOLTA

National accounts statistics have been drawn up in Upper Volta for the years 1954-59 and for 1964. According to the 1964 figures, the GDP was about 56.5 billion CFA, of which 68% was contributed by the traditional economy: 32.3 billions by agriculture and stock-farming (57% of the GDP) and 6.1 billions by handicrafts, construction and the traditional services sector (11% of the GDP). It is obvious that the estimation of a non-marketed product is questionable, however large that product may be in relative terms. This is due to the unreliable nature of the production figures on which the estimation is based as well as to the arbitrary prices imputed to the production. Despite this fact, the large proportion attributed to the traditional sector shows the small extent of Upper Volta's participation in the world economy.

The fact is that agricultural production is intended almost solely for internal consumption. It is estimated that millet and sorghum output is about 600,000 to 800,000 tons, that of maize, between 70,000 and 130,000 tons and that of rice, 30,000 tons. Certain "official" statistics claim a very high growth rate for the output of these food products, which are almost wholly consumed by the producer in recent years. These statistics are highly doubtful to say the least and nothing indicates a better situation than one of stagnating per capita product. Some minor improvements in productivity have been recorded here and there as a result of rural development services, but on the whole, the policy of "modernization" through agricultural extension of the use of animal-drawn ploughs has proved a failure, as shown by the slow progress which has been achieved. This failure cannot be attributed to administrative inefficiency since the causes are far more deep-rooted. Animal-drawn ploughing requires more land and more labour. However, the distribution of the population which is relatively dense in the Mossi central plateau (35 inhabitants per sq-kilometre) does not permit an expansion of the land under-cultivation, because of the requirements of crop rotation and the serious danger of soil degradation. The Western part of the country, that is, the Bobo and Senoufo region, is less densely populated and the results appear to be better. On the other hand, animal-drawn ploughing demands a great deal of extra labour and since the product of this labour has no ready outlet for millet production or a low reward for cotton and groundnuts, there is no real economic incentive to adopt this "modernization". These paternalistic and ill-conceived attempts at "modernization" were strongly opposed through inertia by the peasants, who were more national than the people who had thought out the model of wide-spread use of animal-drawn ploughing throughout Africa, the latter's aim being to turn the peasants into European peasants of a century ago.

The efforts made by French rural training organizations to introduce export crops - SATEC for groundnuts and CFDT for cotton - have certainly produced results although on aggregate, the output figures are still very low: 10,000 tons of groundnuts in 1968 - 1969 (as against 3,000 tons in 1960) and 32,000 tons of cotton (as against 5,000 tons in 1960). Additionally, there is the production of sesame seeds (annual average 1960-70: 2,200 tons) and karité (shea) nuts (annual average 1960-70: 10,000 tons). But the prices paid for these products have had to be heavily subsidized in varying proportions according to the years (in relation to world prices): 5 to 18% for groundnuts, 8 to 20% for cotton and 30% for karité (shea) nuts.

Stock-farming is carried out in the northern and eastern parts of the country which have a low population density, making them suitable for extensive farming. There are an estimated 2.2 million head of cattle, 3 million sheep and goats. As elsewhere in West Africa, the herds have improved qualitatively as a result of actions undertaken by the government (provision of water-points in the farming areas and vaccination of animals). Improvements have been made particularly in response to these actions in the rural areas, a response which has always led to the increasing demand (at favourable prices) from the coastal areas being satisfied.

An attempt can be made to measure the growth (at constant prices) of the traditional production during the 1960-70 decade. Assuming that the rural population increased from 4,180,000 to 4,640,000 (annual growth rate of 1%) and that food production, handicraft output, traditional services and construction increased *pari-passu*, the value actually rose from 29.2 billions in 1960 to 32.3 billions in 1970 (at 1964 prices). On the other hand, the product of the four marketed commodities used in industry and for exports (oil seed products and cotton) rose from 0.4 to 1.5 billions between 1960 and 1970, giving a very high growth rate of 14% per annum. Finally,

the product of stock-raising with a growth rate of 3% recorded by the stock farming services, increased from 6.4 billions in 1960 to 8.6 in 1970 (at 1964 prices). On aggregate, the product of the traditional activities increased from 36 millions in 1960 to 38.4 in 1964 (from the national account statistics for that year) and to 42.4 in 1970 (1964 constant prices), giving a real annual growth rate of 1.7%.

THE "MODERN" ECONOMY OF UPPER VOLTA

The value added at factor cost in the modern economy amounted to 11.7 billions in 1964, a very modest figure indeed. The distribution (in billions CFA) was as follows:-

	<u>Wages</u>	<u>Income from operation</u>	<u>Total value added</u>	<u>%</u>
Industries, Power	0.7	0.6	1.3	11
Construction, public works	1.3	0.4	1.6	14
Transport, telecommunications	1.1	0.8	1.8	15
Trade	0.9	4.9	5.8	50
Service	0.2	1.0	1.2	10
Total	4.1	7.6	11.7	100
+ Indirect taxes			<u>5.6</u>	
= Value added at market prices			17.3	

The gross profits of private firms before direct taxation (which was 0.1 billion) amounted to 1.0 billion, whereas those of individual entrepreneurs (small traders and road hauliers, mainly Lebanese) amounted to 5.7 billions.

If administrative and domestic services (6.4 billions in 1964) are added to the product derived from the modern economy, we obtain the total product at factor cost of the "modern" sector (18.1 billions) which, added to the product from the traditional sector (38.4 billions) gives a gross domestic product of 56.5 billions. However, the urban population in 1964 did not exceed 270,000 inhabitants (100,000 at OUAGADOUGOU, 50,000 at BOBO-DIOULASSO and 120,000 in 6 small towns) compared with a rural population of 4,340,000 inhabitants. This gives a per capita product of 67,000 Francs for the towns and 8,900 Francs for the rural areas.

The urbanization of Upper Volta has increased town population from 220,000 in 1960 (5% of the country's population) to 360,000 in 1970 (7.2%). Industrial activities remain very primitive. There are a few cotton-ginning plants (capacity: 14,000 tons) and a rice-mill (capacity of 3,000 tons) an oil and soap factory combined (9.600 tons), a bear and lemonade factory (capacity of 60,000 hectolitres of beer and 50,000 hectolitres of soft drinks), a bicycle assembly plant (35,000 units capacity), a tannery (175,000 hides) and a shoe factory (800,000 pairs of shoes). Gradually, a few additional projects have been undertaken. A sugar factory has recently been set-up at BANFORA together with a cane plantation in the area. At KOUDOUGOU, a small textile plant of 1000 tons capacity has been installed, operating under the name of VOLTEX and with German capital provided by the Kreditanstalt. Lastly, a small match factory and a brick factory were also set up. Gold mining was being carried out at POURRA (1 ton annually) but it ceased production in 1966. The possibility of exploiting manganese at TAMBAO (250,000 tons of ore annually) is much more promising and the Japanese appear to be keen to participate in the project. Traces of copper and uranium also seem promising.

The poor nature of the infrastructure makes it difficult to have industries which are really competitive with those of the Ivory Coast. Admittedly, the railway line which has linked OUAGADOUGOU with the coast since 1934 could be extended to DORI (353 kms), if it is expected that the manganese deposits will be exploited. In addition, the road network is not negligible (16,000 kms.). One of the big problems is the high cost of electric power which is provided by a few small thermal power stations (1961 output: 9.6 million kwh, 1965: 20.5 million kwh). School enrolment figures have improved considerably since independence. The number of primary school pupils has risen from 60,000 in 1961 to 115,000 in 1969 (primary and rural education) giving an annual growth rate of 8% (enrolment rate increasing from 9 to 15% of the children of school age. The even more rapid progress in secondary education (where the number of pupils increased two and a half times in 8 years, with over 8,000 pupils in 1969) and the size of the student population do not place the country among the worst in the area with regard either to medium and higher grade cadres already trained or to potential ones. Economic stagnation, however, prevents full use being made of these cadres who are forced to find employment abroad. The fact is that the rules of competition destroy all possibilities for development. Upper Volta is typical of the countries of the African hinterland for which the liberal framework of an economic and customs union is not suitable. Only a Pan-regional planning which takes into account social costs (particularly of emigration) and the harmonious distribution of investments according to each country's needs can prevent the waste and increasing distortions which balkanization of the region together with "liberal" unions bring about. At present the tiny industries of Upper Volta are all working far below full capacity (sometimes only up to 20% of their capacity). Paradoxically, despite the low level of urbanization the country suffers from urban unemployment.

Available data actually point to the fact that the modern sector of the economy has been virtually stagnant during this decade. Industry, despite a relatively high growth rate (7% per annum ?) only contributes 11% to the product of the modern sector. Construction and public works activities, in proportion with investment, only experienced a slight expansion, the volume of public and private investment in that sector amounting to about 6.5 billions at current value during the latter years of the decade as opposed to 4.5 billions at the beginning. The index of trade activities worked out by the B.C.E.A.O. (Central Bank of West Africa) points to stagnation until 1969 which, taking into account the rise in prices, reflects a fall in the real volume of sales. But trade together with transport which is necessarily linked with it, represent two-thirds of the value added in the modern economy. Thus, at best, real product of this "modern" economy rose from 11 billions in 1960 to 13 billions in 1970 (at 1964 constant prices), its growth rate being 2% a year as against a rate of growth of urbanization higher than 5%. The reduction in the number of wage-earners in the private sector between 1962 and 1965 adds to the concern about the stagnation of the "modern" economy and the rise in unemployment.

GROWTH, INVESTMENT, ADMINISTRATION AND PUBLIC FINANCES

Thus, between 1960 and 1970, the gross domestic production at constant 1964 prices rose from 47 to 55 billions, the annual growth rate of 1.8% being only 0.5% higher than the resident population growth rate. The National Accounts prepared by BEDES for the years 1954-59 show a growth rate of 5% a year over that period, the GDP having increased from 36 to 43 billions at 1959 prices. These estimates are highly doubtful: there is nothing in the colonial period to

"explain" these results, apart from statistics provided by the colonial administration for non-marketed products of which only rough estimates of quantities were made. This high "colonial" growth rate appears to be a true miracle for which there is no foundation. When we consider that these estimates have served as a basis for the 1960-1975 long term "plan" which is entirely unrealistic as will be shown later, the conclusions of the 1954-59 accounts can only be categorically rejected.

It is true that between 1954 and 1959, the volume of investments increased from 2 to 3.6 billions at 1959 prices according to the national accounts statistics, that is, 5.6 to 8.3% of the G.D.P. The figures for investments appear to be realistic since they represent mainly infrastructure works which have certainly expanded due to the implementation of the FIDES plan. But as the rural economy has such a small cash-crop sector, that these investments have had no noticeable linkage effect. In fact, the situation was to be exactly the same for the last decade. During the decade, investments financed from the national budget were between 0.5 and 1.1 billion (at current prices) according to the year, whereas investments financed from foreign aid rose from an average of 2 billions during the years 1960-1963 to between 2 and 4 billions according to the year, during the period 1964-1970. All these investments went into rural development services, infrastructure and social capital. To this were added "private" investments - small industry, trade equipment, lorries, housing - for which figures are not available but whose growth could not have been fast in view of the stagnation in the modern section. At the most, investments between 1960 and 1970 rose from 4.5 to 6.5 billions at current prices or 4.5 to 5 billions at constant prices. This means that investment was about 8 or 9% of the GDP. The first four-year plan (1967-70) provided for 33 billions of investment almost entirely financed from abroad, to be distributed according to

the "traditional" proportions of the country and which would have ensured a modest growth rate of 4% per annum.

The policy of investing heavily in infrastructure might be meaningful in the context of a wide space such as the A.O.F. (French West Africa) in which the "rich" regions in process of development, financed the administration and equipment for those regions considered as "reserves" and which were to be developed later. The maintenance of such a policy in a small independent country makes no sense at all. It can only create insoluble financial problems for the government without actually leading to economic growth.

Public finance difficulties are a permanent feature of independent Upper Volta's economy. Current public expenditure rose from 6.5 billions in 1961 to 8.1 billions in 1966, giving an annual growth rate of 5% which is small considering the increase in prices. However this was enough to create insuperable difficulties for YAMEOGO's government and which finally brought it down. The deflationary policy carried out by the following government - reduction of expenditure to 7.1 billions then to 7.3 billions (at current value) in 1967 and 1968 could not be maintained for very long and by 1970, these expenditures reached the new record of 8.9 billions. In fact, this figure is quite low, representing only 15% of the GDP. In such a country of severe hardships, it is difficult to talk of a surfeit of civil servants, the number having only increased from 11,000 to 13,000 between 1962 and 1965, a period of "conspicuous spending". Salaries having been frozen for a long time, then lowered by LAMIZANA's government, it is more appropriate to talk of a sad austerity - the price for maintaining afloat a country with a scarcely viable economy.

With such a small monetized sector, the economy has only a low tax base such that internal finance from taxation never attained a structural equilibrium. Until 1966, the deficit was permanent varying,

according to the year, between 1.2 and 3 billions, and was met by current foreign aid. The military regime certainly managed to remove this deficit by reducing expenditure and by increasing considerably the level of taxes. The latter rose from 12% of the GDP in 1960 to 14% as from 1966. But what was the price paid for this ? and if the physical basis of the economy is going to continue staganting, how can public expenditure be continually further reduced when the basic needs of a modern economy have to be fulfilled ?

Marketing infrastructure are still very inadequate to the extent that, as in Congo-Brazzaville, the State has had to intervene, as from 1960, to make up for the deficiency of private businesses in a number of regions, irrespective of its own ideologies. The Upper Volta Marketing Board (OFCOM) set up in 1960 to centralize the sale of all products, the Price Stabilization Fund of Upper Volta (CSPHV) set up in 1961 to subsidize this sale and the Central Consumer Cooperative of Upper Volta (CCEV) set up in 1962 to supply the villages with products which are consumed in large quantities, all operated at a loss. The loss, amounting to a total of 465 millions between 1961 and 1967, the year in which the Upper Volta Marketing Company (SOVOLCOM) was set up to replace the first and third organization, whose functions are now combined cannot be put down solely to management deficiencies.

Under these conditions, one can see to what extent the "perspective" plan was absurd. When projecting growth rates which had never before been achieved without even suggesting the strategy by which such growth was to be achieved, it forecasted an increasing internal financing capacity in absolute and relative terms, briskly taking over from foreign investors and ensuring an easy "take-off" by 1975 for the Upper Volta hinterland of the Ivory Coast, as was the case for the Ivory Coast itself.

THE BALANCE OF PAYMENTS AND THE
FOREIGN BALANCE

Foreign trade statistics of Upper Volta are still not readily available. Recorded exports rose from 1.7 billions in 1962 to 5.3 billions in 1968; recorded imports, from 8.6 to 10.1 billions, both sets of figures according to the IMF yearbook. However, a very small fraction of the exports is directed towards Ghana and Mali particularly during the regimes of N'KRUMAH and MODISO KEITA due to the supply difficulties that faced these countries. The 1964 National Accounts statistics put the real value of exports at 3.5 billions and of imports at 11.1 billions. According to the Economic Report prepared in OUAGADOUGOU, the real exports for 1961, 1962 and 1963 were 2.3, 3.7 and 4.1 billions respectively, and real imports were 7.2, 8.9 and 9.6 billions for the same years. We gave for 1959, the figure of 2.9 billions for exports (of which 100,000 head of cattle, 200,000 sheep and goats valued at 2.3 billions) and 6.5 billions for imports, excluding re-exports. The National Accounts statistics for 1954-59 show the real exports during the period rising steadily from 3.1 billions in 1954 to 3.7 billions in 1959, and imports from 6.9 to 9.5 billions. Wide discrepancies in the export figures are due to the fact that sometimes imports of cattle are not included, the figures reflecting net exports and sometimes they are, the figures then representing gross exports. But Upper Volta is not only a cattle producing country, but also permits the transit of cattle from Mali to the Coast. Moreover, the prices recorded for exported cattle, fluctuate widely.

It is however certainly possible to calculate the exact export figures of Upper Volta. Until 1960, livestock was the main component of exports. Their growth, which continued in the last decade, is at the rate of 3% per annum. Thus the export of cattle (net of imports) rose from 90,000 head in 1954 to 100,000 in 1959 and 140,000 in 1970, and that of sheep and goats, from 180,000 to 200,000 and 280,000 respectively. At 1959 real prices (18,500 francs per head for cattle and 2,100 francs for sheep and goats), net export of live animals rose from 2.0 billions in 1954 to 3.2 billions in 1970. 1954 real prices were no doubt lower than those of 1959 (by about 20%); between 1960 and 1970 they rose by about 25%. As for the exports of

agricultural products (oil seeds and cotton), the exact figures are available. Exports of these products improved as from 1960, particularly the export of cotton. As for the small volume of gold export, it stopped in 1966. Imports (excluding re-exports) which are known statistically increased at the annual rate of 3% between 1962 and 1968.

The figures given below may be regarded as acceptable:

	<u>1954</u>	<u>1959</u>	<u>1960</u>	<u>1962</u>	<u>1965</u>	<u>1968</u>	<u>1970</u>
<u>Exports</u>							
Livestock (at 1959 prices)	2.0	2.3	2.4	2.5	2.7	2.9	3.2
Cattle (at current prices)	1.9	2.3	2.4	2.7	3.0	3.5	4.0
Other exports (at current prices)	0.2	0.6	0.6	1.0	1.5	1.5	1.9
<u>Total exports</u>							
(current prices)	2.1	2.9	3.0	3.7	4.5	5.0	5.9
<u>Imports</u>							
(current prices)	5.7	6.5	8.0	8.6	9.2	10.1	10.7
Trade deficit (current billion)	3.6	3.6	5.0	4.9	4.7	5.1	4.8
Proportion of imports paid for by exports (%)	37	45	38	43	49	50	55

The current trade deficit appears to have been relatively constant: around 3.6 billions during the last few years before independence and around 5 billions during the 1960-70 decade. This deficit in any case is roughly equal to the public foreign aid. The fact that the trade deficit is a stable figure obviously shows that the percentage of imports paid for by exports has certainly improved.

Data for the other components of the balance of payment are readily available. Public foreign aid (aid for development, subsidies and loans to the Treasury, technical assistance net of Upper Volta's own contributions) amounted to 13.2 billions during the 1959-63 period and remained stable between 4.1 and 5.0 billions between 1954 and 1968. As we have already seen less than 60% of this inflow is in fact earmarked for the country's development. To this is added some 5 billions annually representing pensions to military personnel paid by France to exservicemen from Upper Volta (2 billions) remittances from Upper Volta temporary emigrants abroad (2.5 billions) and the expenditures of embassies and tourists, etc. (0.5 billions). By subtraction, net private transfers may be obtained as a rough figure and this probably amounts to 4 billions, the balance of external assets being slightly positive (an increase of 1.34 billions between 1962 and 1968).

Balance of payments, annual average 1960-1970 (11 years),
in current billions:

Resources

Public foreign Aid		4.5
Development aid	2.6	
Technical assistance (Net)	0.7	
Aid to the treasury	1.2	
Other foreign inflows		5.0
Military pensions	2.0	
Remittances from emigrants	2.5	
Embassies, etc.	0.5	
Private foreign capital		(0.6)
Total		<u>10.1</u>

Uses

Trade deficit	5.0
Current external payments	1.0
Public	0.5
Private	0.5
Private transfers	(3.9)
Increase in foreign assets	0.2

The result obtained is comparable with that of other West African countries, bearing in mind the relative proportions of the components: the savings transferred by the 5,000 Europeans living in the country was probably around 1.5 billions; company profits, about one billion and those of Lebanese and poor white-owned small family businesses, around 1-5 billions.

UPPER VOLTA: Marketed crops between 1962 and 1969 (tons)

	1961/62	1962/63	1963/64	1964/65	1965/66	1966/67	1967/68	1968/69
Marketed								
Groundnuts	3,251	5,693	5,504	5,595	8,372	10,879	9,752	10,333
Karivé (Shea) nuts	14,180	497	15,154	1,501	18,658	91	20,819	15,302
Sesame seeds	708	1,950	2,263	2,417	1,659	2,635	2,897	3,549
Cotton (seeds)	2,341	6,622	8,048	8,787	7,463	16,297	17,274	32,028
Exports								
Groundnuts	854	3,533	3,583	4,278	5,786	7,440	8,802	8,867
Karité (Shea) nuts	11,770	-	10,653	694	15,541	-	14,549	12,178
Sesame seeds	683	1,750	2,122	2,414	1,659	2,280	2,897	3,549

The difference between the marketed and exported quantities of oil-seeds serves as raw material for a small local industry.

Source: B.C.E.A.O. Bulletin No.166 - October, 1969

UPPER VOLTA: Trade and Prices 1960-1968

	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
Index of business activities (1)	"	"	"	95	102	104	97	93	98	118 ⁽²⁾
Price index of local African consumption (3)	100	117	122	128	131	128	132	126	127	"

(1) Base year : 1963-64

(2) 7 months

(3) Computed by us from the index given by the B.C.E.A.O., Base year : 1958

Sources: B.C.E.A.O. Bulletin Nos. 146, 166 and 170.

UPPER VOLTA: Paid Employment 1962-65

	1962	1963	1964	1965
<u>Labour force (units)</u>				
Private sector	15,194	11,766	"	12,904
Public sector	11,104	11,066	10,948	13,340
Total	26,298	22,832	"	26,244
Of which:				
Unskilled workers	10,121	7,239	"	8,785
Skilled workers	5,243	4,504	"	5,709
Employees and supervisory personnel	10,934	11,089	"	11,750
<u>Average annual wages</u> (thousand francs)				
Private sector :				
Agriculture	"	108.2	89.2	97.4
Industry	158.6	158.6	166.8	130.0
Construction	177.4	177.4	185.3	182.4
Trade	197.2	197.2	240.6	300.0
Transport	171.7	171.7	280.8	250.0
Domestic service	84.0	110.6	78.0	81.6
Public sector	"	"	352.4	340.0
Overall average	166.0	168.4	252.1	271.0

Sources: Labour Office Statistics.

Treasury operations

Budget deficits ⁽¹⁾	2.11	3.02	1.24	1.62	1.21
Financing :					
- Foreign contribution ⁽²⁾	3.10	0.74	1.49	1.03	1.24
- Changes in treasury net assets ⁽³⁾	0.99	-2.28	0.25	-0.59	0.03

- (1) Excess expenditure (ordinary budget, capital budget, local government, extra-budgetary accounts) over internal resources.
- (2) French subsidy to the budget, subsidies from the Conseil de l'Entente, advances from the French Treasury; Loan from Ghana (1961-62).
- (3) Balance: - = reduction of assets, + = increase of assets includes: Assets of the Treasury and Public Institutions (Post Office, Family Allowance fund, stabilization Fund etc.).

Source: IMF 1967 Report, page 54.

Public Finance 1966-1970 (current millions)

<u>State budget</u>	1966	1967	1968	1969	1970
	Actual			Forecast	
Regular receipts	7,548	7,639	8,927	8,927	9,645
Extraordinary receipts(1)	1,002	187	104	104	112
Current expenditure	8,068	7,108	7,288	8,223	8,853
Capital expenditure	642	487	706	808	904
Surplus or Deficit	-160	+231	+362	0	0

(1) Mostly from abroad.

Sources: B.C.E.A.O. Bulletin Nos. 154, 167 and 170.

UPPER VOLTA: Public Foreign Aid | 1959-66
(current billions)

	1959-63	1964	1965	1966
<u>France:</u>				
Aid for capital equipment	3,346	621	817	837
Technical assistance	2,790	893	970	1,060
Upper Volta's own contributions	- 355	- 186	- 210	- 230
Miscellaneous (1)	1,738	937	490	?
Budget subsidies	2,250	423	671	300
FED (European Development Fund)	1,673	983	1,345	1,043
USAID and others	2,812	1,397	1,768	?
Conseil de l'Entente	595	-	-	-
Total	13,176	4,085	4,506	?

Source: 1965 Economic Report, FED, Franc Zone, etc.

(1) Military aid (789 millions), scholarships (525 millions), ASECNA and various other agencies.

Uses made of the aid for capital equipment - 1959-1966

- Agriculture and animal husbandry	56%
- Infrastructure	17%
- Social capital	23%

Public Foreign aid contributed in 1967 and 1968

	<u>1967</u>	<u>1968</u>
FED subsidies	577	1,197
FAC subsidies (French aid)	1,505	1,190
FAC Loans	10	128
CCCE Loans (Caisse Centrale de Coopération - Economique)	- 62	252
Kreditanstalt loans	-	203

Source: B.C.E.A.O. Bulletin No.170 - Feb., 1970.

UPPER VOLTA: Monetary situation 1962-1968
(Current billions)

	1962	1963	1964	1965	1966	1967	1968
<u>Liabilities</u>							
Money, Quasi money	5.53	6.11	6.17	6.41	6.62	6.66	7.59
<u>Assets</u>							
Credit to the Government	-0.06	0.01	0.01	0.13	0.20	-0.41	- 0.92
Credit to the economy	2.29	3.31	4.01	4.08	3.62	3.74	4.06
Net Foreign assets	3.63	2.89	2.54	2.60	3.41	3.79	4.97
<u>Source:</u> I.M.F.							