

UNITED NATIONS
AFRICAN INSTITUTE FOR ECONOMIC
DEVELOPMENT AND PLANNING
D A K A R.

IDEP/REPRODUCTION/234

Original in French
Temporary Translation

NIGER 1960-1970

by

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FEBRUARY 1971.

NIGER 1960-1970

Niger is one of the countries of former French West Africa which has been left with absurd geographical frontiers under the colonial and administrative carving-up. The Republic of Niger became independent in 1960 and covers an area of 1,267,000 square kilometers located in the middle of the continent, with the nearest sea-port 1,200 kilometres away.

It is made up of a 500 kilometre long valley along the river Niger, inhabited by Songhai and Djerima farmers, and a 1.000 kilometre long narrow stretch of land situated between the northern frontier of Nigeria and the Sahara, inhabited mainly by Hausa farmers and finally the desert, stretching over one million square kilometers, inhabited by nomadic Touaregs. The population of the country (3.1 millions in 1960 and 3.9 millions in 1970, the growth rate being 2.6% per annum) is made up of about 80% farmers and 20% Peul and Toureg stock-breeders. Poorly urbanized and with inadequate educational facilities, the country, at first sight, does not appear to have a viable economy. However, if its national accounts, kept more regularly and consistently than elsewhere, are to be believed, growth rate of the GDP between 1960 and 1970, was about 6 to 7% per annum, at current prices, or, taking into account the price increase (3% a year), roughly 3 to 4% in real terms and 0.5 to 1.5% per capita. In the course of the years 1968-69, the country's economy has, for various reasons, been stagnant. We shall try to analyse these reasons below.

THE TRADITIONAL ECONOMY

The traditional economy made up of farming and stock-breeding, provides two thirds of the GDP, showing the primitive nature of the economy. The production of millet and sorghum, the staple food of the population, is about one million tons a year, the cultivation being entirely in the hands of the rural population. This production covers the major part of the cultivated land which is only 3% of the total area of the country. In addition, 40,000 tons of onions and 45000 tons of cane sugar are produced.

In 1970, the livestock comprising 4.5 million head of cattle and 9.0 million head of sheep and goats, still constitute the main export product, in spite of the rapid progress made in ground-nut production in the course of the last ten years. All over the region, stock-breeding is making considerable progress due to the demand from the heavily populated coastal areas (Southern Nigeria and Dahomey). The growth of both the output and export of livestock is estimated at 3% per annum. Furthermore, the export of river-fishing products (8000 tons) is rapidly expanding.

The growth of groundnut production is far from being negligible, amounting to 7% per annum during the last ten years. Niger is now an important producer of ground-nuts 80% of which are already shelled before export, the remaining 20% being exported as oil. It is, above all, the development of the groundnut industry that has brought about the overall growth of the economy, which could very well have been non-existent, as elsewhere, considering the difficult conditions of the country. Such a development, however, is quite surprising, considering the extremely low price paid to the farmers: 18 franc per kilo, shelled, and 12 francs, unshelled, in 1968-69, as against 22 and 14.5 francs respectively up to this period. The reduction in prices following the agreements reached on world prices, was to some extent offset by the reduction in taxes from 8.6 francs to 3 francs per kilo of shelled groundnuts. But the cost of transport remain high at 20.6 francs per kilo, shelled, or 45% of the FOB price at an African port. The success in Niger is the more astounding when one considers the fact that Senegalese farmers refuse to produce groundnuts at 17 francs per kilo. unshelled.

There are two reasons for this success. First of all, the farmers in Niger, much less integrated into the world market than Senegalese farmers, are prepared to work for a low-wage due to the fact that the production of groundnuts is regarded as a subsidiary cash crops. The other reason is that production is particularly successful in the Hausa region, around

Maradi and Zinder, where sociological surveys have revealed a system of land-ownership practised by Hausa traders which emphasizes class distinctions conducive to this kind of production (1). In contrast, in the Djerima-Songhai region which, traditionally, is a country of various rather than traders and farmers, a low monetary income from groundnut production is causing the young people to emigrate, to Ghana in particular. A serious study (2) has revealed that this emigration involves about 50000 people.

However, long-term expectations with regard to the groundnut industry, should not be over-estimated. The day will come when the Niger farmer, like his Senegalese brother, will realize that his remuneration is inadequate. In fact, the question may already be posed as to whether the slowing-down in the growth of the groundnut industry during the last two years is attributable to the fact that the farmer is becoming aware of his position or simply to the unfavourable climatic conditions. The future will tell.

The development of a cotton industry, stimulated by the CFDT-Compagnie Francaise pour le Developpement des Fibres Textiles. (French textile development company) has been less successful. The production of unseeded cotton which started in 1956, has not yet reached 7.000 tons. The price paid to the producer has been fixed at 30 francs since 1966-67 while the price for ginned cotton is 86.3 francs per kilo, due to heavy transport cost amounting to 54 francs, representing 38% of the FOB value. Also included in the price is low tax of 1.10 francs.

"Specialization" in international trade thus compells Niger to supply raw materials that can remunerate the farmer's work at an extremely low rate, making it impossible for the rural economy to finance any sort of antonomous development. An aggravating fact is the refusal of Niger to use Nigerian railway making it necessary to use transport networks

(1) Problem studied by Henri Raulin : "Techniques et bases socio-économiques des sociétés rurales nigériennes, CNRS 1965.

(2) A study of the Songhai people by Jean Rouch.

that are far out of the way. The goods are thus transported from Maradi to Niamey towards Parakou by road and then by railway in Dahomey in order to help making the port of Cotonou "profitable". This is an absurd way of organizing an economic operation. "Operation swallow" (opération hirondelle), the name given to this military sounding "operation" - financial by the European Common Market, makes the groundnut industry in Niger "unprofitable", despite the fact that producers are paid a very low price.

Subsidies from the EEC have amounted to 815 million for the three crop-years of 1964 to 1967. This is the heavy price paid for the absurdity of the colonial frontiers of Africa and the policy of autonomy at all costs for the African "states", the idea being obviously to maintain a direct link between these states and Europe.

THE MODERN ECONOMY

Urbanization has not progressed very far in Niger. In 1966, only four cities counted more than 20.000 inhabitants: Niamey, Zinder, Maradi and Tahona. The combined population increased from 87.000 inhabitants in 1960 to 155.000 in 1970, the rate of urbanization being about 6%. In 1970, this represented only about 4% of the total population of the country, with regard to the urban population, the out-put of non-agricultural activities (24 billions in 1964) gives a per capita income of 150.000 francs as against less than 12.000 francs for the rural population.

The industrial achievements in Niger are quite modest. The operations of the groundnut oil-mill (capacity of 24.000 tons) and the cotton ginning plant (capacity of 8.500 tons) obviously depend on the agricultural production. The price of their products depends on transport costs, which have to be subsidized in order to be maintained at a reasonable level. However, the groundnut industry is viable only on the condition that the groundnuts are processed into oil on the spot. The same applies to the cotton industry, which would be meaningful only if it forms the basis of a local textile industry. Such an industry, albeit on a small-scale (capacity 2.000 tons), is in fact being considered in Niger. The cement-works at Malbaza

(capacity of 35.000 tons), opened in 1966, are justified provided transport costs are kept at a low level. However, its output capacity, far beyond the needs of the small local market, imposes heavy financial sacrifices. Niger has a range of industries typical of the industrial achievements of contemporary Africa, name already operating, and others at the project stage. This includes a flour-mill (4.000 tons), a rice-mill (5.500 tons), soap-factories a brewery and a plant for making soft-drinks, plastic factories (sandals and utensils), metal works (furniture and agricultural equipment), a tomato canning factory printing works, a uranics factory and a radio assembly plant. The whole sector employs only about 1.000 workers.

The mineral resources exploited so far are insignificant: 80 tons of tin (valued at 45 million CFA francs) exploited at Air by a semi-public enterprise. The exploitation of iron are at Say (with a low iron content of 49%), of gypsum and phosphate at Tahona, are worthwhile only if they give rise to a local processing industry. Such a project, however, is not envisaged at present. Chromium was discovered by the French Atomic Energy Commission and exploitation is to begin in 1971 (750 tons and possibly 1.500 tons by 1974). This will provide the country with royalties (64% of the actual profits) but will not bring about the establishment of a local processing industry. After Negotiations with Great Britain, West Germany and Japan had failed, the concession was given to SOMAIR - Société des Mines de l'Air - (The Mining Company of Air) which is controlled by France. (In fact, 40% of the capital is supplied by the French Atomic Energy Commission, 40% by private French capitals and 20% by the Republic of Niger). Investments, amounting to 13 billions, have boosted the economy temporarily and covered up the slowing-down of activities in other sectors.

The most serious handicap to the industrialization of the country is the externally oriented feature of the development strategy, aggravated by the refusal of Niger to form an economic union with Nigeria.

Electric energy is very costly and although electricity consumption is continuously rising (13% per annum), the electricity is used mainly for household and urban purposes. But there are possibilities of producing electricity for industrial use at a reasonable cost: for example, the utilization of the fast-flowing currents of the river Niger where it enters and leaves the country (at Ausongo in Mali and at the frontier with Dahomey), the utilization of solar energy and - possibly on a long-term basis - atomic energy. It is obvious that the investment costs would be so high that such a project would be possible only within the framework of a systematic regional industrialization. The possibility of industrialization on a continental scale should be taken into consideration provided it could be established at regional level (Mali - Niger - Northern Nigeria). Industries could be set up in the areas along the river Niger which itself could serve as a transport link between these countries.

In fact the whole transport system should be reviewed. The development of the road network (4.000 kms at present) and the parking for 1700 lorries, were part of a scheme to make the country independent of Nigeria with regard to transport set up in 1959 to back up "operation swallow", the "Organisation Commune Dahomey - Niger des chemins de fer et du transport" (OCON) (the joint Dahomey. Niger company for road and railway transport) has an average annual deficit of more than 200 millions, which up to 1964 was covered mainly by subsidies from the Niger and Dahomey governments (7.60 francs per kilometric ton). The existence of the organisation is continuously being questioned whenever there is a conflict between the two countries. On the other hand, the development of river transport has never been seriously considered, that is to say, within the framework of an economic integration between Mali, Niger and Nigeria. Important constructions, such as the dam at Niandan in Guinea, the regulation of the currents at Ausongo in Mali, and the dam at Kandji in Nigeria (the only parts of this programme carried out so far) could make of this magnificent river, navigable from Kankan to Port Harcourt over

more than 3.500 kilometres a link within an area where industrial development would become possible. At the same time, agriculture could be radically changed through the introduction of modern methods in the vast areas which it would be possible to irrigate. As long as such projects are not seriously considered Niger, like Mali and Northern Nigeria, will make no progress.

The small number of wage-earners, at present about 23.000, of which half are employed in the civil service and only about a thousand in industry, and the slow rate of their absorption creat problems of unemployment, despite the slow urbanization of the country. The replacement, by nationals of the country, of Dahomeans who were expelled in 1964 and 1965, relieved the unemployment situation for some time with respect to junior employment. Education is rapidly expanding, with the primary school population increasing at the annual rate of 15%. Numerically, it increased from 35.000 in 1962 to 71.000 in 1966 and to more than 100.000 in 1969-70 while the overall rate of school - enrolment increased from 5% to 13%. However, the low number of secondary school students (4000 in Niger in 1969-70) shows that educational development is a recent phenomenon. Thus, virtually all top and middle-grade personnel, except the civil servants, are foreigners, with the European population (6.000 persons) accounting for the major part of the technical staff. Consequently, more than a third of the wage-earners are paid at the guaranteed minimum wage (SMIG,) which, since 1962, has been fixed at 27 francs an hour. Like in many other countries, the lack of business enterprises, much more so than ideological reasons, has forced the government to set up state enterprises. SONARA - (the Niger Groundnut Marketing Board), set up in 1962 in the form of a semi-public enterprise with the state holding 50% of the capital, COPRO-NIGER, (the National Trading and manufacturing Company), supplying areas lacking in primary goods and ONPPC, (the National Company of Pharmaceutical and Chemical Products) with the monopoly for these products, and having turnover of more than 7 billions. If these enterprises do not make sufficient profit to participate in financing the development of the economy the reason lies in the poor prospects offered by the country rather than in bad management.

INVESTMENTS AND PUBLIC FINANCING

According to the national accounts for 1960-64, the volume of gross investments increased from 4.6 current billions in 1960 (9.2% of the GDP) to 8.9% in 1964 (13% of the GDP). But the growth of public investments remains low (2 billions in 1960 and 2.5 in 1964), whereas that of private investments (which increased from 2.6 to 6.4 billions) was artificially raised by the inclusion of the cost of livestock.

However, serious attempts at planning have been made in Niger. The first four-year plan (1961-64) provided for 30.1 billions of investments, of which 25.2 billions were actually used up. The second plan (1965-68) made provision of 43.2 billions for investments, actual implementation amounting to more than 30 billions. The third plan (1969-72) has an investment target of 47.8 billions. The actual rate of investments, which is about 5% a year, appears to be the same as that of the gross domestic product.

The major part of public investments is financed almost exclusively by foreign aid. Local private capital finances only a small part of housing constructions and some transport equipment (lorries), as is the case in other countries. Despite the liberal investment code adopted in 1961, and though slightly more subtle than that of other countries, foreign capital has not flowed into the country, except with regard to the exploitation of uranium. The reason is the low profitability of industrial enterprises, considering the poor prospects offered by the country. Consequently, most of the enterprises are semi-public. The economic and social infrastructure (roads, power, education and urbanization) absorbed about 6% of the investments carried out during the first ten years. In the "directly productive" sectors, agriculture and stock-breeding have received more than half of the finances and industry, only 15% of total investments, this being devoted to the few projects mentioned above.

The foreign public aid received by Niger from 1960 to 1968 amounts to 29 billions (ranging from 2.6 to 4.8 billions yearly, giving an annual average of 3.7 billions) of which 16.7 billions were set aside per capital formation (an average of 2.1 billions annually increasing from 1.2 to 3.4 billions between 1960 and 1968). The remaining 12.6 billions a constant figure of 1.5 billions per year) represent the current aids received from various foreign governments the budget subsidies from France and the "Conseil de l'Entente" technical assistance (excluding Niger's share of the costs), various current aids (scholarships, training courses, etc.), and finally the subsidies in support of the price of groundnuts and cotton, provided by the European Development Fund for the purpose of "crop diversification". But part of this "current" aid, the budget subsidies from France, is earmarked for the local capital budget, which has been gradually increasing from 0.5 billions in 1960 to 0.9 in 1969-70. The conclusion is that the whole of public investments is financed by public foreign aid. It is understandable that the third plan (1959-72), like the preceding ones, is a set of projects submitted to the approval of investors. Out of 47.8 billions of planned investments, 38.3 billions are to come from abroad.

Up to the last four years, most of the foreign aid had been in the form of donations, thus keeping the foreign debt low. At the end of 1969 it amounted to 4.6 billions (less than 6% of the GDP) and the annual payments of the debt were 300 to 400 millions (3.5% of exports). But the trend of the last few years shows an increase in the comparatively expensive public and foreign loans (supplies credits already representing 0.9 billions of debts by the end of 1966).

Unless the royalties from the exploitation of uranium are paid when due, the country is likely to be in financial difficulties. In fact the current budget increased gradually from 5.0 billions in 1960 to 10.8 billions in 1969-70. Since 1963, this included the expenditure of public institutions (one billion at present) thus giving the budget a growth rate of 9% per annum at current prices. This was no doubt far higher than the growth rate

of the basic resources of the economy. Local tax revenue increased from 3.8 billions in 1960 to 8.9 in 1966-67, showing a growth rate of 14% per annum. The level of taxation seems to have been increased by a large proportion. In fact, the improvement in customs border control has contributed considerably to the increased tax revenue. Since 1966, however, the increase in revenue had slowed-down considerably as shown by the constant level of revenue from customs duties (3.8 billions to 3.9 billions from 1966 to 1969). Thus the budget is continuously showing a deficit. From 1960 to 1965 the deficit in the capital budget was accompanied by a current budget deficit. The latter deficit has been reduced gradually from 1.2 billions in 1960 (24% of total current expenditure) to 0.2 billions in 1965. The next two years (1965-66 and 1966-67) showed a surplus in the current budget, amounting to 0.6 billions, covering two thirds of the capital budget. In 1968-69, however, there was a reversal in the land and the current budget again shows a deficit.

The deficit of the Treasury has been covered by current foreign aid, granted as subsidies for the budget. This explains the small reduction in public assets. Furthermore, the volume of assets is insignificant, due to the fact that since 1963 the main assets are held by the Development Bank of Republic of Niger and not by the Treasury (funds of the Post Office and semi-public institutions). Since 1960 the Treasury has been running a race against time) with royalties from the exploitation of uranium coming at the right time to relieve the situation.

FOREIGN TRADE AND THE BALANCE OF PAYMENTS

The foreign trade of Niger, like that of the Upper Volta, is only partially controlled by the local authorities. The export of groundnuts and groundnut products (oil-cake and oil) which form the bulk of regulated exports, (output of the cotton industry being still insignificant) has increased pari - passu with the growth of groundnut production at the rate of 7%, rising from 3 to 6 billions between 1960 and 1970. It is, however, subject to strong fluctuations depending on climatic conditions. In 1960

the lesser regulated export of cattle was assessed at 180.000 oxen and 520.000 sheep and goats, which, at the price of 12.000 francs a head for the former and 2.000 for the latter gives a figure of 3.2 billions. The growth of exports during the last ten years is estimated at 3% per annum. The increase in prices was about 10% which brings the value of exports to 4.6 current billions in 1970. The civil war in Nigeria disrupted exports, these being intended mainly for the southern regions of that country. However, since the end of the war, exports have resumed normally. Total current exports have increased during the last ten years at the rate of 5.5% per annum rising from 6.2 to 10.6 current billions.

The growth rate of imports has, no doubt been even higher. The IMF puts it at 8% per annum between 1964 and 1965, thus confirming the statistics of controlled imports which sets the figure at 7% a year from 1962 to 1968. The imports smuggled into Niger from Nigeria are supposed to have decreased due to better border customs control and a reduction in the taxes levied on the more expensive goods which caused them to be smuggled into the country in the first place. At a growth rate of 7.5% per annum, real total imports increased from 6.9 to 14.2 current billions between 1960 and 1970. The increasing trade deficit, (0.7 billion in 1960 and 4.4 in 1970), reflected in an increased percentage of imports and declining export, (from 90 to 75%) has been covered by increasing foreign aid.

Public foreign aid, amounting to an average of 3.7 billions during the last ten years, is made up of a "current" amount of 1.6 billions (a relatively constant figure) (budgetary subsidies, by the EDF in support of prices, and technical assistance made up of 520 mainly French experts) and an amount earmarked per capital formation, which has been increased regularly from 1.2 to 3.4 billions between 1960 and 1970.

To these principal resources are added the payment of military permissions by France and the expenditure of embassies and foreign organisations, tourists and various other travellers totalling about 2 billions. On the debit side of the balance sheet are current public transfers (Niger embassies, scholarships and missions abroad, payment to OCDN, public debt) and travel expenditure, etc., totalling around 1.2 billions.

The balance of payments thus constituted, reveals private transfers amounting a constant figure of 5 billions (as shown in the table below).

<u>REVENUE</u> :	Trends 1960-70	Annual average 1960-70
Exports	6.2 to 10.6	8.4
Foreign public aid for development..	1.2 to 3.4	2.1
Current	1.6	1.6
Miscellaneous current revenue	1.6 to 2.4	2.0
Private capital	2.0	2.0
Foreign assets (reduction)	0.4	0.4
TOTAL	<u>13.0 to 20.4</u>	<u>16.5</u>

EXPENDITURE :

Imports	6.9 to 14.2	10.5
Miscellaneous current transfers.....	0.9 to 1.5	1.2
Private transfers.....	about 5.0	4.8

Up to 1964-65, the heavy military French expenditure constituted additional revenue which had its counterpart in imports and transfers, which are not taken into account here. Foreign private capital, which has enabled the financing of industries, has taken the form of direct investments or suppliers credits (to semi-public enterprises). Varying from one year to another this aid totals about 2 billions a year. The considerable investments with respect to research and the exploitation of uranium, carried out at the end of the period, are not taken into account. These investments have their counterpart in special imports and additional transfers.

The balance of transfers of private savings and business profits, is comparable to that of the other countries of the region, considering the number of Europeans (6000 in Niger) and the volume of output of the non-agricultural sector (about 20 billions).

TABLE 1 - NIGER - Source and utilisation of resources at current prices 1960-64.
(In billions CFA)

	<u>Origin of resources</u>						<u>Utilisation of resources</u>				
	1960	1961	1962	1963	1964		1960	1961	1962	1963	1964
Agriculture, stock-breeding, timber trade and fishing		33.1	37.4	39.2	40.0	Private Public Consumption	45.4 (38.5) (6.9)	49.2 (40.5) (8.7)	53.0 (44.3) (8.7)	54.4 (45.8) (8.6)	55.9 (47.5) (8.4)
Mining, industry, construc- tion, public services	45.9	5.8	6.8	7.2	7.3						
Transport, trade and services		10.6	12.3	13.0	13.4	Gross investment Private " Public "	4.6 (2.6) (2.0)	5.1 (3.6) (1.5)	9.9 (7.4) (2.5)	9.9 (7.1) (2.8)	8.9 (6.4) (2.5)
Administration	4.0	4.4	4.9	4.5	4.0						
Households	0.2	0.2	0.2	0.2	0.2	Exports of goods and services	7.8	8.2	9.4	9.6	10.0
Gross domestic product at market prices	50.1	54.1	61.6	64.1	64.9						
Import of goods and services	7.7	8.4	10.7	9.8	9.9						
TOTAL of resources	57.8	62.5	72.3	73.9	74.8	Total utilization of resources	57.8	62.5	72.3	73.9	74.8

Source : General Office of Planning, statistical service, National Accounts.

TABLE 2 : NIGER : Various statistical data 1961-69

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	1960	1961	1962	1963	1964	1965	1966	1967	1968	1969
<u>Food production</u> (000 tons)										
Millet and sorghum	940	1051	1254	1323	1328	1055	"	"	"	"
Onions	19	26	24	23	24	42	"	"	"	"
<u>Commercialised production</u> (000 tons)										
Total groundnut production, unshelled	150	152	205	220	184	277	"	"	"	"
Total groundnut production, shelled	"	"	"	"	114	106	156	191	182	150
Coton (seeds)	1	2	4	4	5	6	6	6	6	7
<u>Foreign trade</u> (current billions)										
Controlled exports	"	"	4.83	5.34	5.26	6.25	8.57	8.22	9.35	"
groundnuts	"	"	2.75	3.38	3.29	3.06	5.33	5.71	"	"
Controlled imports	"	"	6.78	5.97	8.11	9.30	11.11	11.35	10.23	"
<u>Production of electricity</u> (million kwh) (9)	"	"	"	"	14.9	16.4	19.7	21.9	24.2	"
<u>Business turnover</u> (1963-64 = 100)	"	"	"	(100)	117	124	138	133	141	"
<u>G.D.P.</u>	50.1	54.1	61.6	64.9	64.4	14.1	78.9	"	"	"
<u>Population</u>	3.09	3.17	3.25	3.33	3.42	3.51	3.61	3.71	3.81	3.90
<u>Price index</u> : African consumption (1962-63=100)										
	"	102	101	98	100	105	116	118	48	133
European consumption (1960 = 100)										
	100	108	105	108	116	120	125	127	127	143

Sources : Agricultural surveys, BCEAO bulletin, no. 159, Feb. 1969; no. 167, Nov. 1969.
IMF handbook.

TABLE 3 - NIGER : Breakdown of salaries by sector of activity,
1961-65

	1961	1962	1963	1964	1965
<u>Public sector</u> ¹	<u>....</u>	<u>7,961</u>	<u>9,013</u>	<u>8,793</u>	<u>11,197</u>
Regular civil servants	...	4,201	5,213	2,932	4,532
Permanant auxiliaries	3,755	3,760	3,800	5,861	6,665
<u>Private sector</u> ²	<u>9,351</u>	<u>8,819</u>	<u>9,516</u>	<u>10,495</u>	<u>11,379</u>
Construction	3,484	2,855	3,448	3,460	3,277
Banking	162	260	299	412	462
Trade	1,361	1,018	1,216	1,339	1,558
Mechanical workshops		409	273	296	311
Transports	904	858	640	818	869
Industries	580	.../3	552	741	992
Hotels	312	203	186	184	234
Firms of consultants	.../3	.../3	229	265	528
Servants	2,500	2,500	2,500	2,500	2,500
Other wage-earners	48	716	173	480	648
<u>Total salaried labour</u> <u>force</u>	<u>....</u>	16,780	18,529	19,288	22,576

Sources : Ministry of Public works, Annual reports 1964 and 1965 and
R.L. Clifford : "Renseignements sur la République du Niger,
Juin, 1964.

- 1/ - Excluding the army, national guard and foreign experts.
2/ - Including public and semi-public enterprises.
3/ - Included in the category "other wage-earners".

TABLE 4 - NIGER - Government revenue and expenditure 1960-1967.

(In million CFA francs.)

	1960	1961	1962/ ¹ / ₋	1962/ ⁶³ / ₋	1963/ ⁶⁴ / ₋	1964/ ⁶⁵ / ₋	1965/ ⁶⁶ / ₋	1966/ ⁶⁷⁽³⁾ / ₋
A - REVENUE :	3.786	3.888	4.241	5.387	6.444	6.865	8.419	8.962
B - EXPENDITURE -								
1. - Current budget	4.983	4.844	5.022	6.106	6.237	7.108	7.815	8.592
a. Public budget (2)	42	46	43	81	215	303	267	277
b. Personnel and equipment	3.797	3.885	3.850	4.989	5.004	5.534	6.195	6.946
c. Transfers and subsidies	1.144	913	1.129	1.036	1.018	1.271	1.353	1.369
of which : infrastructure	(419)	(359)	(320)	(315)	(284)	(358)	(269)	(350)
and roads subsidies	(169)	(320)	(293)	(384)	(287)	(506)	(366)	(489)
2. - Capital budget	<u>486</u>	<u>100</u>	<u>389</u>	<u>534</u>	<u>847</u>	<u>813</u>	<u>1.071</u>	<u>923</u>
Total Expenditure	5.469	4.944	5.411	6.640	7.084	7.921	8.886	9.515
C - SURPLUS (+) or DEFICIT (-)	- 1.683	- 1.056	- 1.170	- 1.253	- 640	- 1.056	- 467	- 262
1. - Current budget	- 1.197	- 956	- 781	- 719	+ 207	- 243	+ 604	+ 661
2. - Capital budget	- 486	- 100	- 389	- 534	- 847	813	- 1.071	- 923

SOURCES : Inspection générale de l'Etat, Evolution des recettes et des dépenses de l'Etat de 1959 à 1964; BCEAO
Notes d'Information et de Statistiques, No. 134. Novembre, 1966;

- 1) Budget covering a period of nine months, since 1962 the budget year starts on the 1st of October and ends on the 30th of September.
- 2) Interest and depreciation.
- 3) Budget estimates.

TABLE 5 - NIGER; Local Administration budget 1963-66
(In million CFA francs)

	1962/63	1963/64	1964/65	1965/66
REVENUE	451	456	716	867
EXPENDITURE	456	547	829	966
of which: current expenditure	(300)	(272)	(399)	(896)
Capital "	(7)	(14)	(33)	(48)
Deficit (-)	- 5	-91	-114	-99
Government subsidies	5	4	9	15
Loans	--	87	105	93

Sources : Ministry of Interior: Etat comparatif des budgets des circonscriptions, 1963-66.

- Communal budgets 1964-65
(In million CFA francs)

	<u>NIAMEY</u>	<u>MARADI</u>	<u>ZINDER</u>	<u>TOTAL</u>
Revenue	223	52	41	317
Expenditure	196	55	45	- 296

TABLE 6 - NIGER : Treasury operations 1963-66.
(In million CFA francs)

	1962/63	1963/64	1964/65	1965/66
Total budgetary revenue (1)	5.387	6.444	6.865	8.419
Total budgetary expenditure (2)	6.640	7.084	7.921	8.886
Budgetary deficit	- 1.253	- 640	- 1.056	-467
Revenue (+) and expenditure (-)				
Net extra budgetary (3)	- 138	- 492	+ 392	+115
Global deficit of Treasury	- 1.391	-1.132	- 664	-352
Financing	+ 1.391	+1.132	+ 664	+352
Foreign aid	1.319	495	416	437
Subsidies from France	(486)	(620)	- (416)	(250)
Miscellaneous	(833)	(-125)	--	(187)
Internal operations of the Treasury	+ 124	647	- 336	- 27
Cash (in increase)	- 52	- 10	584	- 58

- (1) Excluding foreign aid, the utilization of the Reserve Funds, transfers from local budgets which are included as revenue in official publications.
- (2) Including the Capital budget.
- (3) Supplementary budgets and extra-budgetary funds such as the Pension Fund, the Road Fund.
- (4) The solidarity fund of the Council of Understanding up to 1963. In 1965 Niger received 187 million CFA francs as compensation when the former OAF (French West Africa) federation broke up.

Sources : I.M.F.

TABLE 7 - NIGER : First development plan :
showing items of expenditure, and financing
sectors and sources 1961-64.

(In million CFA francs)

	<u>Items of expenditure</u>	
	<u>Volume of payments</u>	
	<u>Amount</u>	<u>Percentage</u>
General survey	1.076	4
Economic infrastructure	7.323	29
Social infrastructure	6.921	28
Administrative infrastructure	757	3
Production	<u>9.091</u>	<u>36</u>
TOTAL =	25.168	100

	<u>Financing sectors and sources</u>	
	<u>Volume of payments</u>	
	<u>Amount</u>	<u>Percentage</u>
Public investments	12.383	49
Local sources	(3.258)	(13)
Foreign "	(9.125)	(36)
Private investments	<u>12.825</u>	<u>51</u>
TOTAL =	25.208	100

Sources : Results of implementation of 1st Plan, General Office of
Planning.

TABLE 8 - NIGER - First development plan 1961-64.

Payments by sector of activity.
(In millions of CFA francs)

SECTOR	P a y m e n t s			
	1961/62	1963	1964	TOTAL
Survey and research	419	350	307	1,076
Infrastructure	4,166	2,086	1,071	7,323
of which : roads	(730)	(391)	(402)	(1,523)
energy	(2,958)	(1,091)	(235)	(4,284)
Social equipment	2,955	2,232	1,734	6,921
of which : education	(654)	(467)	(304)	(1,425)
urbanization	(2,112)	(1,474)	(1,195)	(4,781)
Administrative training	345	105	307	757
Production	3,484	2,732	2,875	9,091
of which : hydraulic resources	(631)	(273)	(445)	(1,349)
agricultural products	(560)	(525)	(926)	(2,011)
industry	(2,284)	(1,924)	(1,500)	(5,712)
<u>TOTAL</u>	11,369	7,505	6,294	25,168

Sources : Results of implementation of 1st Plan, General Office of Planning.

TABLE 9 - NIGER - Second Development Plan 1965-68, planned expenditure.

(In million CFA francs)

	<u>1 9 6 5 - 1 9 6 8</u>	
	<u>Total planned expenditure.</u>	
	<u>Amount</u>	<u>Percentage</u>
General survey	2,071.6	4.8
Economic infrastructure :	8,826.0	20.4
roads	(7,046.0)	(16.3)
Social infrastructure	10,959.5	25.4
Administrative infrastructure	996.7	2.3
Production :	20,388.4	47.1
- hydraulic resources	(7,063.1)	(16.3)
- agricultural products	(3,334.3)	(7.7)
- industry	(8,550.0)	(19.8)
TOTAL	43,242.2	100.0

Sources : Republic of Niger, Four year plan 1965-1968 : 2 volumes 1965.

TABLE 10 - NIGER : Money Received as Foreign Aid, 1960-66
(In billion CFA francs)

	<u>1960-63</u> Total	<u>1964</u> Total	paid to Niger	<u>1965</u> Total	paid to Niger	<u>1966</u> Total	paid to Niger	<u>1960-66</u> TOTAL
<u>France (1)</u>								
Investment aid	2.31	1.26	1.19	1.46	1.25	1.23	1.12	6.26
Budgetary subsidies	2.52	0.56	0.56	0.34	0.34	0.16	0.16	3.58
Technical assistance (2)	2.80	0.97	--	1.05	--	1.12	--	5.94
Scholarships and draining	0.12	0.08	--	0.06	--	0.03	--	0.29
Counterpart to donations (3)	- 0.28	-0.09	--	0.14	--	0.24	--	-0.75
- TOTAL of French aid	7.47	2.78	1.75	2.77	1.59	2.30	1.28	15.32
<u>EEC (4)</u>								
First EDF	1.56	0.94	} 0.55	0.98	} 0.52	1.21	} 1.08	4.69
Second EDF	--	--		0.06		0.30		0.36
- TOTAL of EEC aid	1.56	0.94	0.55	1.14	0.52	1.51	1.08	5.05
<u>United States</u>	0.61	0.05	0.05	0.02	0.02	0.01	0.01	0.69
<u>Solidarity fund of the Council of Understanding</u>	1.39	0.13	--	--	--	--	--	1.52
<u>Other payments</u>	0.32	--	--	0.15	--	0.15	--	0.62
TOTAL =	11.35	3.90	2.35	4.08	2.13	3.97	2.37	23.20

- (1) Excluding subsidies allocated to French research and development institutions, carrying out activities in several African countries and various French donations not classified according to country;
- (2) The salaries of the French experts of the technical assistance are paid into their accounts in France. They only transfer to Niger that part of their salary which they require for local spending. This has been assessed at 65% of the cost of the technical assistance.
- (3) Contribution of Niger to the costs of technical assistance.
- (4) European Economic Community (Source : IMF).

TABLE 11 - NIGER

Money received as foreign aid 1967-68 (current millions)

	<u>1967</u>	<u>1968</u>
FAC : Subsidies	1,282	1,196
loans	41	164
(Fund for Assistance and Co-operation)		
C C C E : (loans)	64	837
(Central Fund for Economic Co-operation)		
E D F : Subsidies	1,296	1,102
LOANS : U S - A.I.D.	0	10
A.I.D.	101	157
Kreditanstalt	301	222

Sources : BCEAO, Bul. no. 167.

TABLE 12 - NIGER : Estimated and regulated foreign trade 1964-66

(In billions CFA francs)

	<u>Regulated trade</u>		<u>Estimated trade</u>		
	1964	1965	1964	1965	1966
I - <u>Exports</u> F.O.B.	<u>5.26</u>	<u>6.25</u>	<u>7.77</u>	<u>8.20</u>	<u>9.24</u>
Groundnuts (shelled)	3.29	3.06	3.29	3.06	3.18
Groundnut oil	0.41	0.28	0.41	0.28	0.78
Oil-cakes	0.12	0.09	0.12	0.09	0.13
Cotton	0.27	0.26	0.27	0.26	0.27
Live cattle	0.60	1.02	} 3.00	2.97	2.97
Hides and skins	0.12	0.15			
Dried and salted fish	0.03	0.01			
Beans, sorghum, millet	0.03	0.31	} 0.68	1.54	1.91
Miscellaneous	0.39	1.07			
II - <u>Imports</u> C.I.F.	<u>8.28</u>	<u>9.30</u>	<u>9.11</u>	<u>10.23</u>	<u>1.56</u>
III - <u>Trade balance</u> (- deficit)	- <u>2.85</u>	<u>3.05</u>	<u>1.34</u>	<u>2.03</u>	<u>2.32</u>

Source : Statistical services : Statistical bulletin

TABLE 13 - NIGER - Estimates of the balance of payments 1964-66
(In billion CFA francs)

	1964	1965	1966
<u>A. Goods (net)</u>	- <u>1.34</u>	- <u>2.03</u>	- <u>2.32</u>
Exports FOB	7.77	8.20	9.24
Imports CIF	- 9.11	-10.23	-11.56
<u>B. Services (net)</u>	<u>0.90</u>	- <u>0.39</u>	- <u>0.56</u>
Investment earnings (net)	0.12	0.12	0.12
Travels (net)	0.01	0.03	0.06
Insurances (net)	0.05	0.07	0.07
Government transactions			
- Services received in the form of aid	0.97	- 1.20	- 1.27
- Local spending of foreign technical assistance experts	0.63	0.76	0.83
- Other governmental transactions (net)	1.40	0.21	0.01
Balance under the item of goods and services	- 0.44	- 2.42	- 2.88
<u>C. Payments of transfers</u> (nets)	<u>4.02</u>	<u>4.10</u>	<u>4.05</u>
Private (net)	0.12	0.12	0.08
Public (net)	3.90	3.98	3.97
of which : France (net)	(2.78)	(2.77)	(2.30)
EEC (net)	(0.94)	(0.98)	(1.21)

(Table 13 contd.)

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	1964	1965	1966
<u>D. Non-monetary actual capital flows (net)</u>	<u>0.47</u>	<u>0.69</u>	<u>0.69</u>
Public (net)	0.02	0.11	0.10
Private (2) (net)	0.49	0.20	0.59
<u>E. Estimated non-monetary capital flows and errors and omissions (net)</u>	<u>- 5.01</u>	<u>- 2.95</u>	<u>- 2.26</u>
Overall balance sheet under the item of A, B, C, D and E.	- 0.96	- 1.18	- 0.40
<u>F. Monetary capital (net)</u>	<u>0.96</u>	<u>1.18</u>	<u>0.40</u>
Central Bank	0.50	0.20,	0.14
Deposit Bank	0.53	1.03	0.22
Savings Bank	-0.06	-0.08	0.05
Post Office Savings Bank	-0.01	0.03	- 0.04

Sources ; Tables 12, 13 and 17. Tables XVI and XVIII of the annexe : General Office of Planning : "Comptes Economiques"; commission of the franc zone, the franc zone in 1964 and 1965 : data provided by the Niger authorities and estimates made by IMF.

1. Credits are marked by a positive sign, debits by a negative sign.
2. Including semi-public enterprises.

TABLE 14 - NIGER - Monetary situation 1962-68
(Current billions)

	1962	1963	1964	1965	1966	1967	1968
Money, quasi : money	5.36	5.88	5.74	6.72	7.33	7.90	7.97
Counterparts.							
Contribution to the government	- 0.99	- 0.97	- 1.51	- 1.05	- 1.09	- 0.39	- 0.40
" " " economy	- 4.98	5.66	6.57	8.64	9.84	9.14	10.50
External assets (net)	1.58	1.52	0.67	- 0.60	- 0.47	- 0.31	- 0.74

Source : IMF.