

July 1985. In his budget speech on June 22, the Gambian finance minister announced the introduction of new taxes to increase government revenue. The country has reserves equivalent to less than three weeks of imports. Food imports increased to reach 34% of the total import bill, compared to 25% in the previous year, due to a 30% fall in food production, from 104,000 tons in 1982-83 to 68,000 tons in 1983-84.

● **Senegal.** The Senegalese budget "of rigor and austerity" announced on May 29, included a drastic 25% cut in the government investment budget; in fact, the amount allocated for this year has already been spent.

● **Liberia.** Negotiations are under way with the IMF for a \$45 million loan. An IMF team recently visited Liberia to discuss the loan, to "formulate new programs for the revitalization of the country's ailing economy," according to the magazine *West Africa*.

● **Zimbabwe.** The \$305 million borrowing program Zimbabwe had worked out with the IMF has collapsed, reported the *Financial Times* Aug. 14, because the government has been unable to reduce the budget deficit as demanded by the IMF. No doubt the government's purchase of food imports has partly caused the deficit of approximately \$600 million.

### Africa's debt crisis

Country	Devaluation % in 1983	Commercial borrowing 1983 \$ million	Public debt \$ m 1982	Debt rescheduled 1980-84 \$ million
Botswana	8	19	n.a.	
Cameroon	25	625	1,912	
Congo	25	124	1,370	
Ethiopia	0	37	875	
Gabon	25	30	n.a.	
Ghana	990	122	1,116	
Ivory Coast	25	107	4,861	1,200
Kenya	9	30	2,359	
Liberia	0	5	641	1,265
Madagascar	38	—	1,565	247
Malawi	19	—	692	46
Nigeria	9	1,793	6,085	
Senegal	28	—	1,329	224
Sudan	0	285	5,093	616
Tanzania	29	—	1,659	
Uganda	123; 186	—	587	49
Zaire	372	—	4,087	1,700
Zambia	20	140	2,381	482
Zimbabwe	8	43	1,221	

Source: IMF International Financial Statistics and World Bank

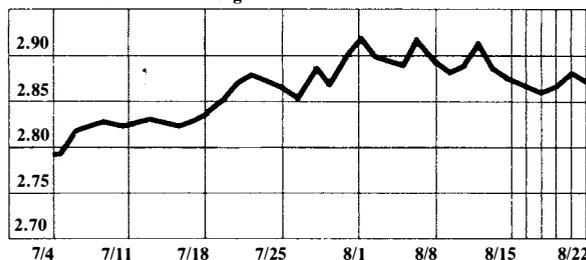
Note that several countries borrowed nothing on the commercial markets in 1983. Note also the size of some of the devaluations.

Total external debt is estimated at \$150 billion by the end of 1983, representing 180% of the value of Africa's exports of goods and services. The proportions in the two previous years were 161% in 1982 and 138% in 1981.

## Currency Rates

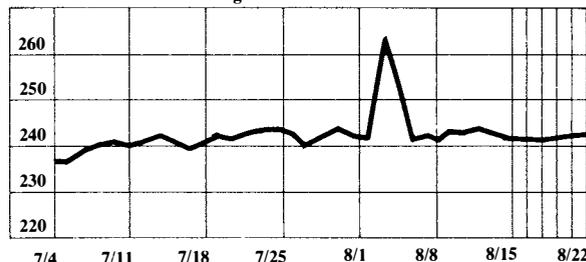
### The dollar in deutschemarks

New York late afternoon fixing



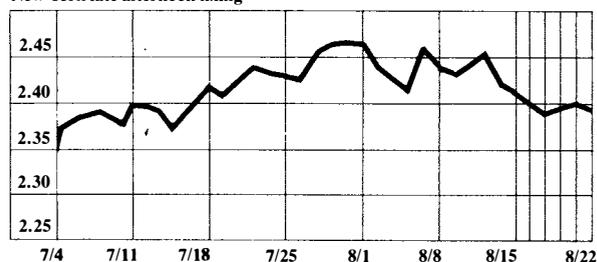
### The dollar in yen

New York late afternoon fixing



### The dollar in Swiss francs

New York late afternoon fixing



### The British pound in dollars

New York late afternoon fixing

