as I can tell.
Sher: I've been involved in this the last 12 years. We have been trying. And there are a lot more health care workers and educators out there than we have had for many a year. But we've had these problems of the political changes, the transition, other socio-economic problems that have made it very difficult. Very important are the cultural problems that have made it difficult for educators to go out there. But it also isn't working anyplace else. Do you know anyplace that it is working?

EIR: That's absolutely right. Is there any work being done on research on the virus?
Sher: I think South Africa has a good sort of infrastructure as far as doctors, universities, and research possibilities to do these sort of studies. Perhaps much more than a lot of other African countries. You have to understand: We have been isolated for so many years. We never really got the benefit of the World Health Organization programs and things like that. We've got a lot of catching up to do. And to do that, we need interaction with other countries; we need collaboration; we need financial support.

This is the nuts and bolts of the whole issue. We can't move without financial backing. And it should go to people who are capable of doing the work. So we people who live here are not just in it here to come in and get a PhD or something and then leave and that's the end of the story. We live here. We work with the situation. We have a commitment to the people of this country.

EIR: Another thing that I think has to be taken into account is that AIDS is a disease of poverty; it's not simply sex and dirty needles; that's not true. What one has to do is look at broad measures of public health, of sanitation, of housing, of raising the protein intake.
Sher: I agree with you completely. But this is going to take quite a number of years. And in the meantime, we can't just sit back and wait for that to occur. So we have to have some measures that can tackle the problem immediately. And in fact, Mr. [Nelson] Mandela has been going around in his election campaigns talking about AIDS. We are very pleased with that sort of situation.

EIR: What has he been saying about it?
Sher: I went to see Mandela about two years ago and I told him to talk about AIDS. We sent him messages that he's going to now meet with so many millions of people on his electioneering campaigns and that he needs to talk about AIDS. So, in fact, the other day he came discussing AIDS and he told the young people that when he was a youngster he went to college and schools to study; he wasn't running around with girls.

I think that was a profound message coming from that man. We are happy with that kind of situation. He's got to set the example.

Devaluations ravage French Africa

by Lawrence Eyong-Echaw

Three months after the Jan. 12, 1994 devaluation of the CFA franc, the 13 CFA African finance ministers recently met with French authorities in Paris for a quarterly session of damage limitation. The devaluation, unprecedented in the 46-year history of Franco-African monetary relations, has turned out to be a veritable earthquake for this artificial zone of apparent economic prosperity. The World Bank- and International Monetary Fund-imposed 50% cut in the value of the CFA franc, has burst the cautiously sustained French myth of mutual benefits for unequal economies.

With the imminent disappearance of the French franc in 1997, due to its absorption into the European currency union, France is frantically attempting to maintain its monetary and financial stranglehold on its neo-colonies for purposes of imperial and cultural aggrandizement.

Throughout the initial years of economic naivety for French Africa, France successfully continued to maintain the arbitrary parity of 1 French franc to 50 CFA francs, despite the repeated devaluations of the French franc (17.55% in 1958; 12.5% in 1969; 3% in 1981; 5.75% in 1982; 2.5% in 1983; and 3% in 1986). These cascading devaluations, which were inevitable for a French economy that was perpetually running behind a robust German economy in the race for competitiveness, had a depreciatory effect on the value of primary products from the CFA zone. (The CFA had initially stood for *colonies françaises d'Afrique;* later on, in an attempt to conceal the colonial trappings of this master-servant economic relationship, it was officially changed to "Communauté Financière Africaine.")

The French African economic mirage did not last for long. With the 40-50% fall in cocoa and coffee prices between 1977 and 1982, all economic indicators in the region were emitting distress signals: The debt burden of the zone, which was $16.76 billion in 1980, scaled to $46.77 billion by 1991, attaining the all-time high figure of 104.8% of the total gross domestic product of the region; capital flight rose from FF 96 billion in 1992 to the alarming figure of FF 105 billion, only for the first quarter of 1993! The French central bank was forced to repurchase the large volume of CFA francs pouring in from Nigerian businessmen who had been making huge profits from the retail of manufactured products. Nigeria had for long been alleviating the hardship created by its economic and political instability, by taking advantage of the artificially overvalued CFA franc, which

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served as hard currency for their dollar-starved economy because of its convertibility with the French franc. The French reacted by abolishing the convertibility of the CFA franc outside of the CFA zone (i.e., convertibility was limited exclusively to West and Central Africa).

Finally, they bowed to the simplistic logic of the Bretton Woods institutions which says "balance your budgets, pay your debts, devalue your currency, and economic prosperity will follow." But this logic has failed to work for French Africa, which has now mortgaged its economy to managers appointed by the money-lenders of Wall Street or their African proxies. In French Africa, the debt burden per capita has increased from $300 in 1980, to nearly $700 in 1994! The exports of the zone, which represented 57% of the external debt in 1980, now represent only 26.7%. All vital economic sectors of the French African countries, like the treasury, customs, taxation, energy, are controlled by French personnel working with World Bank officials. The building of industrial infrastructure and social services has been halted, giving priority to the repayment of external debts.

Empty legacy

Since independence in 1960, the nearly 80 million people in the 13 French neo-colonies of West and Central Africa had been living in a fool's paradise. The CFA franc zone gave them stability and currency convertibility, despite their precarious economies, based on the export of a few primary products, with world market prices which fluctuate unpredictably. During the past three decades, however, France has purposefully maintained an artificially high per capita consumption level in the region, to enable the region to play its role as a haven for the exploitation of primary products, a market for the sale of low-quality manufactured goods at above-market prices, and a protected market for investment by French multinationals which exploit the surplus cheap labor.

France thus encouraged the existence of uncompetitive and fragmentary mini-economies (which individually did not constitute markets that could generate economies of scale), controlled by tropical dictators, who encouraged corruption and the maintenance of privileged groups in inefficient and bureaucratic civil services. France all along monopolized the acquisition of contracts for unprofitable "white elephant" projects as well as tenders to furnish technological goods.

France had continued to maintain these economies in the primary extraction stage, without a production base that could generate the growth of value-added products which could create self-sufficiency in capital goods and machine

A market scene in Segou in Mali, one of the French-speaking CFA African countries. France has purposefully encouraged the existence of uncompetitive and fragmentary mini-economies which are stuck in the primary extraction phase.

tools. This accentuated the dependence of the countries on France, which remained "the factory," and French Africa, "the farm," in the classical scenario of the center-periphery structural distortion.

Since most French Africans shop in France, study in France, holiday in France, receive medical treatment in France and have mortgages on real estate in France, all costs have doubled for them since they now require twice the initial amount of CFA francs to pay the same bills in French francs. All international transport fares have doubled, rendering it more and more difficult for the increasing number of economic refugees who have been flooding the French cities of Paris, Marseilles, Bordeaux, and Lyons, where African quarters are springing up, despite the rigid immigration laws of the Balladur government.

The prices of staple foods and consumer goods also doubled. Drugs, which are all produced by French pharmaceutical companies have become inaccessible to the average family, with a dramatic increase in the death toll and the upsurge in the popularity of sorcerers and charlatans, who offer doubtful "traditional African treatment" to the multitudes who can no longer pay hospital bills. The middle class in French Africa, which is made up of civil servants, lawyers, doctors, engineers, government functionaries, and teachers, has been completely obliterated. Average incomes in the civil services of most countries have fallen to the equivalent of $1,500 per annum. The drastic fall in standards of living in the urban centers has caused a mobilization of trade unions and opposition parties which are calling for wage increases. Riots have erupted throughout West and Central Africa, with students, workers, and militants of opposition parties clashing with riot police and paramilitary forces. The governments have reacted vigorously, repressing all protests, imposing bans, arrests, and detentions without trial, and closing newspapers, while World Bank/IMF "experts" advocate "strong political will," courage, and dedication in applying the adjustment measures. It has become clear that authoritarianism, and not democracy, is the flip side of the IMF and World Bank market reforms in French Africa.

Citizens reduced to unremitting misery

In the face of the devaluation which has aggravated the situation of the average citizens from that of poverty to unremitting misery, the governments have been preaching the "virtues" of devaluation, which, they say, will make foreigners buy more exports from CFA countries, while consumers in CFA countries are expected to buy less imports and to switch over to domestically produced goods. But CFA countries produce cocoa, coffee, bananas, rubber, and cotton, products whose demand is inelastic in the world market and could suffer from export quotas if their quantity is suddenly increased. Also, since the consumption patterns of the populations of the CFA countries have been outward-oriented for the past 30 years, imports have continued to be demanded in their initial quantities, particularly as the import-substitution industries are subsidiaries of French multinationals which depend heavily on the imports of spare parts and other industrial inputs. Even the meager foreign exchange earnings that could be acquired as a result of the devaluation are being squandered in the purchase of indispensable French consumer goods. The result has been an aggravated deterioration of the trade balances of these countries, since devaluation resulted in an immediate rise in the price of imports, which are sold on international markets in a forward contract basis.

All 13 countries have experienced sharp inflationary price hikes, since devaluation has increased the money supply; the IMF-World Bank requirement of drastically reducing government spending by laying off civil servants has thrown thousands of jobless middle-aged persons into the streets, and small businesses have folded up, because few people are rich enough to buy consumer goods. The structural adjustment-induced unemployment has increased the drug and organized-crime rackets, with Europeans, and especially Frenchmen, becoming the target. (In the Central African Republic, the German ambassador was seized in a suburb of the capital, and molested and robbed.)

After three months of misery, the people of French Africa have seen the hollowness of the soothing promises of better export earnings from primary products, as well as the inadequacy of the IMF-World Bank dole. The IMF is justifying the failure of its policies in Africa under the subterfuge that its programs are half-heartedly and poorly applied. In its recent publication, *Adjustment in Africa: Reforms and the Road Ahead* (March 1994), it tacitly admits that Africa needs about 40 years to attain the standard of living it enjoyed in the 1970s.

The devaluation has destroyed the way entrepreneurs think: Instead of thinking of organizing production, designing new products, and developing market strategies, they are now preoccupied with getting financing to hedge against the next devaluation (that of the French franc is being rumored) and making high profits from the speculation that comes with devaluation and inflation.

French Africa has failed to take cognizance of the fundamental criteria for competitive economies, namely, the establishment of democratic governments in an integrated environment that generates economies of scale, thus developing a strong productive capacity, through the building of physical infrastructure and industrial machinery.

In the face of such bleak prospects for African economies, the French are gradually pulling out into eastern Europe and Vietnam, leaving their "overseas territories" to stumble into barbarism. Philippe de Baleine, the editor-in-chief of the French weekly magazine *Paris-Match,* said in its European edition that France prefers Vietnamese, who are "hardworking and intelligent," to Africans, who are "lazy, fraudulent, and have corrupt governments which embezzle investment funds and send their armies to loot foreign businesses."