

Regional Study for Development Assistance  
to Sub-Saharan Africa

**SUB-SAHARAN**  
**AFRICA**

February 1991

Regional Study Group  
for Development Assistance to Sub-Saharan Africa  
organized by the Japan International Cooperation Agency

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This paper is based on the discussion and findings of the Regional Study Group for Development Assistance to Sub-Saharan Africa organized by the Japan International Cooperation Agency (JICA). The views expressed in the report are those of the members of the Study Group and do not necessarily reflect those of JICA.

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## Foreword

About seventy percent of the least less-developed countries of the world are to be found among the forty-six countries of Sub-Saharan Africa. Aggravated by a high population growth, the development problems of the countries in the region are expected to become even more difficult in the near future. Ever since the early nineteen sixties, when most of them became independent, Sub-Saharan countries have strived to achieve autonomous development, in which endeavor the industrialized countries have cooperated generously on confessional terms. However, due to historical, political, geographical and climatic factors, the results have been far from satisfactory, and the majority of the inhabitants still are in the state of absolute poverty. The experience of the cooperation by international agencies and donor countries show that the numerous and complex problems of the region make it difficult to devise effective assistance to overcome the problems in a short timeframe. In view of the seriousness of the plight of the inhabitants of the region, aid to Africa has become a major concern for international organizations and members of the Development Assistance Committee of the Organization for Economic Cooperation for Development. Although its involvement in Africa has been heretofore limited, Japan now has the urgent obligation, on humanitarian as well as global solidarity grounds, to reinforce its assistance to African countries to cooperate effectively towards their autonomous development. It was at this juncture that the present study group was formed in February, 1990, at the initiative of the President of the Japan International Cooperation Agency (JICA).

I have the honor of presenting the attached report, which is the result of the group's discussions and a series of fact-finding missions, over a period of eleven months, on the present social and economical state of Sub-Saharan Africa, and its development problems, as well as the direction and issues of future Japanese assistance to these countries. Throughout this period, the group benefitted from the invaluable support of a JICA task force.

In preparing the report, the group put the emphasis on forming concrete recommendations, and has consciously refrained from discussing the issues of democratization, human rights, or the problem of South Africa, although obviously, they are pertinent factors to be considered in the implementation of Japanese assistance to Africa.

The group hopes that this report will be a contribution towards a more effective Japanese assistance to African countries.

February, 1991

Regional Study Group for  
Development Assistance to  
Sub-Saharan Africa  
Chairman: Masaya HATTORI



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# **I. Challenges of Japanese Development Assistance to Sub-Saharan Africa**

## **1. Key Perspectives on Development of the Countries of Sub-Saharan Africa**

### **1-1. Present Situation and Problems**

#### **1-1-1. What is "development"?**

The term "development", in the context of the "North - South" problem, means the attainment of growth in the basic of the deliverance of the inhabitants from absolute poverty, the establishment of their self-respect and the respect for their freedom.

#### **1-1-2. The present situation of Sub-Saharan Africa**

Sub-Saharan countries experienced satisfactory growth in the nineteen-sixties, when most of them became independent, favored by the international economic environment of the times and the assistance from industrialized countries. Although the assistance from the industrialized countries continued to increase, in most of the African countries growth stagnated after this initial period, due to the changes in the international economic scene and to factors indigenous to the African countries themselves. In the recent ten years, the per capita national income has declined due to the failure of production to increase, sporadic famine has become prevalent, and the degradation of the environment is progressing at an accelerated pace. Due to the failure of the economy to grow, the debt service is becoming an intolerable burden in a number of countries. Development assistance to the African countries has been much more

generous in terms of per capita amounts and the concessionality of the conditions, than the assistance accorded to other developing countries. The fact that the majority of the inhabitants of the African countries are poorer now than at independence, in spite of the generous foreign aid, indicate that in addition to the problems peculiar to Africa, the development policy previously adopted and the development aid heretofore accorded were not effective in realizing their development objectives. In reinforcing its assistance to Africa, Japan should avoid repeating past mistakes, and ensure that the aid accorded is effective in realizing development. This is an obligation, not only to the Japanese taxpayers, but also to the inhabitants of the African countries.

### **1-1-3. Past development assistance**

Until the end of the second world war, the majority of African countries were colonies of European countries, and were administered mainly as providers of raw materials to industries of the colonial power (the metropole), and as markets for the manufactured goods of the industries of the metropole. However, the cost of administering the colonies had been always very heavy for the colonial powers, and, after the war, became prohibitive for their enfeebled economies. This was one of the reasons the colonial powers acceded to the demand for independence of the colonies.

At independence, the African countries were burdened with the legacy of the past, namely, on one hand, factors peculiar to Africa, such as a weak national unity basis due to artificial borders and tribal differences within the country, and on the other, a colonial economic system, the features of which were the emphasis on the production of the primary products for the metropole industries, the

dependence on manufactured goods imported from the metropole, excessive dependence on imported food by the "modernized" urban population and the workers employed in the production of primary commodities, the neglect of the internal and regional market, the resulting dual structure of the economy, and a weak public finance base necessitating permanent public financial support by the metropole. The internationalization of the financial support to the colonies which the metropoles could no longer continue was the origin of (international) development assistance. The International Development Association (IDA) was created as its financial institution, extending to developing countries no-interest long-term funds financed by the contributions from industrialized country governments. Development assistance was recognized as an important agenda item at the United Nations, and a number of UN agencies were created for this purpose, notably the United Nations Development Programme. Further, the Development Assistance Committee (DAC) of the Organization for Economic Cooperation for Development (OECD), was established as the industrialized countries' forum for consultation on development assistance. Assistance to Africa from the former colonial powers was continued through the retention of colonial officers in the form of technical assistance, and the financial support was continued and increased, albeit with a declining share in total aid. In the case of France, which had had a large number of African colonies, a further step in the internationalization of aid was made through the Yaoundé convention and the several Lomé Conventions, between the members states and institutions of the European Community on one hand, and the Africa, Pacific and Caribbean countries, on the other.

Even after independence, African countries were still under the strong influence of European countries and the United States, and their development policy was based upon the development theories current in those industrialized nations. The prevailing theory in the years immediately following independence was what was known as the approach of the stages of development. Under this approach, development was defined as the transition from the traditional society based upon agriculture to a modern society based upon industry, and it was assumed that the transition could be accelerated by the infusion of foreign capital to cover the shortage of domestic savings. The majority of African countries followed this approach, and on one hand they reinforced the production of primary products to increase foreign exchange earnings, while on the other, some countries embarked upon industrialization, mainly in the fields of import substitution or the processing or refining of mineral products. Foreign aid, in support of the policy of African governments, was mainly directed towards infrastructure and construction, as well as the provision of necessary technical assistance in these fields. The optimistic expectations of the times on accelerated economic development through economic planning, supported locally by the former colonial officers who remained as technical assistance, and internationally by the ex-colonial technicians who were influential among the staff of international organizations, and combined with the inexperience of the African public service, caused the economic management of African countries to be heavily led by government, or managed by government, with much government regulation and intervention. Further, the projects undertaken frequently were of a scale that exceeded the capability of African countries, whether for execution or for administration and operation after completion, and

often involved massive civil engineering works. The International Monetary Fund and the World Bank, on their side, tended to treat the individual African countries each in isolation, which, combined with the African governments' haste to consolidate national unity, resulted in the strengthening of border control, to the detriment of inter-African trade which existed in the colonial days, thereby accelerating the process of the Balcanization of Africa.

These policies resulted in the non-economical use of investment resources, including foreign aid, and the reinforcement of the economic dualism of the national economies. The economic system lost further its flexibility, making timely adjustment to changes in the international environment extremely difficult if not impossible. Economic activity stagnated and declined. As a result, the tax base deteriorated, while the foreign debt service became an additional burden. The net result was an aggravation of the poverty of the inhabitants.

With the internationalization of support for the former colonies, a number of countries without colonial experience, such as the Nordic countries and Canada, started to participate in development assistance. Their aid personnel were new to Africa and to the job, and extensive use was made of non-governmental organizations. These people had no interest in defending the old colonial system. On the other hand, the aid personnel of the ex-colonial powers also changed as the former colonial officers ceded place to a new generation. The new aid personnel viewed development policies and foreign aid from a fresh viewpoint, and saw that previous foreign aid had not been effective in attaining the development objective, and that in many cases the benefits went to a privileged minority but not to the inhabitants as a whole. A re-assessment of development policy and

foreign aid took place, as a result of which, basic human needs and absolute poverty became the major concerns. More recently, Reaganomics and Thatcherism produced a collateral movement in development thinking, stressing the reduction of government intervention in the economy, and the utilization of the market mechanism and the mobilization of private initiative. At the same time, the environment has become an urgent topic of development policy for Africa, in the background of growing concern for the global environment, and the new awareness that the recurrences of food shortages in the continent has environmental degradation as one of its causes.

Also on the side of African governments, the previous development policies, based upon Euro-American paradigms or on socialist models, are being questioned, and a number of African political and intellectual leaders are advocating the preparation of an African development model in which intra-Africa cooperation and exchange is promoted to reduce excessive dependence on markets in the industrialized countries, and where the development effort is based on private initiative through the active participation of the inhabitants in development. Many of these leaders wish to learn from the Japanese experience to develop and implement this alternative model. Japanese assistance to Africa should respond to the desire of these African leaders, and be in line with the current thinking on development assistance.



## 1-2 Key Perspectives

### 1-2-1. Dealing with the past

The present difficulties of African countries are the direct result of the economic policies adopted and continued since independence. It should be admitted that these policies were to a large extent adopted on the basis of advice by donor countries and international institutions. It is therefore important to devise and implement aid policy on the recognition that the primary responsibility for development policy aiming at the autonomous development of the inhabitants rests with the African governments.

The foundation of development assistance is global solidarity. This implies cooperation, not only between Japan and the receiving countries, but also between Japan and other donor countries and international institutions. Donor cooperation is particularly important in the case of Africa, where Japanese involvement and experience has been limited. This does not mean that Japan should follow blindly the assistance methodology of countries or institutions more experienced in Africa. For instance, the structural adjustment programs recommended by the International Monetary Fund and the World Bank could be criticized on the following points:

- (1) While devaluation could be an effective measure to restore the economy's internal and external balance, there seems to be inadequate recognition of the fact that the mere discussion of a possibility of a devaluation could provoke capital flights as well as inhibit foreign investment, negating the measures taken to encourage the inflow of private foreign capital. Further, an isolated devaluation by a country which was a member of a monetary union could carry the cost of negative effects on trade

with other member countries, impeding rather than promoting the reinforcement of intra-African trade advocated by a number of African leaders.

- (2) In some instance, the cost of retrenchment of public finances is borne disproportionately by the weaker members of the society.
- (3) The emphasis on reduction of government intervention, is not adequately balanced with the preparing for the new role of government for identifying and developing new markets, the building of the required infrastructure, or for creating an environment enabling the activation of private initiative.
- (4) The recommendation that priority should be given in infrastructure investment to the repair and rehabilitation of existing facilities rather than on new projects, could result in reinforcing the infrastructure for trade with the metropolises, while continuing the neglect of infrastructure necessary for the development of the internal and regional market, which has to be expanded.
- (5) Inadequate direction is given for the long term change of the production structure that would assure new development.

Japan should seek improvement of these points through a better dialogue. Especially, the Japanese experience in modernizing its economy in a short period could be helpful for the change in the production structure. Further, Japan should help in the development of the internal market, the restoration and expansion of regional trade, and the necessary multi-national projects. These areas have been relatively neglected in previous foreign assistance. Further, in view of the fact that the weak financial basis of African countries has been aggravated through the decline of production consequent to the errors of past development policies and to changes in the

international economic environment, Japan should provide development-effective assistance on a long range basis on concessional terms, and devise means to effectively reduce the debt service burden.

### **1-2-2. Development at a dead end**

Almost all of the Sub-Saharan countries were in extreme economic straits in the nineteen eighties. The deterioration started from the oil crisis in the previous decade, in a manifestation of the vulnerability of their economies to outside shocks.

The foreign trade dependence of African economies is extremely high, with exports concentrated in a small number of primary products for industrialized countries. From 1973 on, the world prices of these primary products started to decline, due to the fall in demand coming from the recession in the industrialized countries. In fact, African exports declined at an average annual rate of 5 percent between 1973 and 1983. At the time of the first round of oil price increases, the oil-producing countries like Nigeria, Gabon, Congo, Angola and Cameroon benefitted from increased foreign exchange earnings, but the majority of African countries, who were not oil producers suffered from an increase in production costs. Especially, the landlocked countries were seriously affected by the increase in transportation costs. Subsequently, the rapid advance of resource-saving technology in the industrial countries, provoked by the steep increase in oil prices, resulted in a structural decline in the world demand for the primary products exported by the developing world, especially the African countries. While south East Asian countries succeeded in maintaining export earnings by increasing the volume exported, countries in Latin America and South Asia suffered from a decline in

their export earnings as volume increased only marginally. In the case of Africa, however, volume declined in most countries, as a result of which their share in world exports of these products declined, and their exchange earnings fell dramatically.

The oil-producing countries of Africa, at the time of the initial oil price increase, embarked on an ambitious investment program of infrastructure building and industrialization, and borrowed heavily on the world financial markets at high rates of interest to supplement domestic savings. When oil prices fell in 1982, their foreign reserves were rapidly depleted, and foreign debt increased rapidly.

In addition, severe droughts struck Africa in 1973-74 and in 1983-85. These calamities, combined with a number of human factors, caused wide-spread famine. This incited a reassessment of the previous policies that had, on one hand, neglected effective measures for the peasant population to increase agricultural production, especially price incentives for increased food production, and on the other, invested a large part of government resources in large scale import substitution industries without much results.

Recently, the scarcity of human resources in the field of management and science and technology are being recognized as one of the main development constraints for Africa. In Africa, modern technological systems often are imported through foreign aid. It happens frequently that the expected results are not attained due to improper operation of these unfamiliar systems, or through frequent breakdowns caused by the neglect of proper repairs and maintenance. One of Africa's potentials lies in its human resources. The present population in Africa, estimated at around five hundred million, is expected to grow to more than one billion by the year 2020. This population increase will be an obstacle to the liberation of the

inhabitants from absolute poverty so long as the present production system is maintained. The challenge is to make the human resources a motive factor for development, by improvement of health, popularization of family planning, generalization of basic education and changes in the productive system.

### **1-2-3. An African model for development**

One of the main reasons for the failure of development policy in Africa, seems to be the fact that there was an inadequate grasp of African realities, on the African as well as the donor side. For instance, the donors seem to have implicitly over-estimated the degree of national unity of African countries. African reality is that the social relationships do not have national governance as the underlying base, but are a complex network of co-existing relationships of an economic life style based upon an indigenous benefit-sharing system and a production attitude stressing stability rather than growth, a traditional social system based upon local and blood affinity governed by personal trust, and the emerging relationships between the state and individual. Moreover, there are the relationships dating from the colonial period that transcend the national boundaries, deriving from language, common monetary and free trade zones, or from geographical reasons. African development should be considered in the framework of a harmonious fusion of these complex relationships. In the formation of national unity, care must be given not to neglect the trans-frontier economic relationships, which if properly exploited, could become an important factor for African development. It should be acknowledged however, that it is perhaps premature to count much on ambitious organizational initiatives such as the idea of an economic community

of Africa for collective autonomous development, which figured in the Lagos declaration of the Organization of African Unity, in view of the fact that little progress in implementation has take place due to the various political problems of the member states. A more modest but realistic approach would be to support cooperation between neighboring countries.

The issues to be considered in African development are, a bottom-up approach to development through participation of the inhabitants, the elimination of the dual structure of the economy by rural development, reduction of excessive dependence on the traditional primary products, development of the internal and regional market, development of appropriate technologies, human resource development, and the improvement and protection of the environment.

## **2. Direct of Japanese Aid to the African Countries and Issues**

### **2-1. General Direction**

#### **2-1-1. Basic principles**

##### **(1) Rationale for aid**

While there are indigenous reasons for the present poverty of the inhabitants of the countries of the "South", the sad state of African countries derives in no small part from the fact that historically, the majority of the countries were, until the nineteen-sixties, colonies of the countries of the "North", and those who were not, were economically, in a state of strong dependency on the North. In the case of the African countries, this dependency has been maintained after independence, and in the case of some, even reinforced. This excessive dependency has been a constraint on the autonomous development of these countries.

The present world economic system of free exchanges is an effective system from a global viewpoint, but the distribution of the benefits is not equal, as the concentration of capital and technique in the North works to their advantage. Further, for historical reasons, the management and the operation of the system sometimes does not adequately consider the interests of the countries of the South.

These factors, originating from historic or given economic conditions, or rooted in established institutions or convention, can be corrected only over time, during which, the assistance to the South from the North will be required to alleviate the heavy burden borne by the countries of the South, and to help them start on the way to autonomous development. It is an international obligation for Japan, as one of the countries of the North that benefit from the advantages

of the present system, to assist the countries of the South, who cannot benefit fully from the present international system. Japan has few vested interests in Africa. Further, it has succeeded in a short time in the transition from a developing to an industrialized country while becoming an affluent but classless society. As such, Japan should be able to make an important contribution to Africa, where the poorest countries of the world are concentrated, and where the countries are confronting the problem of socio-economic structural adjustment in the broadest sense. Participating actively in assistance to African countries is an important international role for Japan, whose desire is to ensure global peace by strengthening international solidarity.

## (2) Direction of aid

Since it is the Japanese population who bear the burden, Japanese aid must contribute to the realization of the ideals of the Constitution, namely, the maintenance of peace in the framework of international solidarity, democracy, and the respect of the dignity of the individual (or freedom). Based upon these principles, Japanese aid should draw on its experience in modernization, and be in line with the re-thinking of development by African leaders, and with the current orientation of international development assistance.

The primary responsibility for development policy rests with the African government, and in according assistance, the views of the responsible persons in the receiving government should be respected, so long as they are in accordance with the aforementioned principles. Inasmuch as the inexperience of African governments is a major constraint on development, it is necessary to provide assistance to improve policy formation and implementation. However, development policy is essentially a question of allocation of scarce resources to priorities, the determination of which is the



responsibility of the African government. Therefore, the selection of aid projects must be in line with the government's development policy. It is necessary to strengthen the dialogue with the government so that a more effective development policy may be devised, and through this dialogue, consult on the selection of projects and the allocation of resources.

African countries now face the problem of structural adjustment in the broader sense, for the transformation of their productive structures to reduce dependence on the North, and for the change of the development policy to one based upon the activation and mobilization of private initiative. Japanese assistance must be directed toward support of these broader structural adjustment programs. The priority areas for the increase of production are the autonomous development of peasants who form the majority of the population, and the development of small and medium sized enterprises in commerce and industry. In order not to repeat past mistakes, the dialogue with the governments should be strengthened to activate and draw out the initiative of the inhabitants. Therefore, while assistance should be given only when requested by the government concerned, the development dialogue should be maintained from the stage of the formation of the development plan, so that assistance requests are made for projects that are development-effective, are consistent with the development policy, and are harmonized with assistance from other sources.

Especially, in view of the current trend towards stressing private initiative, Japanese aid must be of a nature that respects the interests of the inhabitants, and promotes their autonomous development initiative by their voluntary participation. Further, in line with the 'African leaders' interest towards economic

development of the African region through cooperation between the African states, assistance should be given to support their dialogue and cooperation.

Finally, Japan should coordinate its assistance with other donor countries and international institutions, to ensure overall assistance effectiveness. Donor cooperation would reinforce the bilateral relationships between Japan and the other donors, and contribute to the enhancement of international solidarity.

### (3) Priority areas for Japanese aid

The concrete priority areas for Japanese assistance would be determined within the framework of each country's development policy. Here, mention will be made of the areas to which, generally speaking, Japanese aid should be directed. These areas are rural development, small and medium sized commercial and industrial enterprises, infrastructure, human resources, health and medical care, and the environment.

#### (a) Rural development

Development of the agricultural sector is the priority in the development of rural areas where eighty to ninety percent of the African population live. This task should be approached through improving farming of the lots cultivated by families, which account for the majority of rural households, to lay the way for autonomous growth of production. Peasant farming constitutes the basis of African agriculture, and has the features of stable production, technologies adapted to local conditions, labor intensiveness, low dependency on imports, and egalitarian income distribution. The modernized growth of peasant farming would contribute to the alleviation of the dual structure of modernized cities and traditional rural areas. For agriculture to

develop, it is necessary to introduce pricing through the market mechanism, to design growth oriented farming systems, to provide improved species and fertilisers, and to create research and development facilities serving that end.

One problem in African agriculture is the post harvest loss. Therefore, processing and conservation facilities have to be installed, and the system for moving goods has to be reformed. The improvement of warehousing and the transportation systems together with the harvest collection system are the urgent tasks. The improvements should be approached in an autonomous way, such as the facilitation of the spontaneous entry and participation by the peasants in these activities, or support to the spontaneous formation of cooperatives.

Further, in addition to measures for the growth of agricultural production, the development of rural manufacturing is also important, to process farm products, to produce agricultural inputs and consumer goods necessary for daily life in the rural areas. This is an area to which African governments attach much importance.

(b) Small and medium sized industries

As rural production and income grow, the domestic market will emerge and develop. This in turn will induce the emergence of related industries, such as the manufacturing of agricultural inputs, processing of farm products and the production of consumer goods for the inhabitants of rural areas. The most important of these industries is the import substitution manufacturing of consumer goods for the general population, and a number of these industries could eventually develop export capabilities.

A number of African leaders rightly put the emphasis on the development of small and medium sized industries, including the abovementioned rural industries, which can be started and operated by the local people. Especially, those industries that use local material, that are labor intensive, employ locally proven techniques and are export oriented, have an great impact on the local economy. Further, in addition to these rural related industries, there are those small and medium sized enterprises that serve large industries. These enterprises perform an important role in the industrialization and the elevation of technique. However, the priority must rest with the rural industries in order to achieve rural development and to eliminate the disparity between the urban and rural areas. The development of small and medium sized industries will require the relaxation of government regulation and the improvement of the provision of financial services.

(c) Diversification of exports

One of the weaknesses of African economies is the extreme dependence on exports of primary products to the industrialized countries. The world market for these products is in structural decline, causing a worsening of terms of trade of the African countries. The development of new export goods and the facilities for their export is an urgent task. This is a field where Japanese and Asian experience could be helpful.

(d) Improvement of the system for the movement of goods (commerce)

The underdevelopment of this sector is another of the major constraints to African development. The infrastructure and the system for the movement of goods that was developed during the

colonial days were heavily oriented to the export sector, and the infrastructure and systems for domestic commerce and for exchanges with neighboring countries was neglected. Therefore, the development of commerce and a system for the movement of goods in the interior is necessary for the rural areas to become linked to the localities where local industries are developing.

In developing the interior market, it is important that attention be given to the proper functioning of the market mechanism, by taking measures for the correction of the distorted price system, the elimination of monopolist elements in the collection or "marketing" system, and improving the dissemination of market information.

(e) Physical and social infrastructure

To realize these policy objectives, an adequate infrastructure must be put in place. This includes not only physical infrastructure, in the form of a road network, communication, electricity and water facilities, but also social infrastructure in the form of education, health and medical care.

(f) Human resources

A special effort is needed to develop human resources to take up the task of rebuilding the nations in accordance with the new development policies. This is true in almost every field, such as administrative and planning skills, technical and technological capabilities, research and development abilities, or management competence. Especially needed is the development of practical skills in the private sector, where productivity, technical level and management could be drastically improved by the formation of managers, technicians and craftsmen for agriculture and the small and medium sized industries.

In the long term perspective, a wholesale reform of the education system is essential, and should be clearly identified as an priority item for assistance. Further, the enhancement of the capabilities of women is important, if only for the fact that they play an important role in rural development, and this should be attacked from the productivity side as well as from the welfare side.

(g) Health and medical care, and population

Health and medical care are important for human resource development, and more basically for family planning, nutrition and the health of mothers and children. In Africa, there are many people, especially in the rural areas, who do not have access to proper preventive treatment or simple curative services. Therefore, a formation of a network of primary health care, including inoculation and simple medical care, should be installed to cover the entire country, and at the same time, an enlightenment program for family planning for the general population should be instituted as well as including the subject in the education for the younger generation. Also, in view of the fact that the chronic shortage of doctors and other medical manpower is the major problem in the enhancement of medical care, a wholesale reform should be effected, including the improvement of research facilities and the improvement of their salaries and treatment.

(h) Environment

Research and popularization activities for the conservation and enhancement of the productive power of land should be instituted as an important element for sustained development. The reforestation by the rural population of their vicinities is a

very effective measure for the protection and improvement of the environment. In the Sahelian countries, it is an essential task to counter desertification.

## **2-1-2. Implementing approaches**

### **(1) Assistance to the preparation of development plans**

An appropriate development policy is a pre-condition for the realization of fruitful development. African countries presently need to carry out a complete reform of their economies. Thus, their development policies cannot be a simple collection of individual policy measures as is the case in other developing countries, but have to start from the positioning of their countries in the world of tomorrow, and the defining of the desired picture of their societies and economies in that framework. This has to be followed by the determination of the policies for its realization, and then by the decision on their implementation, including the sequence, the method, the organization, the necessary resource mobilization, and the execution and operation of the projects. The new vision for the country is a matter for the African government to decide. However, they also require advice and technical assistance in its realization, which calls for a high level of economic expertise and technical knowhow. In order to actively meet this need, it is necessary to strengthen the policy dialogue with the government, to facilitate a request for assistance when needed, and to provide high level experts in response to the requests when made. This policy involvement would ensure the consistency of Japanese assistance, internally between various projects, with the government's strategy, and with the assistance by other providers of foreign aid, and contribute to an

overall enhancement of the effectiveness of foreign assistance to the country.

(2) Support to the structural adjustment programs

The government-led development policies adopted by the majority of African countries since independence and the resulting growth of government managed and operated sector, have given rise to various obstacles to development, such as distortions of the price structure, the discouragement of the growth of private enterprises, especially of small and medium sized businesses, low economic efficiency and the loss of flexibility to adapt to changes in external economic conditions. The structural adjustment program seeks to eliminate these development constraints by reestablishing the economy on market principles and improving the efficiency of the government and the government managed sector, through relaxation of regulation and a review of price policy. However, the previous structural adjustment programs tried to achieve in a very short time-frame, objectives that could be realized only over a long period. As a result, various side effects have surfaced, especially in the drastic cut in education, health and medical care services. The structural adjustment program hereafter should be continued on a long range basis, by positioning it within the long term development framework of the basic transformation of the country's productive structure and the growth of production, while containing the social costs of the adjustment.

(3) Repeatable model approach

In assistance for a defined area, an approach that creates a model core, where development activities in several sectors are grouped, is effective in spreading the development effect to the whole area. The zone should not necessarily be a place where modern technology or



investments are concentrated. Rather, the zone should be conceived as a place for introducing, experimenting, testing and propagating of new or improved techniques, which are usable over the whole area, and are compatible with the local natural and social environment.

(4) Appropriateness of project size

In assisting African countries, most of which are among the least developed countries of the world, special attention should be paid to avoid unduly large projects that might have severe impact on the social and natural environment, or which could run into maintenance, management and operating (including the financing of recurrent costs) problems after completion. When preparing the development plan, projects of the appropriate size must be identified and designed, which are within the absorptive capacity of the inhabitants and the civil service.

(5) Mobilization of savings

Investment is necessary for development, and savings are necessary for investment. In African countries, savings available for investment are inadequate for the country as a whole, which necessitates the provision of foreign funds, in the form of development assistance or foreign private investment. However, the attainment of autonomous development over the long term requires the mobilization and the growth of domestic savings alongside with the import of foreign funds. Especially, for the success of development coming from the spontaneous effort of the inhabitants, it is necessary to increase and mobilize domestic savings and to provide credit to them autonomously and expeditiously. In designing Japanese aid projects, attention should be given to this aspect of development.

(6) Support for regional cooperation

In spite of the diversity of economic size and political structure, and the general weaknesses of their political bases, there are a number of cases where several countries share similar problems, for instance, those arising from the same tribe inhabiting areas that span across national boundaries. Recently, problems that cannot be adequately solved by action at the national level alone are on the increase. Typical of these are the problems of environment, refugees, communications and transport. These problems require cooperation at the regional level. In extending Japanese assistance beyond the individual countries to regional institutions, a judgment must be made as to whether the institution contributes to the political stability and the economic development of the region, and an evaluation must be undertaken as to whether the organization is functioning effectively while balancing the diverse interests of the member countries. Then there must be a consultation with other donors for the assignment of the Japanese role for each institution and each priority sector.

(7) Support for regional research institutions

The management of the African Development Bank has proposed the creation of an African Endowment Fund through international contributions. The income of the Fund would mobilize African intellectual resources, now dispersed over the continent, for African development studies and policy recommendations. The Fund would finance additional research positions at the Bank headquarters and at a variety of research institutions over Africa, to study African development problems, and to make balanced and objective "African" recommendations for development policy. This seems to be a project that would merit Japanese support.

It should be noted that the World Bank staff have also proposed a center for the development of African capabilities in the formation and execution of development plans, and the Endowment Fund proposal could be integrated into this initiative.

(8) Support for South - South cooperation

One of the most important points in assistance to Africa is the selection of the level of technique. Since there is a wide disparity between the levels of industrialized countries and the African region, it is often more effective for industrialized countries to assist in the importation of the techniques and experience of other developing countries, rather than introduce their own advanced techniques. This South-South cooperation is especially effective in cases where the appropriate technology is no longer used in the donor country and where there is no one to transmit the techniques. This method has the additional advantage of providing benefits to the developing country furnishing the techniques, and should be actively explored in Japanese aid in the future.

(9) Aid coordination and cooperation

In spite of its late entry into international development assistance as a donor, Japan is now providing aid to a wide range of countries in a relatively neutral manner, and is furnishing large amounts to international development institutions. Japanese assistance to Africa is expected to increase hereafter, although Japan has few special interest there, apart from the general concern for international solidarity. Japanese disinterestedness however, carries the weakness of the lack of knowledge and experience of Africa. Cooperation with other donor countries and institutions would be the expedient means to overcome this weakness and to enhance the effectiveness of Japanese aid to Africa.

(10) Support for the new role of government in Africa

The shift from government-led and managed development policy to one that relies on private initiative implies a drastic change in the role of government. However, this change will be a difficult task, as it involves a philosophical transformation of the public service, long accustomed to the percepts of the old colonial administration, which have prevailed until recently. Further the acquisition of the new techniques needed for the new role of government will take time and effort. Japan should support the implementation of this task through its assistance, and an effective way would be to participate actively in the program initiated by the World Bank.

### **2-1-3. Points requiring attention in the implementation of Japanese assistance**

The following points need attention in the implementation of Japanese assistance to Africa:

- (a) Sustainability
- (b) Ensuring the long-range usefulness of the natural and human resources
- (c) Development and introduction of appropriate techniques
- (d) Protection and nurturing of the environment
- (e) Spontaneous participation by the inhabitants and support of local bodies
- (f) Avoid imposing policies or thinking based only on Japanese logic, but earn understanding and trust through sustained dialogue with the receiving country as well as with other donors.
- (g) Effectiveness, since Japanese aid resources are not limitless.

## 2-2. Foreign Assistance Issues

### 2-2-1. Increase of agricultural production

Agriculture (including livestock raising) is the most important employment and production sector in Africa, as it provides livelihood for more than seventy percent of the population, and in many countries, produces the largest part of gross domestic production and accounts for a predominant share of exports. In recent years, however, per capita food production has declined in many countries, as food production has not kept up with the high rate of population growth. Therefore, the increase in agricultural production is an absolute priority for the economic improvement of the African population, and the social and political stability of the countries. The issue is which sector of agricultural production should be increased, and how.

Agricultural production can be through extension by increasing the acreage under cultivation, or intensification by raising the production per acre of land cultivated. Land use for agriculture in Africa is very low, and the production per acre cultivated is only about one tenth of Japan. The low extensivity and intensivity of African agricultural production is due to a number of constraints, but this implies that the possibility for increasing production is great if those constraints could be overcome. First, a review of the possibilities from the technical, economical and policy side will be undertaken, followed by an expose of the future issues.

#### (1) Increase through extension

The biggest constraint for the extension of land under cultivation is water. Due in part to the abnormal climatic conditions of recent years, African countries, especially those in the Sahelian area are

suffering from the shrinkage of arable land through desertification. On the other hand, countries in the tropical rain forest belt, such as Zaire, the inadequacy of irrigation facilities impedes the utilization of their abundant water resources for agriculture. The rich Japanese technical experience in water resource management could be helpful. In the past, water resource management projects in developing countries tended to center around irrigation projects involving large scale dams and canals. Recently, however, there is a growing awareness of the negative impact of large scale civil works on the inhabitants and the environment. It is essential that a thorough environment study be made for any large scale irrigation project.

Wells, water retention ponds, and small scale irrigation works are environment friendly. Being part of the African rural tradition, their construction can be effected through the participation of the inhabitants themselves, without tremendous cost. In addition, environment friendly irrigation schemes are those which use animal power, wind power and electricity, and small scale canals. The extension of irrigation schemes is essential not only for the extensive increase of agricultural production, but also for its intensive increase.

## (2) Intensification

The main direction for increase of African agricultural production through intensification, that is to say, the increase of production per acre, is the transformation from burn-and-sow type of traditional farming to the repetitive use of farm land. Burn-and-sow farming was a rational way of farming in African in the past. However, with the shortening of the fallow period, land productivity decreased, and it now has become a factor for environmental degradation. To replace burn-and-sow, or land-shifting farming with repetitive use of farm land, or stationary farming, an organic combination of planting and

livestock raising must be fostered. The planting of pulses for feed and green fertilizer, as well as the use of compost and stable manure would ensure the self provision of organic fertilizers for the enhancement of the productive power of land or the increase of production per acre. Other measures would include the introduction of new species and crops, and improvement of the cultivation method suited to the climatic and soil conditions of Africa.

### (3) Research, studies and development

Heretofore, Japanese assistance has tended to promote agricultural development relying on farm machinery, chemical fertilizers and pesticides, which African countries have to import. This approach has to be reviewed, not only for technological or economic grounds, but also from the viewpoint of protection of the inhabitants and the environment. New production methods, including the introduction of new crops and species suited to African conditions must be developed. For instance, the culture of pyrethrum should be reappraised as a source of degradable insecticide, which could have export potential as well. Further, the proper use of farm land requires the improvement of soil conditions, for which soil maps should be developed. Japanese assistance should not neglect research in these unglamorous but useful fields.

### (4) Family farming

African agriculture may be divided into two broad categories. First there is the specialized commercial crop farming principally for export crops, and secondly, there is the family farming by peasants, where the principal objective is the self provision of food.

Generally speaking, commercial crop farming is conducted on a large scale, with extensive use of machinery and chemicals. Labor productivity is high, but it involves the long term degradation of the

soil and loss of land productivity. In general, commercial crop farming depresses food production farming, furthers, the foreign dependence of domestic agriculture, promotes the rural exodus and the over-crowding of urban areas, becoming a cause for the decline in food production and rural society disruption.

African food production farming is conducted with traditional technology, using family labor. Under the pressure of population growth, and the increasing needs for cash income, it is now suffering from the vicious circle of shorter fallows - environmental degradation - declining soil productivity - harder work loads - shortage of labor - population growth.

In many African countries, the way to break the vicious circle and place the food production agriculture on the road to increasing production would seem to lie in inducing the family farms to combine agriculture and animal raising, and to combine commercial crop and food production on a small scale.

Further, the strong local bonds in rural Africa should be exploited to form associations or cooperatives of small peasants, to place the sales of farm products on an organized basis, and to serve as a vehicle for agricultural credit, should be effective for increase of agricultural production.

### **2-2-2. Industrialization**

Industrialization in Africa progresses from the initial import substitution industrialization for the national and regional market to rural and small and medium sized industries using locally produced raw materials, some of which start to develop at times export capability. Industrial development through the manufacturing of everyday necessities, agricultural inputs, and the processing of



agricultural products and so forth, in turn accelerates the development of the national and regional markets and strengthens the linkage of related industries, setting the scene for industrialization of a higher level. Especially, the production of farm inputs and goods needed in the rural areas contribute to agricultural and rural development, the priority development area, and the resulting increase in rural demand in turn creates a growing market for industries. The linkage between agriculture and industry promotes spontaneous and harmonious development. Further, industrial development is essential for the diversification of African exports, which are still predominantly in primary products.

(1) Development of small and medium sized industries

Small and medium industries play an important role in African industrialization. They are the main actors in light industries and rural industries. They employ local resources and develop appropriate technologies in producing goods needed in the inhabitants' daily life. They provide offer employment to a large number of workers, and play an important role in reducing the dual structure of the economy as they can locate in areas away from the major urban centers. The main fields are in metal goods, machinery parts, clothing, food and housing related goods and activities. Support to small and medium sized industries would include technical advice, credit, and the provision of needed infrastructure such as industrial parks, as well as lifting of government regulation. However, emphasis must be place upon the improvement of technology which is the most serious bottleneck in Africa.

(2) Utilization of local resources; recycling

Partly as a carry-over from the colonial days, African industries, especially the larger scale ones are heavily dependent on imports of

technique, parts and raw materials. They now are suffering from low operation and cutbacks because of the difficulties in procuring these inputs, due to the shortage of foreign exchange resulting from the decline in export earnings of the country. It is necessary to develop industries that use locally available resources to reduce the import dependency of the economy, promote import substitution and strengthen industrial linkage. The processing of agricultural, forestry and fishery product, pottery and ceramics, alternate fuel, construction material, furniture and processing of scrap metal would be fields that would meet this criteria.

### (3) Export industries

Although the development of non-traditional agricultural exports should not be neglected, the development of manufactured exports is essential over the long run. The development of exportable goods from existing industries, the fostering of small and medium sized export industries and the establishment of export promotion schemes are important areas for foreign assistance.

### (4) Promotion of local trade

The dual structure of the economy created in the colonial days has its manifestations in commerce. Commerce is fairly well organized for imported goods in the urban areas, but it is in a poor state for the interior, especially in the rural areas, which is more important, as it is where most of the population live. The commercial structure for the interior brings the rural areas into the national market through better commercialization of rural products and better provision of outside goods to the rural areas, an indispensable condition for the development of rural industries and the rural market.

#### (5) Technical advice

The greatest bottleneck for African industrial development is the technical problem, including machinery and equipment, maintenance and operation, and managerial knowhow. From the viewpoint of implementation of industrialization, this involves two issues. One is the introduction of new industries, and the other is improvement of existing industries. The challenge of the first issue is the identification of new industries appropriate for Africa, the introduction of machinery and equipment, the training of technicians for the operation and management, and firmly establishing it in the local setting. The second issue involves introducing new production processes, training of technicians and operators, management consulting, and advice giving tours. As a formal set-up, an industrial technical development center would be effective in technology transfer.

#### (6) Associations and cooperatives

Associations and cooperatives play an important role in industrial development, especially small and medium sized industries. They can be organized for within an industrial branch, or cross industry wise. The formation of cooperatives or associations grouping enterprises in the same industrial branch would facilitate access to credit by members, the collective procurement of inputs, and concerted action for the development of wider markets (including neighboring countries). Cross industry associations could be useful in industrial parks, for the use of common facilities, the establishment of common productive processes, the establishment of welfare facilities, and in certain cases, collective procurement and concerted sales. Also, export industrial zones merit attention for the promotion of exports.

### 2-2-3. Increase and mobilization of savings

Savings, which are essential for development, are increased and mobilized, through the increase of income, the monetization of income, and the installation of a system to collect and employ the savings. Improvement of the living of the inhabitants, which many African countries have rightly adopted as the development model, implies the increase of the income of the inhabitants, especially their monetary income. It has been widely assumed that savings are low in Africa. However, saving potential does exist. Peasants engaged in subsistence agriculture always plan, for security reasons, to produce more than required for their household and planting needs, and such excess production, when realized, is savings, in the sense that it is not consumed. The excess crop, however, is hoarded and then wasted through deterioration, or consumed by the household after simple transformation into beverages or other forms. If this excess production could be monetized, it would become available as development resources. When the monetary income of small subsistence peasants increases, a large part of the incremental income is usually used for the purchase of farm implements, tools and improved seeds, for the improvement of housing, or for bringing their meager cash holdings up to a more desirable level, rather than for increased consumption. Therefore, the first priority is to create institutions that provide safe-keeping services for these cash holdings that should continue to increase. The autonomous development through inhabitant participation implies spontaneous investment by the inhabitants, which in turn requires accessible credit facilities for the expeditious provision of credit for development purposes to the inhabitants. The prevalent criticism that the existing formal financial institutions in Africa are not accessible to the majority of

the inhabitants, and that the requirements for collateral are too strict to be met by them, indicates the need for a new institution that serves a wide range of inhabitants. The first requirement for the institution that accepts savings from the inhabitants, and provides development credit to them, is accessibility. Secondly, the conditions of the credit, especially the means to secure repayment, must be realistic as well as effective. In this respect, it should be recalled that liens on physical property, which is normally required by conventional banks, is not the only instrument for repayment assurance. Rather, personal guarantees can be equally if not more effective in Africa, given the strong ties of personal trust in the traditional societies. In some African countries, there is a traditional system resembling the Japanese "KO", where a group of people constitute a pool of regular contributions, with the members having use of the pool by rotation or by drawings. Further, there are several successful cases of new institutions under such names as popular banks, rural banks or cooperatives. In providing Japanese project assistance, efforts should be made to support the improvement of the credit system through the strengthening of the provision of credit to small and medium sized enterprises by existing financial institutions, the institution of a credit guarantee system, the active use of hire-purchases and the formation of cooperatives. Further, in those projects aimed at the development of small peasants and enterprises, the formation of local savings and credit institutions that respond to local needs and conditions should be encouraged, drawing from the successful experience of other African countries, and provide them with financial and technical support, either directly or through the central bank.

#### 2-2-4. Human resources development - Education

Education, health and women in development constitute the three main fields of human development. The enhancement of the role of women in development and the furtherance of their welfare are matters that should be considered in every field of development policy, rather than as a sector problem. This paragraph will discuss education and touch upon women in development, while health will be discussed in the following paragraph.

The major constraint for education in Africa is financial. The distribution of the limited financial resources is disproportionately skewed towards higher (university) education, aggravating the overall difficulties of education finances. On the other hand, elementary and secondary education, which is more important for development, are still in a backward state. Accordingly, the priority in foreign assistance to African education should be placed on basic education.

Basic education concerns the very foundation of the country, and therefore should be a matter for the effort of the country itself. However, the present financial straits of education in Africa makes it imperative for Japan to assist in elementary and secondary education, including financial help where needed. The pressure on basic education comes from the rapid increase of children arriving at elementary school age, due to the population increase of 315 to 4 percent per annum. This causes not only overcrowding of classrooms, but also the formation of numbers of school age children who cannot attend school. As teachers' salaries account for seventy percent of the education budget, the building of new schools or new classrooms is next to impossible. In this difficult situation, waste and inefficiencies

such as drop-outs are prevalent. Measures must be devised to correct these shortcomings.

Education has the function not only for transmitting knowledge and techniques to the next generation, but more basically, of the formation of values and behavior patterns. In that sense, basic education performs the most vital function of laying the foundations for the nation's self-reliance and the development of the individual's self respect. Indeed, the formation of the will to self-reliance should be seen as the overriding role of human resources development or human education, over and above the transmission of knowledge and techniques. The Japanese experience in the early Meiji era should offer an example where the entire Japanese population jointed together in the effort to enhance the level of education for the modernization of the country.

The issues to be addressed in Japanese assistance to Africa are discussed hereunder by the level of education.

(1) Basic education (elementary and secondary education)

In elementary education, the room for economies is almost non-existent in Africa. Therefore, additional resources must be allocated if it is to be improved. The drop-out rate must be reduced to improve efficiency, but here again additional expenditures would be required. The improvement of basic education requires additional resources which could be provided in various forms by foreign aid. The provision of teaching material and texts is one possibility. The free distribution of texts would have a spread effect on the family members, especially on the parents, and raise their interest and involvement in education. The raising the competence of teachers is another challenge. Further, the improvement of educational infrastructure, such as the construction of new school and classrooms,

the supply of electricity and drinking water, could be urgently needed objects of foreign assistance in a number of countries.

Secondary education is a field where both quantitative expansion and qualitative improvement are necessary. This implies that there is room for a more economical use of resources by better teaching methods. Ways must be devised to expand the accessibility to a low-cost and high quality secondary education, through the improvement of teachers, teaching material and texts. Basic instruction at the secondary level in science and mathematics is unquestionably useful. Japanese assistance to this field has taken the form of the provision of Overseas Cooperation Volunteer teachers, which has reached the number of 500. This activity should be reinforced as one of the forms of Japanese assistance to formal education.

#### (2) Higher education

Through the enthusiasm of the early African leaders, much financial resources were devoted to higher education. At the present stage, however, new investment in this field has to be carefully studied, as the quality of the manpower output is not entirely satisfactory, and the quantity of output far exceeds the employment opportunities. The urgent issue in higher education is the improvement of quality, but the more fundamental problem is the disproportionately large resource allocation to higher education, which is causing unnecessary competition and dissatisfaction among the populace. Any assistance to higher education should be for the improvement of quality, keeping in mind the already high allocation of resources to this field.

#### (3) Vocational and technical training

Training in immediately usable vocational and technical skills is necessary, not only to equip youths after elementary and secondary school (and drop-outs) for productive work, but also to elevate the



technical level of the population that is already at work. In view of the fact that the rural sector and the informal sector employs a large part of the active population, and the fact that there is a scarcity of on-the-job training facilities in the formal sector, public institutions for vocational and technical training have to play an important role.

#### (4) Adult education

Even in those African countries which have attained 50 percent literacy for adult males, the adult literacy rate in the rural areas, especially for women is still extremely low. The literacy classes now emerging in the rural areas in several countries should be considered as subjects for aid, as they could be useful vehicles for teaching reading, writing and arithmetics, and also productive skills and ways to improve everyday life.

#### (5) Women in development

The role of women in development is even more important in Africa than in other regions, because they are the de facto resource managers of agriculture, which is the most important productive branch in the region. Further, women could become a positive power in fuel economy and reforestation for environment protection, and in family planning to counter the unrestrained population growth. Therefore, the problem of women in Africa must be approached, not from the viewpoint of increasing women's share in welfare distribution, but with the objective of according them their just and proper opportunities as important actors in development, so that they can better participate in development, while lessening their unduly heavy workload. The negative effects on development coming through the females' seriously lower education, nutrition and participation in community and social life, as compared to males,

indicate the urgency of removing the various constraints on women development.

#### **2-2-5. Health and medical care**

Health and medical care systems in Africa show an acceptable facade, but in fact they are oriented heavily towards curative medicine centered around hospitals. Further, the hospitals themselves are not functioning properly due to the inadequacies of the hospital administrative system. Thus, the health and medical care system in Africa are not fully effective in enhancing the health of the population as a whole. Great disparity persists within the countries, and in the regions outside the urban centers, there are many people who are denied access to even preventive measures or elementary curative services. The disease composition, in contrast with that of countries of the North, is that the proportion of chronic adult diseases is low, while the mortality of infants is high. The incidence of infectious diseases and respiratory diseases and deaths resulting therefrom are high. Especially, measles, infantile tetanus and other diseases which could be prevented by general vaccination, are the prevalent causes of infant mortality.

Past Japanese health and medical care cooperation to Africa tended to center around technical assistance based upon hospitals, university medical schools or research institutions, or grant aid for the construction of those buildings, or the combination of the two. This assistance was effective for the hospitals or institutions that were the direct objects of the aid. However, it cannot be said that the impact was great in improving the general level of the health and medical care of the beneficiary countries. While the level of the assisted hospitals or institutions were enhanced, the patients directly

served by them were only a very limited part of the entire population, the rest not benefitting from them.

Japanese assistance in the field of health and medical care hereafter should address the following priority issues.

(1) Promotion of primary health care

Primary health care (PHC) should be one of the priority areas, with emphasis on medical care for the grass-roots population and establishment of preventive health care. Since the Alma-Ata declaration of "Health for all by the year 2000", the World Health Organization and the United Nations International Children's Emergency Fund are promoting primary health care as their main strategy. It is necessary, in order to spread primary health care, to first establish and strengthen the medical care centers (including research institutions and clinics) in the interior as bases for action, and organize them into a national network for PHC, with emphasis on the following items:

(a) Preventive medicine

Complete coverage of preventive vaccination should be one of the main targets of PHC, inasmuch as the main threat to children's lives are diseases that can be prevented by vaccination. For this, the organization of cold chains (the distribution system for the transportation of child or frozen vaccines), the establishment of chilling and freezing facilities in the PHC bases in the interior, and the development of heat resistant vaccines are needed. It is necessary also to organize preventive health education for the inhabitants to spread basic knowledge for avoiding infection.

(b) Education for better knowledge by the population in health care

Education of mothers and children in health care and sanitation should be strengthened to spread the idea of self health

management. A stronger advising system, including the participation in the government's health administration is necessary for better results. Further, coordination and cooperation with the education ministry and other branches of government is necessary.

(c) Early treatment of diseases

Due to difficulty of access, medical care is usually sought only after aggravation, when early treatment could have cured the case. The interior health bases should be staffed by the minimum trained medical care personnel and equipped with simple testing material.

(d) Nutrition

Due to difficult economic conditions and recurrent droughts, the need for a balanced diet is not adequately impressed upon the general masses. The PHC action must include a program for nutrition guidance and education, especially for mothers, as infant nutrition dictates their life span and future health.

(2) Wider coverage of family planning

With many countries having a population growth rate over three percent per annum, Africa is one of the regions of the world with a rapidly growing population. Due to the lower mortality rate (especially for infants) that would result from the advance of PHC, an further increase in the population growth rate is to be expected. Therefore, it is imperative that promotion of family planning should take place parallel to PHC if the population is to be kept within means. An appropriate family planning program for each country must be devised, taking into account the traditions and customs, and in close collaboration with the government, centering around the

indoctrination in the need for family planning and instruction in contraceptive methods.

(3) Strengthening hospitals and medical research institutions  
the emphasis on PHC detracts nothing from the need for assistance to hospitals and institutions that have been the focus of past Japanese aid. Now, their role should be strengthened to support PHC. Assistance to hospitals and institutions should be accorded on the basis of a long range program, to improve their function, by including the improvement of diagnosis, the raising of the level of curative treatment, and the improvement of hospital and institution management. The transfer of these techniques would not only benefit the inhabitants of the neighborhood, but ensure the diffusion of PHC to the interior, and assist in the realization of medical care for the grass-roots and the establishment of preventive medicine.

(4) Health infrastructure - drinking water and sewerage  
Most African regions, outside of urban centers, are inadequately equipped with drinking water supply and sewerage infrastructure. The inhabitants use water from wells, rivers and lakes for everyday purposes. Combined with the lack of sewerage, infectious diseases, especially diarrhea maladies are becoming prevalent through these water sources. The improvement of infrastructure for drinking water supply and sewerage is a priority health measure for the prevention of infectious diseases.

#### **2-2-6. Protection of the natural environment**

As the overwhelming majority of the African population are engaged in cattle raising, agriculture and fishing, and as such are directly dependent on natural resources, the degradation of the natural environment undermines and even destroys the base of their daily

and economic life. Thus, in development theory there is a shift away from the past viewpoint that the destruction of the environment is a necessary cost of development, to one that holds that the protection and nurturing of the environment is an essential condition for sustained development.

How to promote sustained development in Africa through protection of the environment is a major challenge. Environmental degradation in Africa is the interaction of many factors, such as drought and other natural causes, the techniques for the use of natural resources in daily life, and the concentration of population. The extent and reasons for the general environmental deterioration are not completely understood. However, Africa is faced with desertification, disappearance of the tropical forests and urban population, all of a severity that calls for immediate action.

The term desertification is open to many interpretations, but if it is understood to mean to progressive loss of the generative power of land through drought and man-made causes, desertification is a widespread and advancing phenomenon of environmental degradation in Africa. Especially, the major droughts in the 1970s and 1980s which struck the Sahelian region, wrought serious damage to agriculture and cattle raising, and caused the mass movement of the Sahelian population who had lost their livelihood to southern regions and to urban centers. A major contributing factor to the seriousness of the damage from the drought was the man-made factor of over-exploitation of the land, such as overgrazing, over-exploiting the same farm land with shorter or no fallow periods, the felling of trees to expand farm land.

Therefore, Japanese aid should be directed towards encouraging livestock raising practices adjusted to the regenerative cycle of feed

grass, farming management that ensures the maintenance and recovery of the generative power of land, and eventually the encouragement of other stable income earning engagements for peasants so that they will not be obliged to over-use their land.

The tropical forest, to be found in the area of the Gulf of Guinea is shrinking due to lumbering and farm expansion. The tropical forest is important globally, for the oxygen supply, and for its richness of DNA sources. On the other hand, the inhabitants need to cut the trees for income, for more farm land and for fuel. The challenge for Japanese assistance is to protect the forest while promoting the welfare of the inhabitants of the area.

The rapid growth of urban population is causing many environmental problems, notably, air and water pollution, and accelerated felling of trees for firewood. The challenges are the improvement of infrastructure in the squatters area, the development and popularization of alternative fuels, and resettling of squatters without coercive measure, and while protecting their interests. The most important thing in environmental assistance, is the preparation of a program that will obtain the support and participation of the inhabitants, even to the stage of managing the program themselves. In order to achieve this, a careful study of the mechanism of environmental deterioration as well as of the needs of the inhabitants should be made, so that the program will harmonize the two ends in line with the environmental awareness of the inhabitants.

### 3. Improvement of the System for Aid to Africa

#### 3-1. General Direction of Improvement and Recommendations

The vision of the society and economy, to which the developing country aspires, has to be determined by the country itself. The ensemble of the policy measures to realize the vision is the development policy of the country, and foreign assistance should be accorded to support the development policy. This implies that the foreign assistance must be development-effective. However, it has to be recognized that overall development realized from the development assistance heretofore accorded to Africa has been disappointing. The discussions on the ways and means to strengthen Japanese assistance to Africa, have tended to focus mainly on the input side, such as the increase of the volume of aid, higher concessionality or liberalization of the sources of procurement. However the poor showing of previous foreign aid to Africa is a warning that the first priority should be the ensuring of the development effectiveness, or the development output. The development problems of African countries are much more complex and serious than those of developing countries in other regions. Accordingly, the traditional implementation system should be reinforced along the following lines.

- (a) Ensuring development effectiveness
- (b) Extending assistance upstream to the preparation of the development plan and downstream to the autonomous operation of the projects



- (c) Broadening the scope of the projects to ensure the required change in the production of the locality
- (d) Lengthening the project time-span
- (e) Assistance in depth
- (f) Securing and expanding the pool of qualified aid personnel
- (g) Coordination and cooperation with other donor governments and international institutions, as well as Japanese, foreign and local non-governmental organizations
- (h) Reinforcing support for inter-African cooperation
- (i) Maintaining and nurturing support by the Japanese general public.

### **3-1-1. Development effectiveness**

No social action is free from sacrifices, and development and foreign assistance in support of development is no exception. The important thing is to ensure that the development effect is obtained, that is to say, the development benefit is larger than the sacrifices. The development benefit is the development realized on the basis of the liberation of the inhabitants from absolute poverty, the enhancement of their self respect and their freedom. This is a larger concept than the conventional cost-benefit approach. The cost-benefit approach is important in African development as it is elsewhere. However, in Africa, many of the necessary investments for development are in those fields such as education or health care where the development effect is uncontestably great, but difficult to quantify, due to the number of the beneficiaries and the long time over which the full effect take place, as well as the extent of the areas where the effects will manifest themselves. On the cost side too, the sacrifices to be considered include financially unquantifiable elements such as the

effect on the inhabitants' livelihood or on the environment. In extending assistance to Africa, these unquantifiable benefits and sacrifices have to be taken into account, in addition to the measurable costs and benefits. If development assistance by Japan has to be reinforced as a duty for the strengthening of international solidarity, the ensuring the effectiveness of such assistance, in its entirety and in the execution of the individual projects, is also an obligation, not only to the African people, but also to the Japanese people who finance the assistance through their savings.

The sacrifices of the people of the receiving country are often overlooked, due to the difficulty of quantification. The first category of these sacrifices is the uprooting effect on the inhabitants such as their replacement from the site of the project. The second category is the effect on the environment. Development projects that disregard this category of sacrifices can result in irreparable damage to the productive power of agricultural land, which is, in most cases, the principal productive capital of the majority of African inhabitants. The third category of costs to the aid-receiving country, is the running costs of the project. While the project itself may have been financed by foreign grants, the running costs after completion are usually a heavy additional burden on the weak finances of the country. The fourth category is the negative effect of indiscriminate import of services and material needed for the project. In those many cases where the goods or services could be procured locally, this practice runs counter to the overall objective to develop local supply capacity of goods and services. Lastly, while assistance to African countries has to be extended in a long range perspective, prolonging assistance beyond the minimum period necessary is likely to perpetuate dependency on foreign aid, instead of

promoting autonomous development. In extending assistance to African countries, efforts should be made to minimize these sacrifices borne by the inhabitants, and to carefully choose only those projects with high development effect.

Japanese official development assistance takes the form of loans, grants and technical assistance, and is executed by various agencies.

#### (1) Loans

Development is the attainment of growth for and by the inhabitants, and investments for development must, as a minimum, realize development effects, which, over the long run, would cover the costs of the investments. This applies equally to development assistance. From this viewpoint, loans are effective in ensuring the economic effectiveness of the assistance accorded. However, the debt service is a heavy burden for the financially weak African countries. Therefore, loans should be granted only to those projects where the development benefit is direct and immediate. Extreme care should be exercised in considering projects involving large scale civil engineering, where the possibility of profound effects on the livelihood of the inhabitants and on the environment are great. Loans should be granted only for projects necessary for the transformation of the production structure, or for the maintenance and rehabilitation of those past projects that are still deemed necessary through a review in consultation with the African government. The projects necessary for the transformation of the productive structure would include the infrastructure necessary for the development of trade within the country and with neighboring countries. Further, new ways of using loans should be studied to enhance the overall development effect of Japanese aid. For instance, loans could be used to finance the small scale credit facilities to

facilitate the use by a wider range of the inhabitants of new production techniques coming through technical assistance financed by grants.

At present, Japanese loan aid is used primarily in co-financing with international institutions for structural adjustment, but, the need for project financing should grow as the adjustment process advances.

Finally, in view of the present financial straits of the African countries, efforts should be made to alleviate the debt service burden in practical and realistic ways, until such time as their finances are rehabilitated.

## (2) Grants

The complexity and difficulties of the present development task confronting African governments is no less than a complete restructuring of their countries, and few of the development projects and programs required for this undertaking are of an immediate profit producing nature. This, and the fact that the governments are in extreme financial difficulties, require that grant aid should be increased. There are cases where Japanese financed projects are in difficulties because of government financial constraints. For those with a high development effects only among these projects, grant aid for operating funds should be considered for a limited time only until the government would become able to cover their recurrent expenses. It should be remembered however, that the resources available for grant aid are limited, and that even grant aid imposes sacrifices on the inhabitants.

### (a) Ordinary grand aid (including food aid)

Ordinary grant aid, which is accorded to specific projects, is a necessary and essential assistance to African countries, and should be expanded hereafter. Efforts should be made to

enhance the effective use of scarce resources, and to maximize its development impact, by a better combination with technical assistance and loan aid.

Food aid must be treated with circumspection, so that such aid would not be counter-productive to the growth of local food production, which is the primary development concern in Africa.

(b) Non-project grants

Non-project grants were instituted for those African countries suffering from heavy external debt and balance of payment difficulties, in support of their structural adjustment programs. These united grants are for the payment of imported goods necessary for their structural adjustment programs. It was also expected that the sale of the imported goods would provide additional funds to the government. While the objectives of the scheme is meritworthy, the implementation is not free from problems. First, the procedure for the preparation of the list of goods and the procurement process are time-consuming and complex. Secondly, the financial benefit is not always realized as in the case where the government is the user of the goods imported. Finally, the limitation of the use of imports could distort priorities. The most serious problem in structural adjustment programs is that social expenditures, such as education or health outlays, which have an important long-term development effect, tend to be sacrificed in the urgency to balance the budget. Accordingly, it is recommended that the non-project grants be directly used, in consultation with the government, to alleviate the budgetary constraints for these expenditures. This would be more in line with the objective of supporting the structural adjustment program.

### (3) Technical assistance

Technical assistance should aim at the transfer of technology over the long run. The prolonged provision of technicians to make up for their local unavailability should be limited to truly necessary cases, as it could run counter to the objective of self-relying development.

Training technicians, which is done mostly in the public sector, should be expanded to include private enterprises to enhance the transfer of technology, and ways should be devised to facilitate their participation.

In order to effectively pursue technical assistance in the future, it is recommended that, insofar as possible, a long range technical assistance program be prepared in consultation with the governments, at least for the major countries. The drafting of the concrete projects and their implementation would be considered under these programs.

#### **3-1-2. Extending assistance upstream and downstream**

Many African countries are confronting a complete restructuring of their development policy, in what can be termed a rebuilding of their countries. Therefore, the first task is to strengthen the dialogue with these countries, starting from the basic vision of their development policies. Many of these countries need assistance in the preparation of their development plan and in its implementation. Heretofore, Japanese aid has tended to deal with the execution of individual projects. It should be extended upstream so that requests for policy preparation can be responded to, and downstream to cover operation after completion until autonomous management can take place.

### (1) Policy dialogue

In order to ensure the development effect of aid to Africa, it is necessary to ascertain the role the "requested" project plays in the framework of the development policy. To understand the development policy, it is necessary to understand the development vision, which can be obtained only through a continuous dialogue on development with the receiving government. Further, it is necessary to maintain a dialogue with the local offices of donor international institutions, especially the United Nations Development Programme, in view of the important role they play in assistance and advice on development policy.

### (2) Assistance in the preparation of the development plan and the development budget

Many African countries need assistance in the preparation of their development policy, which is the expression of how the development vision will be realized, their development plan, which spells out the various actions to be taken, and their development budget, which is the time allocation all resources available for development, including aid resources, to concrete actions according to the priorities. A number of countries are interested in Japanese advice in these matters as a pertinent and disinterested alternative.

Through the daily policy dialogue, Japan should obtain timely information on development policy and plans, and furnish information on the direction of Japanese aid. This would facilitate the presentation of "requests" by countries interested in Japanese assistance in this field. Further, Japan should be prepared to participate in policy advice and assistance projects organized by UNDP and other international organizations. In order to systematically provide this kind of assistance, the Japanese aid

structure must be expanded to include the formation and securing of a pool of high level experts.

(3) Strengthening the review of requests and the design of projects

It is necessary to reinforce the system of the reviewing of the projects requested or to be requested, and the capability of designing the project so that the development effect be maximized.

This function would start with the positioning of the project in the framework of the development policy and plan, the ascertainment of the availability in the budget of the government's financial share, the estimation of the success prospects of the project, the forecast of the possibility of autonomous operation, and the design of other matters to ensure the maximum development effect. On the basis of this design, the detailed design would be carried out by the competent services, and then coordinated and integrated.

The organization of JICA is along sector and operational form lines. This structure is an obstacle to horizontal coordination, necessary for a consistent detailed design fully responsive to regional and country specific conditions. For Africa, at least, with its special problems, commonality and development constraints, and the prospects of future growth of Japanese assistance, the strengthening of the coordinating function is an imperative.

**3-1-3. Broadening the coverage of projects for area impact of changing the productive structure**

The rebuilding of the country, or the reform of the production structure, that many African countries are now undertaking as the new direction of development policy, require an ensemble of coordinated, interrelated and consistent policy measures covering all fields, to achieve the development vision. The method for their



realization should be through the active participation of the inhabitants, or, through the respect of their initiative. Therefore, it is not sufficient for foreign assistance to finance individual hardware projects, or to provide technical assistance for individual cases, as has been the case heretofore. Foreign aid for Africa, in order to be fully development effective, must take into consideration the relationship with other sectors, the inhabitants, and the environment of the vicinity. The organization of the projects should be carefully designed, to assist in the government's patient dialogue with the inhabitants and to ensure full communication with the competent government agencies. Japanese aid should be modified to make this possible.

(1) Strengthening the administration and support of the project

In designing foreign assistance projects in support of the government's development policy, consideration should be given in individual projects to the dialogue with the inhabitants. This implies the need for an administrative and executive structure. Especially important is the selection of a project leader capable of broad and flexible thinking. He should be brought early into the project, preferably from the design stage, and should be given adequate support for his broad activities in the field.

Further, the recruitment of project staff to communicate with the inhabitants should be considered where appropriate. The hiring of local employees for this task, or entrusting this function to local NGOs would be effective methods, and rules should be made to make this possible. Especially in the technical assistance projects aiming at the improvement of technology, imaginative design for communication with the inhabitants is much to be desired, as the