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Source: *The Journal of Modern African Studies*, Vol. 29, No. 2 (Jun., 1991), pp. 275-300
Published by: Cambridge University Press
Stable URL: http://www.jstor.org/stable/161024
Accessed: 04-03-2016 18:16 UTC

The Journal of Modern African Studies, 29, 2 (1991), pp. 275–300

Internal Capacity and Overload in Guinea and Niger

by N. LYNN GRAYBEAL and LOUIS A. PICARD*

MANY African states have been operating under tight structural-adjustment restrictions for close to ten years. The policies of the International Monetary Fund make heavy demands on public-sector capability and political leadership, particularly as regards pricing and trade practices, banking and finance, economic monitoring and data analysis, macro and sectoral planning, as well as policy formulation, initiation, and implementation. The aim is to create a very strong private sector operating under market conditions, and an effective, though not necessarily large, public sector committed to rational, strategic economic growth. For many African régimes there also will be increasing motivation towards both decentralisation and pluralism. In short, the post-structural adjustment state, rather than withering away, needs to be selectively strengthened and to have an increasingly sophisticated capacity to manage development activities at both the national and local levels.[1]

This article examines the evolving political system within the framework of decolonisation and institutional development in West Africa. Guinea's sudden rupture from France and 27 years of state centralism under Sékou Touré provides an interesting case-study of the impact of policy reform which can be compared with Niger's I.M.F. experience within the context of the devolved French community and continued close relationships with Paris.[2]

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[1] See Howard Stein and E. Wayne Nafziger, 'Structural Adjustment, Human Needs, and the World Bank Agenda', in *The Journal of Modern African Studies* (Cambridge), 29, 1, March 1991, pp. 173–89.

[2] Ruth Schachter Morgenthau, *Political Parties in French-Speaking West Africa* (Oxford, 1964), pp. 317–18.

POLICY REFORM AND THE BUREAUCRACY

After the French established their imperial administration in Africa in the early 1890s, Guinea and Niger shared similar governmental mechanisms of control until they became independent in 1959 and 1960, respectively. There followed what might be described as the era of 'development management': in Niger the President, Hamani Diori, was removed by a *coupe d'état* in 1974 and replaced by Lieutenant-Colonel (later General) Senyi Kountché, and in Guinea, the party-dominant régime headed by Sékou Touré was ended by military intervention almost immediately after his death in 1984. Evidence of I.M.F. influence can be traced back in Guinea to the latter days of Touré, and in Niger to the drop in the price of uranium in late 1980, and the consequential inability to finance development.

Our initial focus is on the way that the régimes in Guinea and Niger both perceived and attempted to manipulate their inherited bureaucratic apparatus. The impact of I.M.F.-backed 'disengagement' should be seen within this context. The legacy of French control and of post-colonial 'development management' in both countries shaped the values and interests of civil servants. While one of the major principles of structural adjustment is to reduce the size and scope of the governmental bureaucracy, the nature of the demands made as a result of the reform process requires that an already weak public service has a strong planning and implementation capacity. I.M.F./World Bank provisions may actually reinforce the rôle of the state as it is asked to manage donor-sponsored technical assistance, to receive training missions and programmes, to reform the parastatal sector, and to privatise state-owned enterprises. But as Thomas Callaghy points out, 'the ability of a state to adjust depends on three major factors: (1) political will, (2) administrative capacity and (3) economic capacity'.[3]

Beyond this, those involved with I.M.F. conditionality should have a long-range concern for immoderate pressures for privatisation. There is increasing evidence that the current strategy to insist on structural changes in less-developed countries (L.D.C.s) may find favour in the 1990s as political élites elsewhere no longer campaign against 'big government' but seek an appropriate rôle for the public sector in both formerly socialist and capitalist political systems.[4] The perceptions of

[3] Thomas M. Callaghy, 'The Politics of Economic Stabilization and Structural Change in Africa: Ghana, Zambia, and Nigeria', October 1987, p. 4.

[4] Lawrence H. Wortzel, '"Privatizing" Does Not Always Work', in *The New York Times*, 14 February 1988, section 3, p. 2.

the U.S. Administration since George Bush succeeded Ronald Reagan as President are illustrative of this shift.

Advocates of policy change should be aware of the position that the bureaucracy has had historically in Guinean and Nigérien societies. Max Weber saw the division of labour as expanding from the political sphere into the economic. An independent bureaucracy was part of a set of interests that also included commercial classes, agricultural groups, etcetera. Social relationships should be seen as constituting 'spheres of political domination', rather than 'reflections of particular dispositions of economic power'.[5] For Weber, it was important that a 'charismatic' leader should emerge to provide guidance for the bureaucracy as it became transformed into an organisational arrangement of the governmental sector.

During the colonial period, of course, this source of indigenous guidance did not exist. One result of the French presence was the creation of a bureaucratic apparatus that was independent of domestic political control. Civil servants came from the metropole and possessed a 'degree of initiative which the component bureaucracies of the state [after decolonisation] consequently enjoyed'. The evolution of the public sector in Guinea and Niger should be understood within this context. In examining the development of the political system historically in Europe, Martin Staniland noted that 'The state would not "wither away", and bureaucracy had profound roots in broader processes of social change [throughout the world] that had been under way since the late Middle Ages'.[6]

Empirical evidence from Europe and Asia supports the thesis that there is a direct relationship between governmental intervention in the processes of socio-economic change and the creation of a strong agricultural and industrial base.[7] Structural adjustment reforms, to be successful, should appropriately strengthen rather than weaken the state.

[5] Anthony Giddens, *Politics and Sociology in the Thought of Max Weber* (London, 1972), quoted by Martin Staniland, *What is Political Economy? A Study of Social Theory and Underdevelopment* (New Haven and London, 1985), p. 87.

[6] Staniland, op. cit.

[7] For example, see Chalmers Johnson, *MITI and the Japanese Miracle: the growth of industrial policy, 1925–1975* (Stanford, 1982); John Armstrong, *The European Elite* (Princeton, 1973); and Nigel Harris, *The End of the Third World: newly industrializing countries and the decline of an ideology* (Harmondsworth, 1986).

THE COLONIAL RÉGIME

There are a number of characteristics of colonialism which have had an impact on the changing political scene since independence. First, as Crawford Young argues, imperial rule in Africa was different from its counterparts in Asia, where 'the colonial state could superpose itself upon existing state structures of substantial scope and institutions of social power'.[8] French rule in West Africa was much more disruptive of social, cultural, and political systems, and far less remained of pre-colonial structures than in other parts of the Third World.

Secondly, the colonial régime while minimalist was strong and predictable in areas where it imposed control. In this sense, policy reforms, as a first step, are trying to get public-sector capability back in Guinea to the political economy that existed in 1958, and back in Niger to a structure which should have evolved after the uranium boom. The question of the post-independence development-oriented government remains a salient issue in so far as economic transformation remains a goal for third-world nations.

Thirdly, in West Africa, the French created bureaucratic structures only partly open to a small indigenous élite within heterogeneous societies still organised by traditional structures. Within the colonial policy there was a fusion of politics and administration.[9] Throughout French West Africa, imperial officials were political officers in the Lugardian sense of the term.

Fourthly, French rule began as a military administration, with 'pacification' being a major task, first of the army and then civilian officials, until the end of World War I. Thereafter, the colonial bureaucracy maintained, particularly at the district level, many of the trappings of a semi-military apparatus, albeit based upon what Robert Delavignette has called 'les vrais chefs de l'empire', the *commandants de cercle*.[10] This bureaucratic system could be labelled 'deconcentrated centralism', since the emphasis in French West Africa was on the substructure of the district governor rather than the superstructure of the colony or the federation.[11]

The colonial system was highly extractive in that capital raised for territorial development was at the expense of the African taxpayer.

[8] Crawford Young, 'The African Colonial State and Its Political Legacy', in Donald Rothchild and Naomi Chazan (eds.), *The Precarious Balance: state and society in Africa* (Boulder and London, 1988), p. 37.

[9] Kenneth W. J. Post, *The New States of West Africa* (Harmondsworth, 1968), p. 111.

[10] Robert Delavignette, *Les Vrais chefs de l'empire* (Paris, 1939), cited by Michael Crowder, *West Africa under Colonial Rule* (London and Evanston, 1968), p. 189.

[11] Post, op. cit. p. 106.

Coercion, including the infamous *corvées* in the *villages de liberté* – the obligatory cultivation of cash crops – as well as the regressive head tax, were features of bureaucratic control that would be adopted by post-colonial governments.[12]

A fifth characteristic of French West Africa was the degree of bureaucratic uniformity which imperial governance placed upon society, and in which the primary unit of control resembled the Napoleonic canton. Central to this structural unity was 'An administrative régime... that was as authoritarian as any African system of government it replaced.'[13]

Finally, French policy-makers created an African élite which included the remnants of a colonial apparatus dependent upon the organisational superstructure of the imperial régime. As explained by Michael Crowder, 'the French made a major impact on the population... by their restructuring of the institution of chieftancy so that the chiefs became effectively subaltern members of the colonial administration'.[14]

The nature of French rule in West Africa created an 'organizational bougeoisie', to use Irving Leonard Markovitz's term, that was strong and more coherent than in other parts of the continent, based upon association with a government ministry, a public corporation, or a multilateral public or private agency.[15] The development of an institutionally-based élite in Guinea and Niger was the logical outcome of a system which, during the French period, was based upon the dominance of almost all organisations, public and private, by a privileged racial minority.[16]

Despite the veneer of assimilation in francophone Africa, religious and ethnic differences remained important. Heterogeneity in Guinea continued to be a factor of concern throughout the period of imperial rule. Early nationalist movements were ethnically-based associations, a factor which continued to plague the ruling party after independence. Although the colonial authorities, under the influence of Sékou Touré, abolished the chieftaincy in 1957, traditional leaders have continued to exert a strong, if informal, influence within Guinean society.

In Niger, the different responses of indigenous groups to European control played a major rôle in establishing patterns of administration across regions and at the national level. While the French were met initially with strong resistance from all ethnic groups, the Zerma/Songhay of western Niger 'were quick to perceive the advantages

[12] Cf. Crowder, op. cit. pt. III. [13] Ibid. p. 193. [14] Ibid. p. 182.

[15] Irving Leonard Markovitz, *Power and Class in Africa: an introduction to change and conflict in African politics* (Englewood Cliffs, 1977). [16] Post, op. cit. p. 18.

presented by an alliance with the French',[17] and it was the *évolués* from this minority who assumed political control in the pre- and post-independence eras.

Although the colonial 'crush and destroy' strategy broke the authority of many eastern Hausa rulers, it failed to alter the importance of the institution of chieftaincy for the peasant and trader society. Successive post-independence Zerma/Songhay rulers sought first to destroy the power bases of traditional chiefs and then to co-opt them. In the *évolué*-dominated machinery of government, the numerically superior Hausa became the new auxiliaries.[18] In Niger, the representation, to some degree, of all ethnic groups in the administrative system bears witness to the continuing importance of these distinctions in contemporary society.

THE DEVELOPMENT-MANAGEMENT RÉGIME

At independence, most if not all African leaders assumed that the public sector would play a major rôle in development planning and management. Efforts were made not only to localise and expand the civil service, but also to improve its social and economic status, not least by giving its members new duties and privileges, as well as a vested stake in the post-colonial political system.

One-Party Dominance in Guinea

When Sékou Touré declared Guinea to be independent in 1959, as a result of the famous referendum about continued membership of the French community, he inaugurated a single-party system which was designed to take over and control what was seen as a remote civil service. The *Parti démocratique de Guinée* (P.D.G.) created linkages between the state and society, and established what one scholar has called 'polyvalence',[19] a combination of political and administrative functions that was expected to eliminate the need for the career civil servants who were viewed from the beginning by Touré and his followers as virtual Quislings.[20]

[17] Finn Fuglestad, *A History of Niger, 1850–1960* (Cambridge, 1983), p. 77.
[18] William F. S. Miles, 'Partitioned Royalty: the evolution of Hausa chiefs in Nigeria and Niger', in *The Journal of Modern African Studies*, 25, 2, June 1987, p. 251.
[19] Ladipo Adamolekun, 'Politics and Administration in West Africa: the Guinean model', in *Journal of Administration Overseas* (London), 8, 4, October 1969, p. 235.
[20] Ruth Schachter, 'Single-Party Systems in West Africa', in *American Political Science Review* (Washington, D.C.), 55, 2, June 1961, p. 205.

What occurred, however, was that the disliked organisational bourgeoisie was not eliminated but merely changed. With abrupt independence and almost complete localisation within a short period of time, the public service became the preserve of an educational (rather than a racial) minority which inherited many of the privileges of the colonial bureaucratic system. After independence, it was assumed that economic power would be reshaped by using the governmental apparatus in accordance with a class programme. Thus the organisational élite would be directed and its privileges limited by firm political leadership.

Yet, in reality, it was not that simple. The political apparatus in Conakry did indeed attempt to reshape Guinea along socialist lines. What was not anticipated was the extent to which Albert Hirschman's 'exit option' is applicable to African societies as a result of the declining performance of economic and political institutions.[21] The post-colonial régime in Guinea created a 'party-dominant bourgeoisie' which, over time, penetrated into the upper levels of the civil service. As scarcities develop, privileges such as access to state stores and housing were exchanged for political loyalty. The devaluation of the *syli* and the low level of salaries helped to create a system of '*ye dogho*' – literally, 'passing of water' – or parallel side-payments for virtually all public services.[22]

Under Sékou Touré, the bloated national administration and the parastatal sector were used to create a political base through the granting of employment opportunities. Civil service élites maintained power by controlling an increasing range of monetary transactions, many of which had previously been immune from governmental intervention. But the state's penetration became increasingly unpredictable over time and was accompanied by abuses of bureaucratic procedures. As noted by Victor Azarya and Naomi Chazan: 'The cumulative effect...has been an overriding cynicism toward official structures and a wide-spread non-compliance with the laws.'[23]

Over time, a partnership developed between those Guineans who had prospered by leaving the unpredictable and increasingly coercive political system, and those state functionaries who were able to feed the

[21] Albert O. Hirschman, *Exit, Voice and Loyalty: responses to decline in firms, organizations, and states* (Cambridge, 1970).

[22] Yves Denongir, 'Ou en est la Guinée aujourd'hui?', in *Marchés tropicaux et mediterranéens* (Paris), 16 February 1985, p. 370.

[23] Victor Azarya and Naomi Chazan, 'Disengagement from the State in Africa: reflections on the experience of Ghana and Guinea', in *Comparative Studies in Society and History* (Cambridge), 29, January 1987, p. 124.

burgeoning 'black market' because of their access to publicly-purchased or donor-supplied goods. The situation became so bad after 1970, that for every corrupt profiteer shot in the public square, probably as many as 20 or more were benefiting from their collaboration with state functionaries.

The struggle by Guinean officials to find an institutional arrangement to collectivise agriculture culminated in the creation of the *Fermes agro-pastorales d'arrondissement* (F.A.P.A.s) in 1979. Each district was allocated two to three state farms whose purpose was (i) to develop and sustain self-sufficiency in food crops and animal products; (ii) to promote exports; (iii) to undertake agronomic experiments to improve crops and methods of cultivation; and (iv) to disseminate this information to small farmers. By 1984 as many as 200 F.A.P.A.s had been established, each having been allocated at least one tractor plus a number of animal-drawn ploughs.[24]

Unfortunately, the young graduates from the over 30 agricultural engineering colleges established in a crash programme by the Government were poorly trained and not equipped to deal with the practicalities of large-scale farming. To make matters worse, the F.A.P.A.s did not receive enough spare parts, fertilisers, and other necessary inputs because of the shortage of foreign exchange, and they quickly degenerated into 'squatter camps' with subsistence agriculture as their base. The extension system had always been inadequate and eventually became virtually non-existent.

At independence, the national debt was only \$1·37 million, but had dramatically increased to \$1,216 million by 1982, when it equalled 62 per cent of G.N.P. with an annual debt-service burden of \$70 million. By the end of the P.D.G. régime in 1984 the national debt had reached \$1,600 million, with Guinea's foreign-exchange reserves near zero.[25]

State-Managed Economic Expansion in Niger

In the decade before independence in 1960 the political scene was successively dominated by Hamani Diori's mainly Zerma/Songhay *Parti progressiste nigérien* (P.P.N.), the *Union nigérienne des indépendants et sympathisants* (U.N.I.S.) of the eastern Hausa chiefs, and the *Mouvement socialiste africain* (M.S.A.), later known as *Sawaba* ('freedom' in Hausa),

[24] Robert Hecht, 'A Long Wait for Guinea's Farmers', in *West Africa* (London), 30 March 1981, p. 679.

[25] Colin Legum (ed.), *Africa Contemporary Record: annual survey and documents,* Vols. 14–16 (New York), *1982, 1983,* and *1984,* pp. B427–34, 458–65, and 442–52, respectively.

led by Djibo Bakary, who became first Vice-President of Niger's Executive Council after winning the territorial elections in 1957. However, Bakary's unsuccessful campaign for a '*non*' vote (and hence for immediate independence in 1958) led to *Sawaba's* defeat in the legislative elections by the party led by Diori, who became Prime Minister in 1958 and President in 1960.[26]

The post-colonial expansion of Niger's organisational bourgeoisie was driven by party control of the political/administrative apparatus, and by Diori's determination to establish a modern economic sector. The electoral manoeuvering that had brought the P.P.N. to power had not dispelled competing claims among regional and ethnic alliances, and Diori moved swiftly to consolidate his power. He banned *Sawaba* in order to neutralise urban and nascent rural opposition,[27] and used the state apparatus to undermine the authority of traditional chieftaincies.[28]

The complexion of the P.P.N. *politburo* was manifested in the *de facto* exclusion of the majority Hausa and most other ethnic groups from participation in major decision-making. Moreover, the party swelled the ranks of the administration with Zerma/Songhay *évolués*. While some ministerial positions were assigned to Hausas and Tuaregs, this has been criticised as mere 'window-dressing for outside consumption'. According to Richard Higgott and Finn Fuglestad, 'No opposition was tolerated, no attempt to enlarge the power base of the party was made, and no elections worthy of that name, either within the party or nation-wide, were ever held.'[29]

While the P.P.N. was never a mass political party, its leaders rhetorically promised popular participation and vastly improved standards of living. However, under the state-led modernisation programme, the revenue from groundnuts continued to provide, as during the colonial period, the most important source of finance for economic expansion. Public-sector control of prices, marketing, and credit for groundnuts and less important cash crops, such as cotton and rice, together with the taxation of exports, provided legal mechanisms for extracting revenues and transferring them to the budding secondary sector, thereby stimulating the growth of a vast parallel market.[30]

[26] For further details, see Samuel Decalo, *Historical Dictionary of Niger* (Metuchen, N.J., and London, 1979), pp. 43–4, 90–1, and 185–90.

[27] Fuglestad, op. cit. p. 186.

[28] Miles, loc. cit. p. 251.

[29] Richard Higgott and Finn Fuglestad, 'The 1974 Coup d'État in Niger: towards an explanation', in *The Journal of Modern African Studies*, 13, 3, September 1975, pp. 386–7.

[30] Robert H. Bates, *Markets and States in Tropical Africa: the political basis of agricultural policies* (Berkeley and Los Angeles, 1981), p. 12.

Between 1966 and 1972, as the terms of trade for groundnuts eroded and agricultural production stagnated, electrical energy and cement production tripled and doubled, respectively.[31] Despite the fact that 80 per cent of Niger's export proceeds came from groundnuts, the rural sector was only allocated \$4·3 million out of the total general budget of \$79·7 million for 1968 and 1969.[32]

Although a number of small industrial activities were started under import-substitution schemes, Niger's land-locked status, poorly developed transportation infrastructure, and high energy costs deterred major foreign investment until the discovery of vast deposits of uranium in 1965. Thereafter state enterprises were created in several fields, notably banking, communications, hotels, and construction, along with a host of agencies to control the import, export, prices, and marketing of key commodities. The rapidly expanding public sector provided a steady source of sinecures and contract work for party loyalists. In addition to their high salaries, leading bureaucrats also received housing, transport, and other allowances, as well as preferential access to staple commodities, such as millet, through the agency of the central government.

The nation's G.D.P. rose steadily during the first five years of independence, but thereafter began to drop sharply, and by 1973, after several devastating droughts, was only slightly above its 1960 level.[33] Niger's suppressed but unsolved social and political tensions help to explain why the Diori/P.P.N. administration was overthrown in April 1974 by Kountché, whose stated objectives were to rid the civil service of corruption and to put Niger on a firm and orderly path towards economic development. The new President suspended the constitution, centralised power in a supreme military council, and waged an incessant battle with the help of a pervasive intelligence network against what was perceived to be an intransigent and venal bureaucracy.

Faced with a largely disaffected population, Kountché decided to create *sociétés de développement* that would provide horizontal linkages from rural areas to government services and the administration. Patterned after the *samariats*, or traditional youth leagues, the village development councils would be the hub of a network of producer co-

[31] United Nations, *The Growth of World Industry*, Vol. II, *Commodity Production Data, 1964–1973* (New York, 1975), pp. 405 and 616.

[32] *Africa Contemporary Record, 1968–9*, pp. B544–50.

[33] Government of Niger, *Plan quinquennal de développement économique et social, 1979–1983* (Naimey, 1977), p. 16.

operatives and other rural institutions which would 'work towards the realisation of... national unity, national edification, social justice and participatory democracy'.[34] The village chiefs at the head of the *sociétés de développement* would act as a legitimising and mobilising force for the Government, thus helping to provide better mechanisms to 'penetrate' rural society.

The timing of Kountché's accession to power was auspicious in two ways. First, production from Niger's large uranium deposits shot up rapidly in response to increased world demand created by the 1974 global 'oil shocks', thereby making it possible for the G.D.P. to rise at an annual rate of 7·5 per cent, and for public investment to grow from 12 to 28 per cent of G.D.P. between 1975 and 1980.[35] Secondly, the ravaging effects of the drought in the Sahel had captured the attention of the West at a time when the first generation of development efforts were the target of widespread criticisms by both theorists and practitioners. But the Diori régime's corrupt handling of relief assistance heightened donor awareness of a generalised and serious lack of Nigérien institutional capacity to plan and implement programmes of development. Moreover, the extreme sensitivity of the rural economy to drought underscored the abject lack of attention that had been paid to the all-important subsistence sector.

Although Kountché embarked on priority projects or rural betterment with the help of considerable donor assistance, these initiatives were greeted with scepticism and distrust, especially at the local level. According to William Miles, an 'integration of traditional with modern institutions of government... was being attempted by Niger's neo-Lugardians'. But neither the chiefs nor the commoners 'perceive[d] any lessening of ultimate governmental authority... all are now expected to "participate" in national efforts, although these are still determined, and controlled, from the capital.'[36] It was the technical ministries that benefited – rather than the rural producers – as donors provided millions of dollars to improve their institutional capacity. In addition, 12 new parastatal organisations were created, bringing the total to around 60. Not surprisingly, state-owned enterprises accounted for 50 per cent of all employment in the modern sector by 1980.[37]

[34] Spécial projet de charte nationale', in *Le Sahel* (Niamey), 27 May 1977, p. 2.

[35] World Bank, *Report and Recommendation of the President of the International Development Association to the Executive Directors on a Proposed Credit of SDR 22·9 Million and a Proposed African Facility Credit of SDR 15·6 Million to the Republic of Guinea for a Structural Adjustment Program* (Washington, D.C., 21 January 1986), pp. 2–3.

[36] Miles, loc. cit. pp. 254–6.

[37] World Bank, 21 January 1986, pp. 2–3. According to Government of Niger, *Plan de développement économique et social, 1987–1991* (Niamey, 1987), p. 54, the civil service as a whole accounted for 60 per cent of all wage-earners.

Demand for uranium dropped sharply in 1981, and agricultural production declined due to unfavourable weather and, as in Guinea, the inefficiencies of state-managed rural services. During the next two years, Niger continued to borrow commercially to finance its development programme, and by 1983 as much as 54 per cent of its G.D.P. was accounted for by external debt (of which three-quarters was public or guaranteed by the state).[38] Unable to meet its repayment obligations, the Government appealed for external help from the Paris and London Clubs, and they agreed to the proposed rescheduling of debt, albeit only on condition that a rigourous I.M.F.-stabilisation programme was implemented.

STRUCTURAL ADJUSTMENT IN GUINEA

In the wake of the coup which followed Sékou Touré's death, the military administration sought to obtain a bridging loan from the I.M.F., which immediately attempted to impose a number of rather draconian, if predictable, reforms in 1985.

The Guinean authorities resisted the I.M.F.'s initial demand that the currency be devalued by 1,500 per cent, but eventually agreed to a 91 per cent reduction, as well as the *syli*'s later replacement by the Guinean franc, at some point in the future to be integrated into the French-backed C.F.A.-franc zone.[39] A second set of reforms was designed to achieve self-sufficiency in the production of crops, animals, and fish by reinstating 'market forces'. It was expected that farmers would increase their output and income if prices were allowed to find their own levels.[40] In addition, the I.M.F. demanded immediate fiscal austerity, the removal of public-sector controls over commerce, and the encouragement of private enterprises, notably by the removal of all state monopolies and government subsidies. The military committed itself, at least verbally and in writing, to the centre-piece of these liberalisation measures: namely, to cut dramatically the size of the Guinean public sector.

[38] World Bank, 21 January 1986, pp. 4–6.

[39] 'Guinea: putting its house in order', in *Africa Report* (New York), March–April 1986, p. 41, and discussion with the Guinea Desk Officer, World Bank, Washington, D.C., July 1986.

[40] See Hecht, loc. cit., for an excellent summary of agricultural problems and prospects in Guinea.

Public-Sector Reform

President Lansana Conté gave permission for French I.M.F./World Bank advisors to be given key positions in the *Banque national de Guinée*, and 'no important action, contract or development project could be initiated or finalized without... [them] being involved'.[41] In addition, the I.M.F. maintained tight control over all decisions taken by Guinea's monetary authorities by securing the appointment of Léon Chaize, another World Bank functionary, as the central bank's vice-governor. He was given 'full' authority by presidential order, a way of imposing policy reforms that was described by critics as an 'unsavory prospect'.[42]

For over 20 years Guinea had suffered from bureaucratic inertia that had allowed tax evasion and corruption to have devastating effects upon the economy. At the heart of the I.M.F.-imposed strategy was a demand for both the productive and the service sectors to be privatised, and for the civil service to be drastically reduced in size. In November 1985 a physical head-count of the administration – designed to flush out the numerous 'phantom' bureaucrats who were still on various governmental payrolls – identified 140,000 civil servants, including those employed by parastatals. Despite the agreed 1986 goal to reduce this figure by over 20,000, and for the restructured civil service to employ not more than 50,000 by 1990, it seems as if few, if any, cuts had been made by 1988, beyond those accomplished via an early retirement scheme.[43] Indeed, although Guinean officials later stated that they hoped to reduce the civil service to 40,000, the authorised full-time establishment for 1990 was still as high as 60,000.[44]

Similar slow progress has been made in implementing the régime's commitment to cut the number of public corporations from 60 to 20. By the beginning of 1987, seven had been closed, four others had been restructured, and another four had been unsuccessfully offered for sale to the private sector. By the end of the sixth year of I.M.F.-imposed reforms, efforts to privatise Guinean enterprises had met with only limited results.

[41] *Africa Contemporary Record, 1985–6*, p. B55.

[42] Howard Schissel, 'Guinea: Conté in control', in *Africa Report*, November–December 1986, p. 24.

[43] Siradiou Diallo, 'Guinée: quatre ans après Sékou', in *Jeune Afrique* (Paris), 1424, 20 April 1988, p. 9, and Economist Intelligence Unit, 'Country Profile: Niger, Burkina', London, 1988, p. 11.

[44] Daphne Topouzis, 'Conté's Challenges', in *Africa Report*, November–December 1989, pp. 38–40.

In short, the available evidence since 1985 suggests that the current leadership has strongly resisted attempts by the I.M.F. to impose deep cuts in the size of the state sector, and by early 1990, donor officials could only claim that the expected reductions were still in their early stages.

Bureaucratic Resistance and Confusion

As was the case throughout most of the time under Sékou Touré's leadership, many if not most civil servants continued thereafter to spend a great deal of time 'moonlighting' and providing goods to the black market from state warehouses.[45] A 1985 study revealed that there were thousands of fictitious posts in the Guinean civil service, and that in addition some 84,000 were either underemployed and/or had few real qualifications for their positions. Most lived in the capital city, and many seemed to have little awareness of the harsh realities of their nation's financial situation.

President Conté stated in 1985 that only the 'competent, honest and truly necessary' civil servants would be retained, and that the rest would go into the private sector.[46] It was assumed that inducements would cause the best employees to stay, and that the less capable would be dismissed, albeit with a cash payment to encourage them to start a business enterprise. Some international advisors not unnaturally feared that the most competent would take any offered bonus and leave, thereby further weakening the effectiveness of public administration. In 1986, the military régime announced that payments would no longer be made to non-existent civil servants, that employment in the state sector would be reduced to 50,000 in two years, albeit gradually through enforced retirements (and not in the *circa* 10,000 strong army), and that public structures would be reorganised and streamlined.

Clearly there has been a great difference between promises and realities in as far as the implementation of I.M.F. conditionalities is concerned. Despite reported 'rumours' that the civil service had been cut by as much as 50 per cent,[47] according to World Bank officials in

[45] This 'moonlighting' continued throughout the first six years of Conté's administrations, according to Andre Astrow, 'Conté Moves Quickly to Stamp Out Fire in Conakry', in *Africa Report*, March–April 1988, pp. 8–9, and Marita Snyman and Jenny Macgregor, 'Guinea, in *Africa Insight* (Pretoria), 20, 1, 1990, p. 62. Confirmed in discussions with Mamadu Kanté, Resident Advisor N.A.S.P.A.A./Guinea Technical Assistance project, 7 October 1989.

[46] Richard Everett, 'Guinea: a tough road ahead', in *Africa Report*, July–August 1985, p. 20.

[47] Peter Blackburn, 'Reform vs. Bureaucracy in Guinea, West Africa, in *The Christian Science Monitor* (Boston), 10 July 1986, p. 12.

1986 no significant reductions had occurred because Guinean officials were stalling for political reasons. As for the planned increase in the earnings of those who remained employed in the public sector so that they would really spend 40 hours a week doing their job properly, it should be noted that the average monthly salary of a Guinean civil servant in 1985 was as low as $18.00. Hence the not surprising explanation that 'The state pretends to pay us so we pretend to work.'[48]

The Government has been understandably reluctant to enact draconian measures for fear that they will provoke civil unrest and political instability. Certainly the attempt to introduce policy reforms has caused sharp increases in the cost of living, especially in Conakry, where disgruntled public servants might feel inclined to back opponents of the current leadership. The same resourcefulness that allowed people to survive under Sékou Touré obviously helped to perpetuate the old system of favouritism and petty corruption, and to hinder reform. There were numerous 'tales of "lost dossiers", blocked reform proposals, and "unavailable" officials' in 1985,[49] followed by substantial resistance to I.M.F. measures within the bureaucracy, according to donor sources in 1986. The 'survey' of civil servants was postponed a number of times that year, and in the words of a World Bank official, 'The Government talks a good game (when it comes to policy changes) but continues to avoid the implementation of reforms.'[50]

By 1986, thousands of fictitious posts in the public sector had been identified by World Bank staff. Few of the 84,000 that were being paid had any appropriate qualifications, and many were, in fact, unemployed. As might have been expected, the announced 34,000 reduction in the number of civil servants by the end of 1987 created fears of a political back-lash. However, after tests had been conducted the next year, following a 'census' of personnel, the régime renewed, in both 1989 and 1990, its commitment to cut back the size of the civil service.[51]

I.M.F. advisors face a number of vexing problems in Guinea. Bureaucrats have a vested interest in the *status quo*, and many continue to have links with the black market which continues to handle the great bulk of the country's commerce. Bribes and connections in government

[48] *Africa Contemporary Record, 1985–6*, p. B53.
[49] Everett, loc. cit. p. 23.
[50] Interview, April 1986.
[51] Schissel, loc. cit. p. 24, and Topouzis, loc. cit. pp. 39–40.

are necessary to get even the most simple matters accomplished. The system of barter exchange inherited by the military régime in 1984 had hardly changed by 1990.

The Danger of Reforms

For many years a variety of foodstuffs and other consumer requirements from abroad have made fortunes for those party/state officials who were able to secure and transmit them to the black market. The plan to liberalise the importation of goods known as the *Programme libre de commerce* (P.L.C.) ran into significant resistance from within the bureaucracy and the military, and was eventually dropped.[52] Some observers began to fear in 1985 that such reforms would 'risk provoking a social explosion throughout Conakry, with hazardous political repercussions' for the Conté régime.[53]

The critical weakness remains the condition of the Guinean economy. Manufacturing units work at a quarter of capacity and most are overstaffed money-losers. The non-industrial sector consists of 130 state-owned concerns in the export-import, wholesale, and resale business.[54] Evidence suggests that 'rationalisation' is going very slowly here,[55] and that a new system of ethnic nepotism and sinecures is replacing the Malinké network which had prospered under Sékou Touré.

By the end of 1989, Guinea had liquidated 70 and privatised 21 of its 178 public enterprises, and another 36 faced either a similar fate or drastic reorganisations during 1990–91. Productivity has undoubtedly increased in recent years: G.D.P. rose by 6 per cent in 1987 and by 5 per cent in 1988, but although the rate of growth was projected to be 4 per cent by 1990, there are fears that this will be difficult to maintain. Inflation dropped from 37 per cent in 1987 to 26 per cent in 1988 (and was expected to be down to 18 per cent by the end of 1991), but high

[52] Schissel, loc. cit. p. 23. [53] Denongir, loc. cit. p. 372.

[54] Government of Guinea, *Étude de restructuration des services agricoles et de schémas directeurs régionaux de développement rural – Synthèse* (Conakry, August 1986), ... – *Résumé* (Conakry, August 1986), *Restructuration des services agricoles*, Vol. 1, *Organisation cible, à moyen terme*, and Vol. 2, *Étapes de la réorganisation* (Conakry, August 1986), and *Fiches de postes* (Conakry, August 1986).

[55] For example, see the following reports by the National Association of Schools of Public Affairs and Administration: 'Draft Pre-Proposal on Management Training and Organizational Development, Conakry, Guinea', Conakry, July 1986, and 'Proposal on Management Training and Organizational Development in the Ministry of Rural Development, Conakry, Guinea', Washington, D.C., 11 August 1986.

prices were a major cause of the 1989 and 1990 disturbances in Conakry.[56]

The problems facing public officials in the rural areas illustrate the difficulty in implementing agreed reforms. The Conté administration inherited a Ministry of Agriculture which was virtually non-functioning, and has since then spent a great deal of time, helped by its World Bank advisors, in devising a strategy to dismantle the remnants of the F.A.P.A. system, to remove many of the poorly-trained *agro-ingénieurs* from the public payroll, and to improve the operational effectiveness of the ministerial apparatus. But the peasants remain wary of centrally-initiated schemes, and attempts to produce improvements within the existing organisational structures have thus far come to little. What has been accomplished is that the deficit-ridden, state-run collective farms have been formally abolished, despite doubts about the future priority to be given to small-scale agriculture.[57] The rural sector remained little changed in 1987, and although some progress had been made by mid-1989 in certain export crops, notably cereals, rice, and coffee, food production remained difficult.[58]

I.M.F. conditionally has imposed dramatic changes on a very fragile régime in a short period of time, and many Guineans have felt increasingly frustrated, especially those living in the town and cities who are so dependent on the public sector. The threat to I.M.F.-backed military rule in Guinea from this urban class and its potential allies is obvious. Another problem stems from the fact that whereas the average development project is scheduled to run for five years, the first three-year phase of the structural adjustment process was too short for institutional improvements to be made, let alone sustained.

The military response to an attempted coup in July 1985 seemed to indicate that it was not difficult for the nation's leaders to lose control over some of their loyal supporters.[59] The excesses of counter-coup violence, directed primarily against the Malinké, Sékou Touré's ethnic group, certainly discredited the Conté régime. So also has its handling of disturbances since 1988, when student protests turned to violence, as again in 1989, on both occasions being met by what was widely

[56] Topouzis, loc. cit. pp. 39–40.

[57] The American aid mission in Conakry dropped support for a valuable small-scale agricultural project when Niger introduced its policy-reform programme in 1986. U.S. Agency for International Development, 'Guinea Economic Policy Reform Program–Promotion of Private Marketing and Distribution', Washington, D.C., July 1986, and Craig Olson, 'Human Resources and Institutional Development Analysis for the U.S.AID/Guinea Country Development Strategy Statement, Fiscal Years 1988–1990', Washington, D.C., 1986.

[58] Topouzis, loc. cit. p. 40.

[59] See, for example, Diallo, loc. cit.

regarded as unnecessary military force. The following year Guinean teachers went on strike, demanding not only, as had students, reductions in the price of food and other goods, but also multi-party elections and a return to civilian rule.[60]

RESTRUCTURING THE PUBLIC SECTOR IN NIGER

An I.M.F. stabilisation programme was commenced in 1983, and three more agreements were signed during the next three years.[61] Under the imposed austerity budget, the régime froze wages and benefits, sharply reduced procurement of supplies and equipment, restricted credit, and cut foreign borrowing. The initiation of policy reforms was a second objective, and the prescriptions were predictable: liberalise price and marketing policies, reduce the size of the parastatal sector, and reorient investment to productive sectors. Official debt was then rescheduled annually by the Paris Club.[62]

Niger also concluded an agreement with the World Bank for a structural-adjustment credit of $60 million to help cover the cost of the first phase, 1986–9, designed to improve agriculture, the parastatals, and the management of public resources.[63] The planning and finance divisions of key ministries were provided with technical assistance so that the reforms could be successfully implemented. Under the terms of the agreement, Niger's annual budget and investment programme had to be approved by the Bank, thereby enabling its officials to insist on the importance of the agricultural sector as the engine of growth, and the need for greater and diversified participation of the private sector in the economy.

Public-Sector Reform

The Kountché administration accepted the high I.M.F./Bank conditionality as a means of last resort in order to restore financial stability, to gain control of an unwieldy informal economy (estimated to account for 70 per cent of G.D.P.),[64] and to eliminate, or at least reduce, corruption, especially at a high level. By 1984 the committee

[60] Toupouzis, loc. cit. p. 40, and Macgregor and Snyman, loc. cit. p. 126.
[61] Organisation for Economic Co-operation and Development (O.E.C.D.), *Development Co-operation: 1986 report* (Paris, 1986), p. 194.
[62] World Bank report, 21 January 1986, pp. 6–7. In addition, a London Club rescheduling of debt was completed in 1984.
[63] World Bank report, 21 January 1986.
[64] Government of Niger, *Plan de développement, 1987–1991*, p. 54.

appointed the previous year to recommend action 'to clean up' the parastatals had been hardly able to 'deliver' any practical results. After the World Bank had conducted its own audit, the régime decided to create a new Ministry for Public and Parastatal Companies.[65] Thereafter four state-owned enterprises were fully privatised, four more liquidated, and three merged with a line ministry. In addition, the management of three hotels in the public sector was contracted out to private firms.

In mid-1988, Niger's new political leaders pledged continued support for the I.M.F.'s stabilisation plan, including privatisation. However, the ensuing down-turn in the economy led to increased dissatisfaction about unemployment and the rising cost of living, and in late 1990 a five-day general strike called for an end to austerity measures, as well as for political reforms. As pressures for the latter have mounted, the régime's commitment to privatisation has wained.[66]

Under the structural adjustment agreement the state was to retain only 25 of 60 publically-owned enterprises, 22 of which would be partially privatised. Deep cuts were to be made in personnel – for example, by 1986 the staff was to be reduced by 38 per cent in three public enterprises, and by 20 per cent in the national development bank. Other reforms have included improvements in the collection of revenues, the elimination of public-sector import monopolies, and the reduction of price controls on over 40 principal commodities.[67] In the agricultural sector, the implementation of U.S. A.I.D. and Bank-supported policies have resulted in improvements in the marketing of cereals, reductions of subsidies for inputs and the privatisation of most supplies, the decentralisation of the national co-operative union, some relaxation of administrative procedures governing cross-border trade, and the closing of the bankrupt agricultural credit agency.

By 1988, Niger's balance-of-payments position and level of international reserves had improved markedly.[68] However, although exports have grown at a faster rate than imports, this may be a

[65] 'Kunle Amuwo, 'Military-Inspired Anti-Bureaucratic Corruption Campaigns: an appraisal of Niger's experience', in *The Journal of Modern African Studies*, 24, 2, June 1986, p. 293.

[66] André Astrow, 'Niger', in *Africa Report*, May–June 1989, p. 12, and Daphne Topouzis, 'Niger', in ibid. January–February 1991, p. 7.

[67] World Bank, 21 January 1986, pp. 19 and 24.

[68] World Bank, *World Development Report, 1986* (Oxford, 1986), and *1988* (Oxford, 1988), p. 250. Moreover, Niger has shown a steady and impressive growth rate of G.D.P. since 1984, except for a sharp decline in 1987 when the rains failed. However, following a prolonged period of high inflation in the 1970s and early 1980s, the consumer price index has been negative since 1985. International Monetary Fund, *International Financial Statistics Yearbook* (Washington, D.C., 1988), p. 117.

reflection of increased uranium sales to France.[69] By mid-1989, drought in the Sahel had contributed to a down-turn in the economy, while the continuing glut in the world market for uranium meant that output had fallen to 2,960 tonnes by 1988, as against 4,500 tonnes at the beginning of that decade. By 1990, fears about a worsening economic and social malaise were contributing to the country's political instability.[70]

Institutional Capacity

Niger has been awarded 'high marks' from international financial institutions for its commitment to fiscal austerity and for meeting its adjustment targets. But many reforms have, in fact, been only partially implemented, and Elliot Berg has argued that their complexity, as well as the lack of knowledge about their effects, creates an environment of 'uncertainty about how to proceed'.[71] Other scholars have shown that the impetus for reforms may be weakened if changed circumstances during their implementation alter perceptions of the associated risks being taken by the policy-makers.[72]

In Niger, the absence of existing institutional alternatives to government has constrained the introduction of reforms. I.M.F./World Bank leverage has become less of a concern to policy-makers as they confront immediate threats to political and social stability. Civil service reforms, which have understandably created an uneasy mood in the bureaucracy, are a case in point. To offset the discontent engendered by wage freezes and reductions in benefits, the 1989 budget approved a 6 per cent increase in the salaries of civil servants.[73] In order to support private-sector initiatives and employment creation, the administration is starting to build an institutional and legal framework that will encourage not only educated young Nigériens but also retired public servants to set up their own business ventures and to capture the parallel market. Policy-makers expect that this will take several years to achieve.

In any case, the minority Zarma-dominated régime is unlikely to be very enthusiastic about rapidly reforming commercial codes and introducing other liberalisation measures, because the main bene-

[69] Unctad, *Handbook of International Trade and Development Statistics, 1988* (Washington, D.C., 1988), pp. 18–19. [70] Astrow, loc. cit. p. 12.

[71] Elliot Berg, *Cereals Policy Reform in the Sahel* (Paris, 1986), p. 12.

[72] Merilee S. Grindle and John W. Thomas, *Policy Makers, Policy Choices, and Policy Outcomes: the political economy of reform in developing countries* (Cambridge, Mass., 1988).

[73] Economist Intelligence Unit, op. cit. p. 12.

ficiaries of a relaxed business climate are expected to be the Hausa. They already constitute the largest commercial force in Niger, and any further expansion of their enterprises might result in stronger cross-border links with the Hausa in Nigeria.

Meanwhile, rising urban unemployment means that most secondary-school leavers and university graduates no longer enjoy a virtual entitlement to a civil-service career. Niger's students have become one of the few actively dissenting groups under military rule, and in February 1990 they organised a demonstration against the régime's decision, taken in accordance with the conditions of the structural adjustment credit, to reduce their scholarships and other benefits, as well as to suspend recruitment to the civil service. Three died in the resulting violence, which helped to precipitate a general strike, supported by public demonstrations, and following a cabinet reshuffle, promises were made to democratise the political system. In February 1991 the University of Niamey was closed, after renewed protests at delays in bringing to justice those held responsible for the shooting of student demonstrators the previous year.[74]

Institutional Overload

Since 90 per cent of the population is engaged in subsistence farming and related activities it is not surprising that policy-makers and donors conclude that Niger must look to agriculture for sustainable economic growth and development. Hence the agreement that allocations to the rural sector will rise from 19 per cent of all investments in 1987 to 39·5 per cent in 1991, of which 25·69 per cent will go to agriculture.[75]

New projects are to focus on small-scale productive and infrastructure activities that can be undertaken and supported by co-operatives. They have not enjoyed great success in the past, being associated since the colonial era with top-down, central-government initiatives that have brought few benefits to either farmers or herders. Hardly any possess numeracy or modern book-keeping skills, and since the vast majority are illiterate in their maternal language, the management of the movement has been dominated by a few local notables. Social cohesion among members tends to be low and numbers of disputes high. Corruption is not unknown, and high default rates on seasonal lending eventually bankrupted the agricultural credit agency.

[74] Cf. Macgregor and Snyman, loc. cit. p. 127, and *West Africa* (London), 11–17 March 1991, p. 370.

[75] Government of Niger, *Plan de développement, 1987–1991*, p. 69.

Beyond literacy training, efforts to strengthen co-operatives through the regional productivity projects of the 1970s were largely failures.

Although the macro-economic environment has been improved by the liberalisation of the agricultural market and the decentralisation of the National Co-operative Union, much remains to be learned concerning the local social and political contexts within which they are supposed to function.[76] Berg claims that the *samariats* 'were not designed to perform economic functions such as marketing and credit administration', which they are expected to carry out, and that under structural adjustment they will inherit even more responsibilities for which they are ill-suited.[77] He argues that a more sustainable solution lies in finding the right 'institutional mix' between state and private actors, and in placing greater reliance on individual, rather than co-operative efforts.[78]

Village-based training began in late 1985, funded by U.S. A.I.D., and within three years the Co-operative League of the United States (Clusa) was able to claim that it has organised and trained members in 147 co-operatives, and that nearly 300 economic activities had been started. In addition, a guaranteed loan programme with a commercial bank was introduced in order to finance income-generating schemes identified and managed by co-operatives.[79] A 1988 evaluation of this programme found that 'the economic activities are becoming firmly entrenched in the cooperatives and are regarded as entrepreneurial rather than social exercises imposed from above', and that most of the co-operatives visited 'exhibited a sense of solidarity, collegiality, and collective consciousness or awareness'.[80] Encouraged by these results, a project to develop rural organisations was designed in October 1988. Self-management and self-financing remain distant goals, however, as Clusa's project identification document noted:

> The viability of the [decentralised] structure is now being tested. It is clear that there are many problems to resolve before a national cooperative organization can be effective. Faced with a more positive policy environment, cooperatives still suffer from severe institutional problems.[81]

In November 1989, the régime announced a policy of administrative

[76] David P. Harmon, Jr., et al., *First Evaluation of the Agricultural Support Project in Niger* (Washington, D.C., January 1988), p. 80.

[77] Berg, op. cit. p. 14. Indeed, one donor-inspired reform 'privatised' the financially and managerially troubled parastatal responsible for the supply of agricultural inputs by handing it over to the National Co-operative Union.

[78] Ibid. p. 20.

[79] Co-operative League of the U.S.A., 'Rural Organizations Development Project Identification Document', Washington, D.C., 1988.

[80] Harmon et al., op. cit. pp. 65 and 82.

[81] Co-operative League of the U.S.A., op. cit. pp. 4–5.

decentralisation, which included a regional investment budget for 1990 for the development of out-of-season crops, particularly cereals. This strategy 'is aimed at involving people more in the management of public affairs and alleviating the inadequacies of an administration characterised by "blockages"'.[82]

Structural Adjustment and the National Charter

In Niger, the co-operative structure is part and parcel of the régime's conservative strategy of nation-building. In June 1987, a referendum approved Kountché's political and economic development policy as outlined in the National Charter, thereby formalising the *Société de développement* as the vehicle for popular participation, especially in rural areas. In August 1988, the new Head of State, Ali Seibou, announced the creation of the *Mouvement national de la société de développement* (M.N.S.D.), and appointed a national development council to draft a constitution based upon the Charter. Running parallel to the state administration, the M.N.S.D. is charged with the representation (and control) of different groups in society, and is organised hierarchically from the village to the national level.

The National Charter reiterates the policy orientations previously agreed with the World Bank and included in the régime's 1987–91 development plan, and articulates an economic strategy for the Nigérien administration that (i) gives priority to the engines of growth in the economy, (ii) promotes food self-sufficiency, (iii) provides investment which considers recurrent as well as direct costs, and (iv) ensures that plans for national development include the private sector and local collectivities. In the context of policy reform, the new rôle of the state would be 'to co-ordinate activities and to provide institutional and financial support in order to achieve balanced development'. The *Société* is also to protect the corporate interests of 'the army [which] must watch over and safeguard the moral and material interests of the population and participate in their civic and military education'.[83]

The military has been able to justify recent reforms as part of its tutorial-style charter-participation ideology – as a painful, but essential process to solve Niger's continuing financial and economic crisis. But G.D.P. *per capita* remains well below pre-1980 levels and its recent rise masks other, troubling trends. In 1989 Unicef reported a marked increase in wasting and stunting in infants, alarming drops in the

[82] Snyman and Macgregor, loc. cit. p. 64. [83] *Le Sahel*, 27 May 1987, pp. 2 and 4.

percentage of children under five receiving immunisations against communicable diseases, and declines in pre-natal health care.[84] In other words, the data suggest that the most vulnerable segments of the population are bearing the painful costs of adjustment.

There are other domestic problems. Ethnic disturbances broke out between nomadic groups in the northern town of Arlit, as drought once again forced herders to seek employment in the mining of uranium, despite its increasingly tight market. A 1989 report indicated that Niger turned down a French offer to increase uranium purchases on the condition that one of the mines be closed, 'fearing that it would only aggravate the country's economic and social malaise'.[85] Of even greater concern is the likelihood that Niger's debt-service burden will continue to claim as much as one quarter of all export earnings into the 1990s. For the foreseeable future, the economy will still rely on a few primary commodities. To the familiar trap of high sensitivity to world demand is added extreme vulnerability to recurrent drought, as was evidenced in 1987. While the potential for individual enterprise exists, especially in certain fields, the creation of a vibrant private sector remains a dream relegated to the distant future.

Although the leaders of Niger still seem to be convinced of the need for policy reforms, the continued absence of viable institutional frameworks precludes any 'soft landing' by the workers and producers most affected by adjustment. The success of the co-operative movement is uncertain, while issues such as inadequate credit and agricultural inputs remain unresolved. Few in the so-called 'parallel market' are being encouraged to enter the official economy, not least because the ranks of the unemployed are growing steadily. Moreover, some of the reforms are clearly not in the best interests of those who are expected to implement them, and their difficulties are likely to be increased by growing social and economic dislocations combined with rising political dissatisfaction with the régime.

It remains to be seen if those currently in power can survive the growing strength of the movement for democracy, let alone control either its speed or direction. Having been elected President in 1981 of the supreme ruling body, the *Conseil supérieure d'orientation national*, Ali Saibou was in early 1991 re-elected head of the M.N.S.D., pending a forthcoming national conference that is expected to consider significant political changes in Niger.[86]

84 Unicef, *The State of the World's Children* (New York, 1989), p. 98.
85 'Update: Niger', in *Africa Report*, 34, 3, May-June 1989, p. 12.
86 Snyman and Macgregor, loc. cit. p. 127, and *Agence-France-Presse* (Paris), 18 March 1991.

THE STATE AND DEVELOPMENT

Our major purpose has been to raise questions about the extent to which the structural adjustment reforms of the I.M.F. focus on dismantling existing governmental structures, rather than strengthening the capacity of appropriate public-sector institutions in Africa. Evidence from other parts of the world, and in particular East Asia, suggests that significant development occurs in strong and not in weak states.[87] Dietrich Rueschemeyer and Peter Evans put the problem concisely:

> An effective process of institution building must reshape the goals, priorities, and commitments of core participants and inculcate shared assumptions and expectations on which a common rationality can be based... Such institutional constructions are likely to require decades, if not generations, to become established.[88]

Our argument, based on the Guinea and Niger case-studies, is fivefold. First of all, public-sector reforms have too often been cut from a common cloth that ignores historical differences. The colonial state in Africa – strong, militarist, and authoritarian, but minimalist in its scope – lacked much of the legitimacy carried by imperial régimes elsewhere that had a strong pre-colonial core. This suggests that policy reform and economic development in Africa should start from different assumptions than in other parts of the world.

Secondly, the evidence indicates that régimes continue to manipulate the bureaucracy whatever the changes they have been pressed to implement. I.M.F. policies do not prevent corrupt institutions from mainly benefiting an organisationally-based middle class that has vested interests in resisting externally-stimulated attempts to reduce the rôle of the state.

Thirdly, it is our view that the strategy of the I.M.F. seems designed to create what might be called the *status quo ante* – namely, the type of public/private sector relationships that exist before economic distortions occurred – and that not enough thought has been given to what happens thereafter as regards needed socio-economic developments.

Fourthly, it seems clear that in some cases the national leaders may not be able to weather the storms aroused by the remedial structural

87 Harris, op. cit.

88 Dietrich Rueschemeyer and Peter B. Evans, 'The State and Economic Transformation: toward an analysis of the conditions underlying effective intervention', in Evans, Rueschemeyer, and Theda Skocpol (eds.), *Bringing the State Back In* (Cambridge, 1985), p. 51.

adjustments that are being externally imposed on their régimes. The I.M.F., the World Bank, and bilateral donors have shown only limited sensitivity to the minimum survival needs of the domestic élites that are trying to implement a number of often very painful measures. The current wave of demands for democracy in Guinea, Niger, and several other African states are in part directed against the impact of I.M.F.-backed structural-adjustment reforms.

Finally, it needs to be more widely recognised that although most policy reforms aim to reduce the state's sphere of responsibilities and thus the scope of its intervention in economic affairs, the bureaucratic apparatus actually needs to be strengthened in a number of areas, notably as regards expertise in planning and financial management. Where assistance is provided to increase the capability of the public sector to perform its streamlined functions, structural adjustment may help to consolidate the political system. However, there is a tendency for some donors to focus on policy changes at a time when the administrative system badly needs to be rectified as well.

In Guinea and Niger, the stress on the reduction of the size of government has partly obscured the capacity-building requirements of structural adjustment. In both countries, individuals and groups have distanced themselves from a bloated but weak state as a result of its declining performance, instability, and irrational and unpredictable authoritarianism. African régimes are sometimes impotent because of their failure to manifest a societal or even significant group will,[89] and they could be made weaker as a result of any I.M.F.-sponsored disengagement process.

National consolidation, according to Victor Azarya, is the counterpart of societal incorporation, 'the process whereby large segments of the population associate with the state and take part in its activities in order to share its resources'.[90] To what extent are the architects of structural adjustment in Africa directing their efforts at strengthening or weakening national governments? The inability to answer this question illustrates one of the major problems which has occurred in the policy-reform process.

[89] See, for example, Goran Hyden, *No Shortcuts to Progress: African development management in perspective* (Berkeley and Los Angeles, 1983).

[90] Victor Azarya, 'Reordering State-Society Relations: incorporation and disengagement', in Rothchild and Chazan (eds.), op. cit. p. 6.