

SENEGAL

SENGHOR SEES SERIOUS FINANCIAL CRISIS

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(President Senghor's speech to the National Assembly's budget session, 19 April, recorded)

(Summary) Mr. Speaker, deputies: In the two previous messages to the people of Senegal I promised to draw a balance sheet for you representatives of the nation's economic and financial situation. In my address of 19 December 1962, I promised to give you a detailed presentation of my government's program. I keep my promises; hence I am here today. My speech will be in three parts: 1) The heritage of the past, 2) the (elements?) of a new policy, 3) a new policy.

After the recent crisis the present budget situation (is the same?) as the preceding one. For an onward march, there must be a redressing. My government will always undertake to speak the truth. How can the government and your assembly cooperate effectively in the service of the nation without frankness and loyalty? I tell you that the only solution is through development.

The first part of my speech will be devoted to our past development, in particular, the growth of agricultural and industrial production. Agricultural production results for the past year are not yet known, but those of 1961 were relatively satisfactory. In the 1962-63 peanut season, concluding from figures available, sales were lower than in the preceding year. At the end of the 12th week, 732,000 tons were sold compared to 820,000 tons for the same period in the 1961-62 season period. Moreover, there is great variation from one region to another. The 750,000 tons production (probably?) achieved in the current season will (fall far short?) of the more than 900,000 tons of the previous year. Therefore farm incomes will decline about 3 billion in comparison with the previous year's revenue.

As regards industrial production, (word indistinct) it is better to give some indications of general development. The total consumption of petroleum products in the years 1960-61 was considerably reduced due to the interruption of the rail link between Senegal and Mali. Consumption of electric energy showed a marked increase which reflects a steady increase in industrial activities. Exports in 1962 were slightly higher than in the preceding year. The total value of imports decreased slightly in 1961-62.

While the economic situation (does not give cause?) for concern, the financial position has yet to be improved. Senegal is passing through a financial crisis and it is therefore absolutely necessary that the situation be arrested. There are several reasons for this: The (east-west division?) in 1959, the break with Mali, thereby closing market avenues for Senegalese products, and increased public expenditure, including expansion of the armed forces.

The position will be worsened if a dynamic policy is not used on taxation. The expenditure in the various budgets for 1951 was 14,787,000,000 francs. In 1960 it was 20,301,000,000 francs. For 18 months between 1961 and 1962 it was anticipated that we would spend 46,673,000,000 francs and 33,102,744,000 francs in 12 months of 1962-63.

The beginning of our difficulties, therefore, was during the 1960 financial year, due chiefly to the creation of new departments. From 1960 to 1961 expenditure increased by over 50 percent. Revenue was similarly increased but not as satisfactorily in 1961.

In 1962-63, a surplus reserve ~~disappeared~~ and this impeded the presentation of last year's budget to the National Assembly, for it had been provided in the plan to finance the capital expenditure by ordinary resources. The difficult situation continues in 1963-64. Maintenance of new departments was estimated at 10-billion francs, and maintenance of the civil service at about (figure indistinct) billion francs, while nonapplied revenue can be valued at only 29,060,000,000 francs.

A change of method is therefore absolutely necessary to maintain the state's credit, both internally and externally. This is why I wish to introduce a series of measures which will require sacrifices both by individuals and the nation. On 30 March 1962 Senegal had in its treasury 12,125,000,000 francs. There were only 6,945,000,000 francs on 30 March 1963. We must thus introduce an austerity program without compromising our (expansion?).

The sector of infrastructure exceeded what was provided for in the four-year development plan. The situation was equally bad in the administrative equipment and rural production sectors, where 250 per-cent more credit payments were made than provided in the plan. Strict austerity measures must be enforced in the 1963-64 budget. In my circular of 23 March, I abolished a series of advantages enjoyed by ministers and high officials. I also stopped the buying of furniture and vehicles for the administration. In two decrees under preparation I propose to explain fully the system for administrative lodging and service vehicles.

The severe measures already applied helped to cut down by about 1 million francs the expenditure of 31,222,000,000 francs of the previous year. An economic commission will be created, to be headed by a magistrate of the Supreme Court. Its task will be to curtail excessive expenditure and suggest reforms. In the 1963-64 budget there will be increases for rural economy, general education, and armed forces. About 2,592,000,000 francs will be devoted to new operations. We will examine the finance law which set aside 7,997,000,000 million francs for external services and 2,643,000,000 francs for equipment, giving a total maximum of 19,640,000,000 francs. Out of the previous year's budget for external services, about 1,167,000,000 francs was (supplied?) by U.S. aid. I have now presented to you the budget situation and I ask the house to examine it carefully.

Problems of Development

I will never cease to repeat that no magic can replace work and discipline. Organization and method constitute the only lasting independence. "We will never have development parachuted to us from outside like manna from Heaven. However generous it may be, foreign aid can never exempt us from national effort."

Our development should be much more than mere growth and extension, because these concern only material quantities. Development implies complete humanism. Economic development is certainly necessary, but so also is cultural development, because economic policy and planning are merely two aspects of culture. "We have inherited an educational system--the French one--which was designed for the training of clerks. Even France itself has recognized this system's inadequacy for the needs of today's industrial society and is now reviewing it with an intelligence and realism which should inspire us. The Senegalese educational system and that of Africa generally must henceforth meet the needs of independent nations in process of development by training qualified leaders and active producers to fulfill the objectives of our development plans. It must not disassociate the student from his environment but must on the contrary prepare him to play his full role in his society."

This is why the Senegalese educational system should integrate African values. "If in the past our students were allowed to orient themselves toward law and literature, this current will henceforth be reversed as of the first year in high school in favor of science and technology." The laboratories, workshops, and farming schools will now be reappraised, as well as manual labor and physical culture. Since the formation of my government, I have busied myself with the problem of supplying the country with qualified leaders by creating, in addition to our national school of administration, a national school of rural education; a polytechnic institute; and a national school of applied economics so as to train experts in planning, organization of cooperatives, and economic control for rural development. These schools will train militant leaders whose importance we will continue to feel as we progress.

"We must think about the future and put an end to the anarchy now presiding over the orientation of our students. We must practice a certain amount of direction, having in view the real needs of the country instead of the whims of our youth. It is not nations but rather men who are technically and culturally underdeveloped in their fundamental attitudes. Development and underdevelopment are less questions of machines and capital than of men."

They are not a question of capital, because this is ready to invest itself provided there are guarantees of security and rentability. Nor are they a question of machines, because science and technology have made so much progress that no development problem today appears technically insoluble.

"In our countries, the fundamental development problem is man himself, who must acquire, along with a scientific and technical education, a renovating and creative spirit. This is why the first Senegalese development plan is essentially a structure-building one--that is, a plan designed to influence man's environment." This is also why it is a foundation for mass education and cooperation. This plan is as human as our socialism of which it is the scientific expression and technical instrument.

"But we must not deceive ourselves. If in the developed countries the purpose of the socialist struggle is to redistribute wealth, what matters for us here in Africa is to achieve increased and better production. The socialist ideal cannot be realized in misery, precisely because socialism implies abundance achieved through maximum and therefore planned and rational production. African socialism must not be that of men stagnating in underdevelopment and poverty. Before becoming a socialism of equitable redistribution of wealth, it must first of all be a socialism of work and production. To say the contrary is to prove that one has not been decolonized. To say the contrary is to repeat slogans good only for the French bourgeoisie. The urgent problem is to produce. There are no others.

The rapid development of foodstuff production is an indispensable condition for national development. "We must emphasize the cultivation of rice, millet, sorghum, and corn so as to stop in the years to come our annual foodstuff imports, estimated at 200,000 tons despite the fact that our country is essentially an agricultural one."

The necessity for us to adopt, as of 1964, the world market price for peanuts compels us to increase our production if we do not want our adoption of this price to result in decreased revenues for our producers. "We must make up for the time already lost and reorient our development plan. The experiments in cotton and sugarcane cultivation being carried out in the Senegal River Valley have revealed great possibilities, and plans for the development of these crops will soon be put in to effect. But this development will be carried out along with the present survey of the river's possibilities. The Senegal River offers to the fishing industry resources which foreign countries fully appreciate. The mass production of the coastal fishing boats recently designed and the setting up of a fleet will be decisive factors for the progress of the fishing industry in Senegal

'Reckless Nationalization' Eschewed

The state must reorganize the semipublic sector and give a more resolute support to the cooperative movements. It is my government's desire to extend this movement to every aspect of rural life and thus create a completely socialized rural sector. Industrial production also occupies my government's attention. Agriculture and industry must go together in a modern economy. "I want to be explicit concerning my government's relations with the private sector. We will be courting failure if, while we are requesting from the private sector an effort equal to our own for the operation of the development plan, we at the same time introduce a reckless nationalization policy, as some irresponsible individuals would like us to do. In this respect, we must refrain from anarchic initiatives and dogmatic and demagogic attitudes. The socialist action of the state will have its privileged sphere in the rural sector, where it must insure production as well as the education of the peasants who are suffering more from our one-crop economy. All the other sectors--that is, commerce handicrafts, and industry--will be free with just a slight control." If necessary, the state will compete with the private investors in these sectors.

Our investment code guarantees to the investors justice and the enjoyment of their legitimate profits under conditions acceptable to them and in conformity with our socialist policy. "My government is ready to hold discussions with the private sector whenever the latter desires it, so as to define the terms and conditions of its cooperation with the state. In a general sense, the private sector will have every opportunity to express itself within the Economic and Social Council.

Mr. Speaker and members of the National Assembly, the international prestige and credit being enjoyed by our country are favorable to our progress. During the past two years our country has acquired a prestige quite beyond its importance in size, a prestige which insures for it a ready audience in the comity of nations. This is because events have proved the accuracy of Senegal's policy, particularly as far as the great African problems are concerned. As you know, our procedure essentially consists of negotiations and gradual progress." However, Senegal can only maintain this international prestige if, by its internal policy, it gives an example of a democratic and organized state. This is why the recent attempt at a coup d'etat should be considered as a serious blow against Senegal's prestige.

Role in World Affairs

According to my professor of philosophy at Louis le Grand secondary school, in international affairs there are some things which concern us and some which do not. It is not our business to substitute ourselves for the great powers and engage in a kind of politics beyond our means. But we can influence the policies of the great powers if we coordinate our action with that of the third world force. The third world force must effectively play the role of a counterbalance to the policies of the power blocs and of a patient organizer of the action for international peace.

"The African states are conscious of both the importance and the burden of traditional diplomacy. We are of the opinion that Africa should invent a form of diplomacy which should be simpler, more direct, and consequently less costly for the budgets of our states. If African unity is to have a meaning in this respect, it must enable the states grouped together in the same regional zone to cooperate to insure their diplomatic representation at the lowest possible cost."

We must ask ourselves whether it is not time Africa stopped holding conferences merely to condemn colonialism. I think it would be more realistic to consider the possibility of holding an African conference in the near future so as to adopt measures to fight against colonialism. We should include this problem on the agenda of the forthcoming Addis Ababa conference. "Senegal has been the first in this part of the continent to denounce balkanization. It now seriously affects our economies and finances, and the policy of African unity must immediately aim to surmount its consequences." Our reconciliation with Mali has a great significance in this respect, and for the past two years, Senegal has been tirelessly working to effect a rapprochement between Mauritania and Morocco.

We must set up as soon as possible a west African regional organization to achieve a number of our common objectives. "This is why I welcome the project for a united Maghreb. The agreements concluded between Morocco and Algeria constitute the first positive step toward this objective and we hope that similar agreements will be concluded with Tunisia, which continues to give Africa an example in modern organization and whose friendship is so dear to us. Fruitful cultural and economic relations can then be established between the united Maghreb and the west African regional organization."

In short, we must reexamine the possibility of adopting an international policy within the means of Africa, a policy which will no longer make this continent the stake of the rivalries between the power blocs but an instrument for a united world.

We are all responsible for the destiny of this nation. The first qualities of a responsible person are lucidity and the aptitude for self-criticism. This is why I am not hiding from you the difficulties we have to surmount during this first year of our second republic. Our objectives are ambitious, but they will not be reduced. At all levels of the national life, in the farms, offices, and workshops, we must sustain a continuous effort without which there will be no development plan.

Rural Development

Four thousand mass rural education officers were trained in 1962 in our 20 existing training centers. These officers represent some 1,250 villages. I must mention the great social, economic, and psychological changes brought about in our villages by rural mass education. The transformation of the mentalities and the creation of new attitudes have resulted in a desire to organize better than in the past. Having outgrown their tribal and religious differences and the divisions inherited from their colonial past, the peasants have now discovered their solidarity in destiny. The villages are coming together to form cooperatives, to develop virgin fields, and to carry out projects of common interest. But this transformation in the rural areas must be accompanied by a change of attitude in the part of all the leaders. This change of attitude also concerns the highest authorities of the state, including ministers and deputies.

All our rural people must this year mobilize themselves under the slogans of the coming agricultural campaign to be launched next week. Every modern farming technique will be used to speed development. In urban areas the increasing imbalance between the town and the countryside should be rectified. All classes of our population in their various trades must be fully aware of our development objectives.

We must emphasize the importance of rural expansion centers within the Senegalese planning. These rural expansion centers should become laboratories for research and the training of mass technicians. By raising the technical standard of the peasant masses and by extending new farming techniques, the members of the rural expansion centers will play a direct role in production.

The peasant must be given technical means and be taught new methods in order to strengthen his faith in progress and accomplishment. Through a close cooperation between rural expansion and (animation?) centers, the rural world, which is organized, animated, and engaged in the socialist development, will be playing a vital role in the nation.

For more than a year, trials of diversification of cooperative action have been made with encouraging results. An important interministerial conference will be held at the end of June for the reorientation, regionalization, and organization of the development plan. The plan will bring about economic and administrative reforms. Of course, all this will be democratically carried out: The plan will be submitted to the party for consideration and will be examined by the assembly.

My government is determined to assist the Office of Agricultural Marketing (OCA) to strengthen and promote internal trade. The office retains the internal and external trade monopoly of our principal production, peanuts. The aim of the OCA is also to give to the rural world basic equipment and supplies. Thus, in 1963, the budget allocated in favor of the OCA a credit of 1,22,700,000 francs for this year's agricultural program. The OCA also retains a trade monopoly over the importation of rice. The overwhelming importance which this office is playing in the development of the national economy cannot be over-emphasized.

Within the framework of development, the Senegalese Development Bank, created in June 1960, consists of two main sectors: Agricultural and industrial. In the agricultural sector, the Development Bank has played the double role of bank and cooperative. The creation of a Senegalese industry has created today more complex problems. A number of preliminary studies have been undertaken and the search for long-term capital is carefully considered. Before examining this important matter, I will say what has become of the Senegalese Popular Credit. Created in 1957, the Senegalese Popular Credit was first of all a body granting (equipment?) credits to craftsmen and fishermen and financial assistance to enterprises and cooperatives. More than 14,000 loans or 16 billion CFA francs were made. Between 1961 to 1962 the Popular Credit became the Senegalese Popular Bank.

Loyalty of Civil Servants Demanded

The development and the execution of the four-year development plan (presupposes?) a stable, organized civil service manned by competent and loyal agents. Our civil organization is today very advanced.

Decrees relating to the particular status of the general administration civil servants and the various ministries either have been or soon will be published. The high code of the civil service has always been consulted by the government.

The personnel are represented in the advisory bodies of the civil service by members chosen by the Senegalese Workers National Union. The guarantees of the civil service have been strictly respected. There should be no strikes to prevent our development or economic growth. The strike should not be used to bring privileges to salary earners of the civil service sector, who are already favored by the nation as a whole. Freedom of opinion should not be used to the detriment of state institutions. The state should at all times be able to count on the loyalty of the nation's elite who are called upon to serve the public.

I would not ask a civil servant to be a member of the Senegalese unity party (against his wish?), but I shall require from all an unequivocal faithfulness in regard to the programs of my government, approved by the representatives of the nation. I shall require a faithfulness to the programs they are called upon to achieve with (untarnished?) honesty.

I say with full emphasis that squandering of public money will be checked without discrimination and weakness. The government has taken rigorous measures in this respect. It must be repeated that some Senegalese civil servants are not yet decolonized and do not yet have the mentality of civil service which ought to enliven an administration. I have called on the whole nation to strive for the development of civic sense and respect for the common good. The problem of the Africanization of the civil service will retain the attention of my government. This problem will be solved by planned training of officers.

Private enterprises will also benefit from the attention of my government. The government of the Senegalese Progressive Union has just appointed a delegation of the national executive to meet the representatives of the two main warring trade unions in order to find, as early as possible, a solution to the present crisis. The government, yesterday as today, is disposed to cooperate with trade union organizations. This desire for cooperation has found a place in our constitution of 3 March 1963 and will gather together the representatives of the different activities of the nation.

We will go forward together in work, discipline, honesty, and with a revitalizing spirit.