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Subject on Overseas Aid, Policy Review, 1-Pt 3

Republic of Zaire

Kinshasa, 26 January 1983

The President

Her Excellency
Mr.S Margaret Thatcher
Prime Minister of the United Kingdom
London

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. 16 4 / 83

Madam

On the eve of the forthcoming Paris meeting between all the industrialized OECD countries and the OPEC countries as well as others such as India and China, in the context of IDA VII, I felt it desirable, given the importance of the subject-matter to be discussed there, to convey to you a number of reflections together with the wishes of my Government, which are shared, moreover, by many African countries situated south of the Sahara.

The advent of the international crisis, the effects of which were felt from 1973 onwards by many countries, both industrialized and developing, resulted in the majority of Third World countries in:

- serious economic and financial imbalances;
- a deterioration of production capacity and infrastructures;
- a weakening of institutions;
- erosion of confidence at home and abroad.

Since 1975, when there seemed to be a glimmer of hope on the horizon to indicate that a way out of the crisis, which was by then becoming worldwide, was in sight, it has increased in scope.

It has nowadays become accepted that the bipolar North/South or developed/developing countries' formula which has prevailed in the organization of the world economy has become outmoded to the point of engendering an approach based on pragmatic economic strategies which should be of benefit to all countries in what has become a multi-polar world.

Africa south of the Sahara remains the poorest of the eight poles listed by the World Bank. Eighteen countries in the region have in fact recorded an appreciable fall in their per capita income over the past ten years. The World Bank, which must continue to move cautiously, like a "catalyst", to mobilize resources for the benefit of the developing countries, has properly turned its attention to the important matter of accelerating the development of Africa south of the Sahara.

Annual official aid to that region should, according to the programme recommended by the World Bank, increase in real terms, from 4.9 thousand million dollars in 1980 (two thousand million from the World Bank alone) to 9.1 thousand million in 1990, that is nearly 18 thousand million taking account of inflation.

The part of Africa in question, which includes twenty of the thirty least developed countries in the world, has suffered most from the economic crisis and the oil crisis, added to which there has been a 20% reduction in export revenue, thus accentuating the fundamental imbalances in our economies characterized by:

- a deterioration in the terms of trade;
- a worsening of balance of payments deficits and the external debt level;
- a fall in per capita GNP which has experienced a negative growth rate since 1980, as compared to rates of ± 5% in the countries of South-East Asia;
- the continuing high levels of infant mortality and illiteracy and the world's lowest life expectancy at birth, in contrast to the much improving situation in South-East Asia and Latin America.

It is therefore against this particular background that we would seek your specific commitment in support of the World Bank proposals which were unanimously accepted by all the African governments represented by their World Bank Governors, meeting in Dakar in March 1982.

Your country's contribution to increasing to 34% the share of Africa south of the Sahara in the IDA, as submitted to the Administrative Council /Conseil d'Administration/ in the World Bank five year programme 1982-87, is vital. And the target figure of 34% assumes its full significance for the countries of Africa only provided the resources of the International Development Association continue to grow in real terms from one replemishment to the

next. We invite your country to participate in that cause upon which hinges the survival of a well-balanced world.

This appeal is further directed to your government so that it may respect its commitments in relation to the implementation of IDA VI and adopt specific provisions so that the countries south of the Sahara in particular can feel confident where the scale and setting-up of the IDA VII grants and other concessionary aid is concerned.

Finally, I would be failing in my duty were I to end without drawing to your particular and kind attention all the external factors which have a negative effect on the growth of the African economies in particular and which cannot be reversed without the help we expect from the International community. These are:

- the deterioration of the world economy;
- the worsening of terms of trade;
- the stagnation of exports;
- commodity price fluctuations;
- generalized inflation.

/Expression of gratitude and complimentary close/

The President-Founder of the Popular Revolutionary Movement, President of the Republic,

Mobutu Sese Seko Kuku Ngbendu Wa Za Banga

Marshal.