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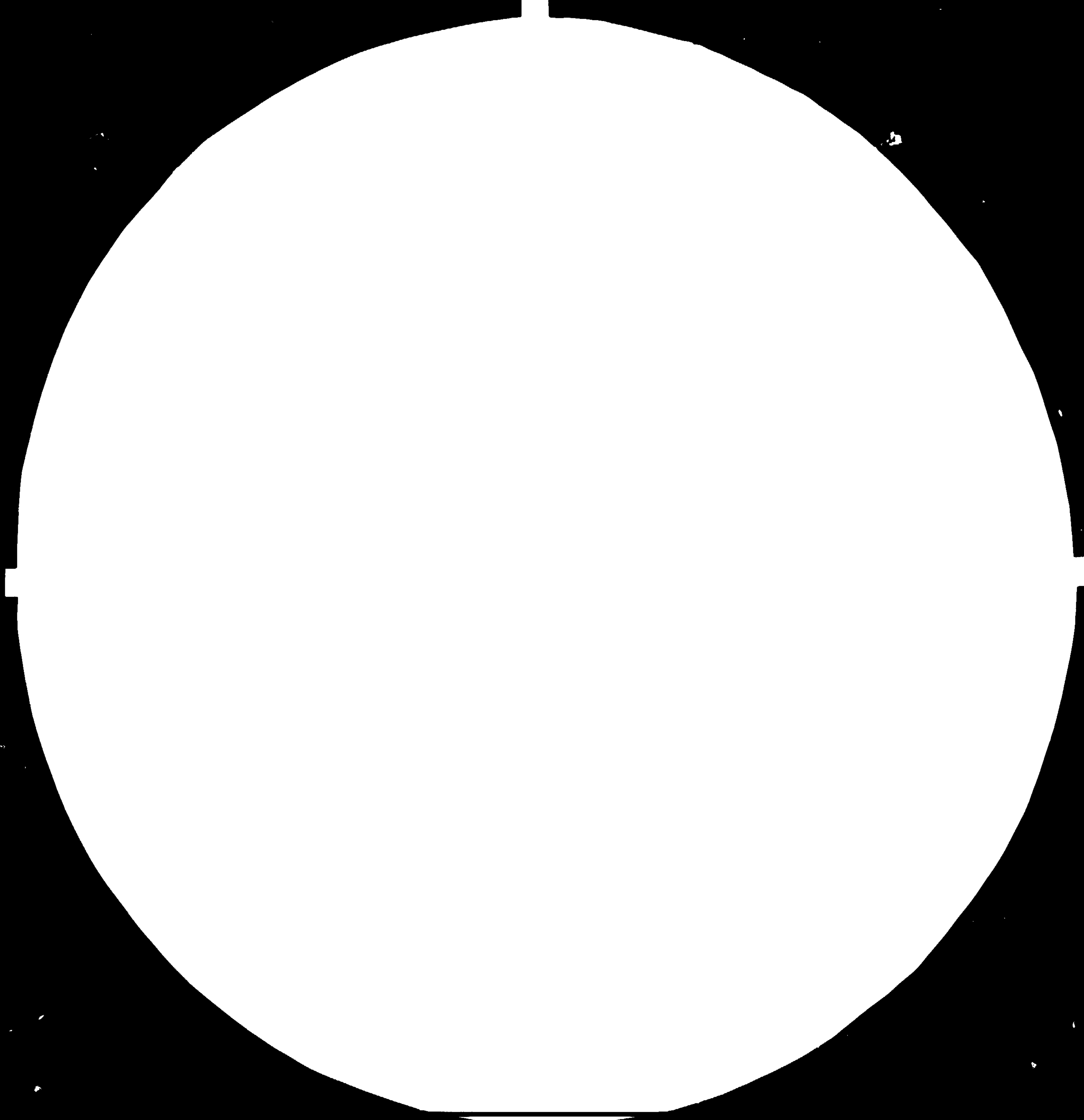

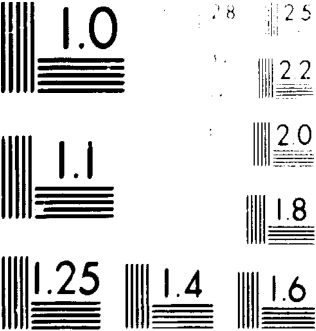
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14 MARCH 1983

PAST AND CURRENT INDUSTRIAL STRATEGIES AND POLICIES FOR THE ACCELERATION OF INDUSTRIAL DEVELOPMENT IN AFRICA*

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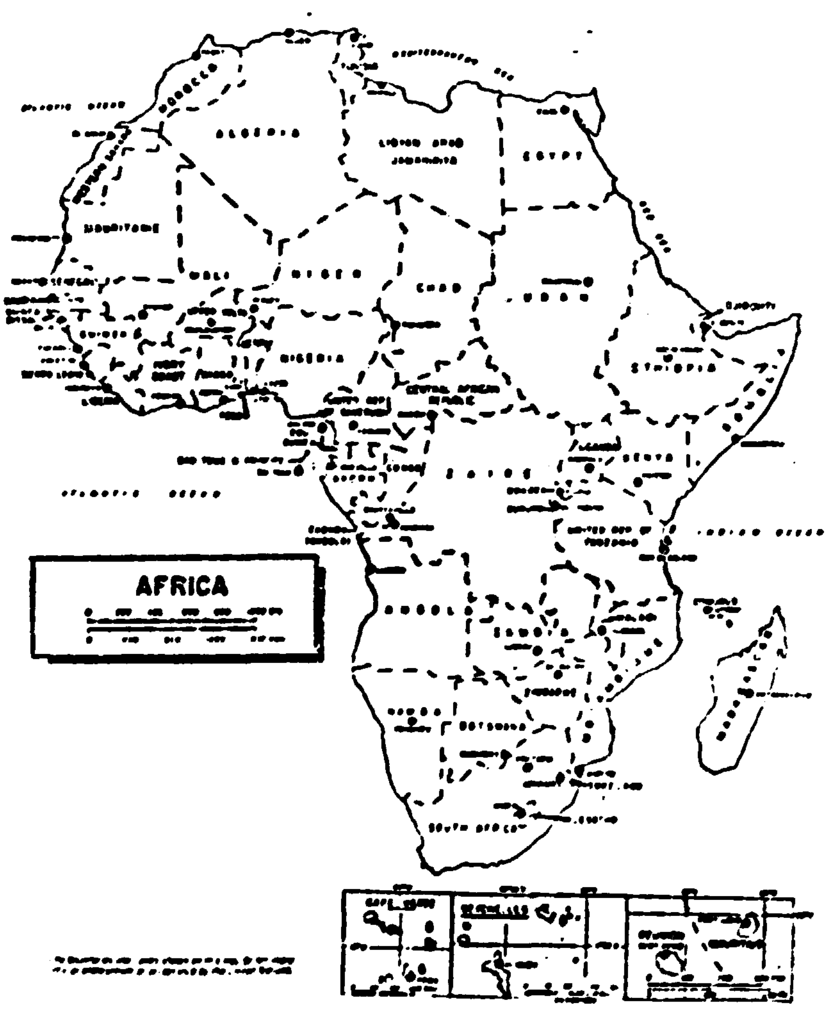

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A blank indicates that the item is not applicable

A comma (,) is used to distinguish thousands and millions

A full stop (.) is used to indicate decimals

References to dollars ($) are to United States dollars

Three dots (...) indicate that data are not available

Totals may not add precisely because of rounding

All references to Africa in this report exclude South Africa

ABBREVIATIONS

ACP	African, Caribbean and Pacific countries
ECA	Economic Commission for Africa
ECOWAS	Economic Community for West African States
EEC	European Economic Community
GDP	Gross Domestic Product
GNP	Gross National Product
IS	Import Substitution
ISIC	International Standard Industrial Classification
LDC's	Least Developed Countries
MEPZ	Mauritius Export Processing Zones
MVA	Manufacturing Value Added
OAU	Organisation of African Unity
ODA	Official Development Assistance
OPEC	Organisation of Petroleum Exporting Countries
PTA	Preferential Trade Area
SA	Statistical Annex
SADCC	Southern African Development Coordination Conference
SITC	Standard International Trade Classification
TNC's	Transnational Corporations
UDEAC	Union Douanière et Economique de l'Afrique Central
UNIDO	United Nations Industrial Development Organization

PREFACE

This paper is prepared as a background contribution to past and current industrial strategies and policies in Africa at a meeting on industrial strategies and policies for developing countries. The meeting is to be held in Lima, Peru, on April 18th - 22nd 1983. Great importance is attached to this meeting, since it is a part of the preparatory activities for the Fourth General Conference of UNIDO.

Most of the material for the present paper has been based on documents, reports and studies available at UNIDO headquarters. No field survey has been undertaken and some of the data on industry are not up to date.

This contribution to past and current industrial strategies and policies for the acceleration of industrial development in Africa has been prepared by Dr. M. Sikander Khan, University of Stockholm, Sweden.

PAST AND CURRENT INDUSTRIAL STRATEGIES AND POLICIES FOR THE ACCELERATION OF INDUSTRIAL DEVELOPMENT IN AFRICA

1. The comprehensive title of this report may be misleading, since the report does not in any way cover all the aspects of industrial strategies and policies in Africa in equal detail. It does, however, establish a framework that brings together the most important industrial strategies and policies. The reader is referred to the basic references at the end of the report for further details. The reader will thus not find this report as a "cookbook", since Africa is too diverse to allow standardized industrial strategies and policies for the whole continent.

2. The report is divided into three parts. Part I examines the present state of the development of manufacturing industry in Africa. Part II deals with the industrial strategies and policies in a selected number of African countries in the 1960's and 1970's. Furthermore, Part II is divided into two sections. Section A examines the past and current industrial strategies and policies in eight African countries, whereas Section B gives a more detailed examination of the experiences regarding the industrial strategies and policies of the individual countries. Finally, in Part III, the prospects for industrial development in Africa in the 1980's and 1990's are analysed.

PART I THE PRESENT STATE OF DEVELOPMENT OF MANUFACTURING INDUSTRY IN AFRICA 1/

INTRODUCTION

3. In the past decade Africa has been severely hit by recession and inflation. In the first place Africa was hit by two large increases in the price of oil (in 1973/74 and 1978/80), secondly, by the sliding prices

1/ All reference to Africa in this report exclude South Africa.

of primary products and minerals (notably, copper and iron ore, see Table SA.1), thirdly, by trade restrictions and recession in the industrialized countries, i.e. reduced imports from African countries, and fourthly, the sluggish agricultural and industrial performance has led to balance-of-payment and fiscal crises. Even the African oil exporters have not been immune to these crises, due primarily to the recent slide in oil prices on the world market. Moreover, Africa is going through a period of severe crises owing to several other internal and external factors, such as drought, civil wars, frequent military coups and border disputes with neighbouring countries.

4. At present, the economy of African countries is based upon agriculture, and they are dependent mainly on the export of a limited number of primary commodities for their foreign exchange earnings. Africa is also a primary supplier of Europe's minerals, and it contributes substantially to non-fuel mineral exports all over the world. All the African countries have been colonised except Liberia and Ethiopia (excluding the province of Eritrea) and practically all the African countries have a scarcity of educated and skilled manpower. The industrial sector in most of the African countries is small, and in many countries it hardly exists.

5. The Lima Declaration and the Plan of Action adopted at the Second General Conference of UNIDO held in Lima in 1975 stipulate that the share of the developing countries in the total world industrial production should by the year 2000 be at least 25 per cent. In this context Africa's share was set at merely 2 per cent of world industrial production and in 1982 Africa accounted for only 1.11 per cent of the world production of manufactured goods. 1/ The following section clearly shows how weak and underdeveloped the industrial sector is in Africa.

A. <u>MANUFACTURING VALUE ADDED PER CAPITA</u>

6. Africa has one of the lowest manufacturing value added per capita as compared to the rest of the developing world. In 1970 manufacturing value added (MVA) per capita ranged from $ 1 (Guinea-Bissau) to $ 55

1/ Source: UNIDO estimates

(Zimbabwe and Namibia), whereas in 1980 (constant 1970 prices) MVA per capita maximum range reached $ 144 (Libya A.J., see Table SA.2). As regards the MVA per capita average in 1970 it was $ 5 in the least developed countries (LDC's), $ 14 for African OPEC oil exporters, $ 23 in the other countries and $ 16 for all of developing Africa, whereas in 1980 MVA per capita average doubled in real terms to $ 26 for oil-exporting countries. It remained almost the same in the LDC's and increased to $ 28 in other countries. Moreover, the average change for all of developing Africa has been approximately 30 per cent.

7. In 10 of the LDC's (Benin, Cape Verde, Central African Republic, Chad, Comoros, Gambia, Guinea-Bissau, Sudan, Tanzania and Uganda) and in 12 of the other countries group (Angola, Congo, Djibouti, Equatorial Guinea, Ghana, Madagascar, Mozambique, Réunion, Sao Tomé and Principe, Senegal, Togo and Zaire) MVA per capita declined. Only in 3 LDC's (Botswana, Malawi and Rwanda) and 8 other countries (Egypt, Ivory Coast, Kenya, Mauritius, Seychelles, Swaziland, Tunisia and Zambia) did the MVA per capita show a considerable increase.

B. THE COUNTRY SHARE IN TOTAL AFRICAN MVA

8. In terms of the total African MVA, the North African sub-region in 1970 accounted for 46.10 per cent of MVA in developing Africa, the West African sub-region accounted for 22.67 per cent, the Eastern and Southern African sub-region accounted for 17.61 per cent, the Central African sub-region accounted for 7.12 per cent, while other developing African countries accounted for 6.51 per cent. Five countries accounted for approximately 54 per cent of the total MVA for Africa, namely Egypt (21.9 per cent), Morocco (9.8 per cent), Nigeria (9.6 per cent), Algeria (7.5 per cent) and Zimbabwe (5.4 per cent), whereas 31 countries has shares less than 1 per cent each (see Table SA.3).

9. In 1980 (constant 1970 prices) the share of the North African sub-region increased to 49 per cent, remained nearly the same for the West African sub-region, i.e. 22.65 per cent, declined for the Eastern and Southern African sub-region to 15.61 per cent, for the Central African sub-region to 5.48 per cent and for other parts of developing Africa to 5.33 per cent.

Moreover, the share of the 5 main manufacturing countries increased to 58 per cent. As may be seen, the North African sub-region is the most advanced industrially as compared to the other sub-regions in Africa.

C. THE SHARE OF MVA IN GDP

10. The share of MVA in GDP in 1970 was the lowest (less than 2 per cent) in Guinea-Bissau, Seychelles and Libya A.J. and the highest in Zimbabwe and Egypt, i.e. 21.3 and 19.6 per cent respectively (see Table SA.4). In 1980 the share of MVA in GDP declined in 8 LDC's (Benin, Botswana, Chad, Comoros, Gambia, Sudan, Tanzania and Uganda) and 10 other countries (Angola, Cameroon, Congo, Egypt, Morocco, Namibia, Niger, Réunion, Togo and Zaire).

11. As regards the average share of MVA in GDP by sub-regions, this was 12.0 per cent for North Africa, 7.0 per cent for West Africa, 1[illegible].0 per cent for Eastern and Southern Africa, 2[illegible].0 per cent for other parts of developing Africa (mainly due to Zimbabwe) and 9.5 per cent for all of developing Africa. Whereas in 1980 the average share of MVA in GDP declined to 1[illegible].0 per cent for North Africa, it remained the same, i.e. 7.0 per cent for West Africa, rose to 12.0 per cent for Eastern and Southern Africa, [illegible].0 per cent for Central Africa, 24.0 per cent for other parts of developing Africa and 9.8 per cent for all of developing Africa.

D. THE REAL GROWTH RATES IN MVA

12. The real growth in MVA during 1971 to 1980 was the highest in the West African sub-region, i.e. 6.71 per cent (see Table SA.[illegible]). The growth average ranged from 7.7 per cent (Algeria) to 21.4 per cent (Libya A.J.). As regards North African, Eastern and Southern African and Central African sub-regions the average growth rate during the same period was [illegible].30, 4.26 and 2.94 per cent respectively. For other parts of developing Africa the average growth rate during the same period was 4.0 per cent.

13. Finally, MVA real growth from 1971 to 1975 and 1976 to 1980, the MVA during the second half of the decade was less than in the first half in most countries. In 13 countries the growth was negative. Moreover, for North Africa, West Africa, Eastern and Southern Africa, Central Africa and other parts of developing Africa the average during the same period was 6.90 per cent, 4.[illegible] per cent, [illegible].1[illegible] per cent, [illegible] per cent and [illegible] per cent respectively.

E. COMPOSITION OF MANUFACTURING OUTPUT

14. The industrial sector in most of the African countries is composed of light industries manufacturing non-durable consumables. In three countries for which data in the most recent years were available, namely Burundi (92 per cent), Swaziland (100 per cent) and Togo (96 per cent), light industry represented over 90 per cent of the manufacturing output (see Table I.1). Further, in a limited number of African countries the manufacturing output is composed of heavy industries requiring simple processing and assembly line production, such as Egypt (41 per cent), Ivory Coast (40 per cent), Nigeria (51 per cent), Tunisia (48 per cent) and Zimbabwe ([illegible]4 per cent).

15. As mentioned elsewhere, Africa is a prime supplier of minerals all over the world. These minerals are exported mainly unprocessed (see Table SA.6). In reality, minerals are not the only commodities which are exported unprocessed. This holds for most of the natural resources of Africa.

F. THE STRUCTURE OF MANUFACTURING OUTPUT, INDUSTRIAL EMPLOYMENT AND WAGES

16. The industrial production in most of the African countries consists largely of food, beverages, tobacco and textile manufactures. In some countries, such as the Central African Republic, Ethiopia, Kenya, Mauritius, Rwanda, Somalia and Togo, food products are the largest component of MVA (see Table SA.7). For Rwanda food products alone accounted for 93 per cent of MVA. Further, food, beverages, tobacco and textile industries are also major contributors to employment and wages in most of the African countries (see Table SA.8 and 9).

17. The manufacture of wood, wood products and furniture plays an important role in few African countries, such as Swaziland, which is quite surprising given Africa's tremendous forest resources. In some countries, such as the Ivory Coast, Libya A.J. and Nigeria, petroleum, coal products and/or chemicals are of importance, whereas industrial chemicals and non-metal products are of importance for instance in Tunisia. On the other hand, few countries (among others Egypt and Zimbabwe) manufacture more technologically sophisticated goods, such as iron and steel, non-ferrous metals, metal products and machinery.

18. The pattern of industrial production in Africa is over diversified, although the structure of the manufacturing output consists largely of traditional manufactures. Even at the sub-regional level no clear pattern emerges, but North African sub-region is to some extent to the fore in manufacturing, not only consumer goods, but also some intermediate and capital goods which account for a very small proportion of MVA.

C. CONSTRAINTS AND BOTTLENECKS

19. Most of the African countries have tended to invest in light industries, such as food, beverages, textiles and leather products, although in some countries industrialization has also extended to heavy and basic industries, such as fertilizers, petroleum refining and iron and steel. Owing to the absence of intermediate and capital goods industries, Africa is heavily dependent on imported machinery and equipment, spare parts, raw or semi-finished materials, know-how and foreign technology.

20. The industrial sector in Africa is characterized by low value added which is due to the result of high import and low domestic content, and non-utilisation of domestic natural resources. Moreover, with the lack of regional and sub-regional cooperation among African countries and import substitution industrialization has meant that some of the industries are not utilizing their full plant capacity, something that is mainly due to the limited size of their domestic market. Further, intra-African trade in manufactures is very low owing to excessive protection, the high prices of manufactures and the lack of effective marketing.

21. The major constraints which have been hampering the development of the industrial sector in most of the African countries are scarcity of trained manpower; lack of indigenous techno-managerial skills and entrepreneurial capabilities (thus great reliance on expatriates); infrastructure, such as communication facilities, transport, especially the railway system (low capacity and productivity) and roads; insufficient production of power; lack of concerted action with respect to industrial studies, information and promotion; political violence and military conflicts.

22. Some countries, among others, Ghana, Tanzania, Uganda, Zaire and Zambia, are facing an acute shortage of foreign exchange, and this has led to a drastic shortage of imported raw materials, spare parts and other requirements for the industrial sector in particular. Several industrial plants are at present operating far below their respective installed capacities. Consequently, the shortage of foreign exchange for the importation of raw materials and spare parts has led to a drastic reduction in the supply of locally produced goods. Moreover, oil-producing countries, such as Algeria, Libya A.J. and Nigeria are facing tremendous problems, in particular in the industrial sector, something that is mainly due to falling oil revenues. Detailed discussions of these matters are to be found in Parts II and III.

E. CONCLUDING REMARKS

23. In sum, past and current trends in African industrial performance combined with the continued global recession give a very pessimistic picture for African industrial development in the 1980's and 1990's.

PART II INDUSTRIAL STRATEGIES AND POLICIES IN A SELECTED NUMBER OF AFRICAN COUNTRIES IN THE 1960'S AND 1970'S

CRITERIA FOR SELECTING THE EIGHT AFRICAN COUNTRIES

24. Africa is very diverse and heterogeneous, implying large differences, among others in stages of development, living standards, physical and institutional infrastructure, size and resource endowments, and religious and political orientation. Further, for several countries no meaningful data are available, data coverage is incomplete, data reliability is dubious or the national accounting data are highly suspect. Thus eight African countries, namely Egypt, Ethiopia, Kenya, Mauritius, Tanzania, Niger, Nigeria and Cameroon, have been selected for this study, on the assumption that some reasonable amount of fairly reliable and up-to-date information was available, and that they are to a large extent representative for the whole of Africa (see Table II.1).

Table II.1. Criteria for selecting the eight African countries

Sub-regions (Country)	GDP per capita 1980 $	MVA/ capita 1980 $	MVA/ GDP 1980 %	Total MVA/ Africa 1980	Size Characteristic	Economic systems
North Africa						
1. Egypt	550 a/	43	15		- large - industrialising - anglophone	Market
Eastern and Southern Africa						
2. Ethiopia	130	7	10		- large - LDC	Planned
3. Kenya	350	23	16		- industrialising - anglophone	Market
4. Mauritius	1,030	66	21	47 %	- Small - island - bilingual	Market
5. Tanzania	260	8	8		- LDC - anglophone	Market/ Planned
West Africa						
6. Niger	270	6	6		- LDC - landlocked - mineral exporter - francophone	Market
7. Nigeria	670	17	5		- large - oil producing - anglophone	Market
Central Africa						
8. Cameroon	560	15	9		- mineral exporter - bilingual	Market

a/ 1980

25. The eight selected countries represent all the four sub-regions in Africa. They cover a wide range of per capita income levels from $ 130 (Ethiopia) to $ 1,030 (Mauritius), MVA per capita, from $ 6 (Niger) to $ 66 (Mauritius), and MVA share in GDP, from 5 % (Nigeria) to 21 % (Mauritius). In terms of economic systems, the sample covers both the market and planned economies. The eight countries in the four sub-regions between them accounted in 19[illegible]0 for 47 per cent of the total African MVA. Moreover, they include large, small, island, land-locked, LDC's, mineral exporters and oil-producing countries.

26. Finally, the eight countries are not selected from a random sample, therefore great care is taken to avoid over-generalizations, and readers should treat the information in this report with caution.

[illegible]. PAST AND CURRENT INDUSTRIAL STRATEGIES AND POLICIES IN THE EIGHT SELECTED AFRICAN COUNTRIES

27. We should note that industrial strategies are different from industrial policies, since industrial strategies signify the fundamentals underlying the operational approach to the process of long-term industrial development. Industrial strategies are also more general than the industrial policies. Further, industrial strategies are not necessarily concerned with quantitative details and may therefore rely on the qualitative approach. Industrial strategies are also broader than industrial policies which are the component elements in their frames. In industrial strategy formulation, policies are regarded as ways of relating means to objectives.

2[illegible]. As mentioned earlier, the levels of industrial development in most of the African countries is extremely low. Manufacturing accounts for less than 10 per cent of GDP in four out of the eight countries in the sample, with a limited range of relatively simple products. Nonetheless, all the eight African countries are to a greater or lesser extent devoting considerable attention and effort to the issues of industrialization by developing appropriate strategies and policies with a view to achieving self-sustained industrialization and increased self-reliance.

29. In order to cast light on the industrial strategies and policies of the eight countries during the 1960's and 1970's we have utilized their development plans, annual and biennial plans, policy statements, economic surveys, white papers and various other publications (see references). Here should be noted the risk that the industrial strategies and policies mentioned, for instance in development plans, might not be actually implemented, or the industrial strategies and policies may change radically overnight, for instance through military coups. It is also found that some of the industrial strategies and policies are given only lip-service.

30. The industrial strategies and policies vary a great deal among the eight countries, especially during the 1960's (see Table II.2). All the eight countries have followed an industrial strategy of import-substitution in the 1960's and 1970's. Apart from this, the other industrial strategies and policies espoused by most of the countries have been: export market orientation; regional co-operation; promotion of small, medium and large-scale industries; promotion of foreign investment, public and private sectors; promotion of domestic capital sources for industrial investment and indigenisation.

31. During 1960's not a single country among the eight have emphasized regional location of industry within the country or vertical or horizontal integration within manufacturing sectors. One of the reasons for this could be that in most of the countries industrialization process gained momentum in 1960's and thus these aspects and environmental factors were not given importance and industry was not linked to other sectors of the economy, such as agriculture.

32. On the other hand, some of the industrial strategies and policies which were not sufficiently emphasized in the 1960's gained more importance in the 1970's, such as export-market orientation, regional co-operation and indigenisation. Further, it may clearly be seen that most of the countries have gained some feed-back information from experiences in the 1960's which have been utilized in formulating industrial strategies and policies in the 1970's.

Table II.2 Industrial strategies and policies in eight African countries in the 1960's and 1970's

Industrial strategies and policies / Countries (sub-region)	North Africa		Eastern and Souther Africa										West Africa				Central Africa	
	Egypt		Ethiopia		Kenya		Mauritius		Tanzania U.R.		Niger		Nigeria		Cameroon	
	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970	1960	1970
1. Import substitution	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X	X
2. Export market oriented	-	X	-	X	X	X	-	X	X	X	X	X	-	X	X	X
3. Regional co-operation	-	X	-	-	X	X	-	X	X	X	-	X	X	X	X	X
4. Development of large-scale and heavy industries	X	X	-	-	-	X	-	-	X	X	-	X	-	X	-	X
5. Promotion of small- and medium-scale industries	X	X	-	X	-	X	-	X	X	X	X	X	X	X	-	X
6. Promotion of foreign investment	-	X	X	-	X	X	X	X	X	X	X	X	X	X	X	X
7. Promotion of public sector	X	X	-	X	-	-	-	-	X	X	X	X	X	X	-	X
8. Promotion of private sector	-	X	X	-	X	X	X	X	X	-	X	X	X	X	X	X
9. Promotion of domestic capital sources for industrial investment	X	X	X	X	X	X	-	X	-	X	-	-	X	X	-	X
10. Indigenisation	X	X	X	X	X	X	-	X	X	X	-	X	-	X	-	X
11. Channelling a high proportion of total planned investment in the economy to industry	-	-	X	-	-	X	-	-	X	X	-	-	-	X	-	-
12. Development of industrial estates	-	-	-	-	X	X	-	X	-	X	-	-	X	X	-	-
13. Regional location of industry within the country	-	X	-	-	-	X	-	-	-	X	-	X	-	X	-	X
14. Vertical or horizontal integration within manufacturing sectors	-	X	-	-	-	-	-	-	-	-	-	-	-	X	-	-
15. Foreign financial aid to finance major industrial investment	-	-	-	-	-	-	-	-	X	X	X	X	-	-	X	X

X = countries emphasizing.

33. Numerous policies, such as monetary, fiscal and income, are employed by the countries in order to achieve self-reliance and sustained industrialisation. Some of the policy instruments widely used are: export subsidies; tariff and non-tariff barriers; incentives to local and foreign manufacturers, including transnational corporations (TNC's); the creation of state and parastatal enterprises, including nationalisation; training of indigenous personnel; incentives to small and medium-scale industries, and informal sector; incentives to resource-based industries; price and wage controls; and a supporting infrastructure.

34. Given the range and complexity of the questions involved only some of the main industrial strategies and policies are discussed below. These are: (i) import-substitution versus export market-orientation (including regional co-operation); (ii) small and medium scale industries (including light industries) versus large-scale and heavy industries, (iii) public sector versus private sector; and (iv) foreign investment versus domestic capital sources for investment (including indigenisation).

35. Concerning import substituting versus export market-oriented strategies, all the eight countries had accepted import-substituting industrialization (ISI) as a starting point towards industrialization. Moreover, some of the countries made attempts to base their industries, mainly light, on local raw materials to produce import substitutions for the domestic market, i.e. resource-based and market-oriented strategies. The expectations were that ISI will create employment, relieve foreign exchange constraint, expand other sectors of economy, in particular agriculture (i.e. backward and forward linkages with other branches of economy), reduce dependence on imported capital and manpower. In other words, the ISI process was expected to start with the domestic production of consumer goods, then move to intermediate goods and finally to capital goods manufacture.

36. In order to implement the import-substitution strategy, the eight countries have banned imports or imposed quotas; licensing of most imports; priority allocation of foreign exchange for imports of raw materials, intermediate and capital goods for domestic industry; and automatic protection for any import-substitution industry. Thus import-substitution strategy

has encouraged the development of high cost, import and capital- intensive industries, such as textile, rubber and chemicals. Most of the countries are manufacturing few consumer products, and very limited progress has been made towards manufacturing intermediate and capital goods. Only Nigeria and Egypt in this sample have made some progress towards the development of manufacturing intermediate and capital goods. For the rest of the countries, they are more or less completely dependent on them.

37. Most of the countries are at present facing tremendous problems in connection with the maintenance of the production of existing import-substitution industries, mainly consumer goods, since the manufacturing sector is not rooted in domestic resources but on imported inputs, and as the foreign exchange is scarce or declining, especially owing to the falling prices of primary products, minerals and oil on the world market, has led to severe shortages of imported raw materials, capital goods and spare parts for the industrial sector.

38. The adoption of import-substitution strategies and associated protection policies by the eight countries have been to a large extent imitated from the previous experiences of Latin American and Asian countries. But most of these eight countries in the sample did not pay proper attention, among other things to the limited size of their respective domestic market or the purchasing power of their potential buyers. Therefore, the industry has not been able to realize economies of scale.

39. In order to overcome the drawback of limited size of domestic market; chronic foreign exchange constraint; large trade and balance of payments deficits (see Table SA.10); poor performance of agriculture; low productivity and high wages; imported intermediate and capital goods and manpower (see Table SA.11), these countries in the 1960's and in particular in the 1970's have shifted their emphasis from import-substitution (domestic market-orientation) to export market-oriented strategies and regional co-operation. This holds for Kenya and Tanzania, since the expectations were also to supply the East African Community (EAC) 1/.

1/ The East African Community (member states: Kenya, Tanzania and Uganda) collapsed in 1977.

40. During the 1970's all the eight countries have intensified their efforts, with varying degrees of success, to exports to neighbouring countries and to industrialized countries. Most of the countries in the sample are linked to regional preferential agreements, as will be seen in the following section. In the case of exports to industrialized countries African countries face high tariff barriers for their manufactured products. In reality, massive protective systems are being designed to restrict the inflow of processed and semi-processed products to the industrialized countries from the developing countries, including Africa (see Table II.3).

41. Thus the failure of most of these countries to establish sufficient resource-based industries for exports, given vast supply of mineral, energy, forest, agriculture, livestock and fisheries resources, has deprived their economies of the benefits of creating a potential impulse for an accelerated industrial development. On the other hand, entering into export markets is not very easy, since it requires, among other things, extra expenditure on market research and sales promotion.

42. Although all the African governments are following export market-oriented strategies, at the same time their industrial policies are discriminating export industries. Most of the export industries in Africa are as compared to Asia not competitive on the world market, since the domestically produced inputs in most of the cases are over-priced. Other discriminatory policies are the high protection given to import-substitution industries with lower duty on imported inputs, which makes domestic manufacturing instead of exports highly profitable. Further, the share of manufactures in total exports in most of the countries is low, and in some cases it has declined in the 1970's as compared to the 1960's (see Table II.10).

43. With regard to the promotion of small and medium scale (including light) industries versus large scale and heavy industries, the emphasis has by the most of the countries been placed on small and medium scale light industries. One of the reasons for assigning high priority to small and medium scale light industries is that most of the African countries are still at the early stages of industrial development. Moreover, small and medium scale light industries suit the limited market-size of most of the countries and are instrumental in creating indigenous small entrepreneurs.

Table II.3. DEVELOPED COUNTRY TARIFF RATES ON SELECTED COMMODITIES

	Product group	European Economic Community	Japan	United States
Coffee				
	Green roasted	5.0	0.0	0.0
	Coffee extracts	18.0	17.5	0.0
Cocoa				
	Cocoa beans	3.0	0.0	0.0
	Powder and butter	12.2	4.9	0.3
	Chocolate	27.0	27.4	6.5
Cotton				
	Raw cotton	0.0	0.0	1.9
	Cotton yarn	6.0	3.6	6.8
	Cotton fabrics	10.0	5.9	7.4
	Cotton clothing[a]	13.7	13.2	8.8
Sisal				
	Fibers	0.0	0.0	0.1
	Cordage	11.7	7.7	2.3
Iron				
	Iron ore	0.0	0.0	0.0
	Pig iron	2.2	4.3	1.5
	Steel ingots	5.7	5.0	2.5
	Mill products	4.9	5.2	4.4
	Special steels	5.3	4.9	3.2
Copper				
	Copper ore	0.0	0.0	0.0
	Unwrought copper	0.0	4.8	1.0
	Wrought copper	6.0	6.8	2.6
Manganese				
	Manganese ore	0.0	0.0	0.0
	Ferro-manganese	2.0	4.8	1.7
Aluminum				
	Bauxite	0.0	0.0	0.0
	Alumina	5.7	4.9	0.0
	Unwrought aluminum	5.8	8.5	0.0
	Wrought aluminum	9.7	11.7	2.9
Wood				
	Rough wood	0.0	0.0	0.0
	Plywood	2.8	4.6	6.3
	Wood manufactures	5.1	4.1	5.3
Paper				
	Wood pulp	0.0	0.0	0.0
	Paper preparations	0.0	2.1	0.0
	Paper products	9.4	4.6	3.5
Rubber				
	Natural rubber	0.0	0.0	0.0
	Rubber products	5.3	4.8	5.3
Leather				
	Hides and skins	0.0	0.0	0.0
	Leather	3.9	6.2	3.7
	Leather goods	11.7	11.0	14.4
Tobacco				
	Unmanufactured	0.0	55.0	18.0
	Manufactured	54.5	16.8	12.1

a. SITC 841.1—Textile clothing, not knit.

Source: World Bank

44. Most of the small and medium scale light industries also have relatively low capital/labour ratios (labour intensive). In spite of the importance of these industries in Africa, in particular employment generating, they are not given sufficient incentives by the governments. They generally suffer, for instance, from the lack of financial resources and credit facilities, poor raw materials, skilled manpower, and lack of market information.

45. On the other hand, small and medium scale light industries usually fail to provide the necessary push for accelerated and self-sustained industrialization, whereas large scale and heavy industries produce intermediate and capital goods and are capable of increasing <u>backward</u> and <u>forward linkages</u> and creating an industrial base. The establishment of large scale and heavy industries in most of the cases requires large markets, heavy investments, technical know-how and skilled manpower, which most of the African countries more or less lack. Nevertheless, some countries, such as Egypt and Nigeria, are also developing large scale and heavy industries.

46. Regarding promotion of <u>public sector</u> versus <u>private sector</u>, several countries have given high priority to the former. For instance, in Ethiopia the private sector was promoted up to 1974, and after the military coup the strategy changed overnight, i.e. most of private sector, in particular large scale industrial enterprises, were nationalized while the public sector was given the highest priority (see Table II.2).

47. The public sector in most of the countries is inefficient. This holds especially for large scale industrial enterprises under the direct control of parastatals. Politicians usually force them to over-employ or keep prices, thus leading to inefficiency and heavy losses. This policy also discriminates heavily against the private sector, mainly small-scale, since they face tremendous difficulties in obtaining, among other things, loans from the banks or allocation of foreign exchange.

48. Finally, concerning the promotion of <u>foreign investment</u> versus <u>domestic capital sources for investment</u> (including <u>indigenization</u>), all the countries more or less are paying great attention to promoting domestic

capital sources for investment in industry and a policy of indigenisation 1/. Regarding domestic capital, most of the countries (excluding oil exporters) have a very low savings rate, and are therefore very dependent on foreign investment including Official Development Assistance (ODA) for the development of their industrial sector.

49. Most of the countries have limited success in indigenising employment, ownership, control or technology. Further, several of the countries have difficulties in attracting foreign investment, since the political atmosphere is unstable or there is a lack of proper legislation, for instance against nationalisation, the repatriation of profits, and reasonable taxes. The next section considers in detail the industrial strategies and policies of the eight countries.

B. COUNTRY EXPERIENCES

(i) EGYPT

50. With an estimated population of over 42 million (1981) and a GNP per capita of $ 580 in 1980 Egypt is one of the most industrialised countries in the whole of Africa, although it is not richly endowed with natural resources. Industrialization in Egypt started at the beginning of this century, i.e. considerably earlier as compared to the other seven countries in this sample. The share of MVA in GDP in 1980 was 17.7 per cent, i.e. declining since 1978 (see Tables SA.4 and 13) and the MVA real growth rate during 1971-80 was 5.98 per cent (see Table SA.[illegible]). Moreover, Egypt's share of the total African MVA was an impressive 21.[illegible]4 per cent in 1980 (see Table SA 3). Industrial production still consists,

1/ The four aspects of indigenisation are: employment, ownership, control and technology. See The indigenisation of African Economics, UN ECA, Addis Ababa, E/CN. 14/CAP. 7/2, August, 1978.

however, of traditional manufactures. In 1973 for instance, food, beverages and textiles comprised 49.3 per cent of MVA (see Table S A.14).

51. According to a study carried out by the World Bank, the Egyptian manufacturing sector has advanced considerably since 1947, especially in the manufacture of intermediate and capital goods. In that year, basic consumer goods (by end-use classification) represented almost 80 per cent of MVA, whereas in 1975, it has declined to less than 50 per cent of MVA (see Table II.4). On the other hand, consumer durables and capital equipment represented 0.5 per cent of MVA in 1947 and increased to 9.3 per cent in 1975. Thus, Egypt has achieved, among other things, some vertical integration in the manufacturing sectors. Moreover, the share of manufactured exports in total exports in 1952/53 was 6.0 per cent, whereas in 1975 it reached 48.0 per cent.

TABLE II.4 COMPOSITION OF GROSS VALUE-ADDED IN MANUFACTURING BY END-USE CLASSIFICATION IN EGYPT

(percentage of total, from current price estimates)

Category 1/	1947	1966/67	1969/70	1975
A. Basic consumer goods	79.8	[illegible]	51.6	[illegible]
B. Intermediate industries	19.7	31.2	40.6	[illegible]
C. Consumer durables/ capital equipment	0.5	[illegible]	7.4	9.3

Source: World Bank, Economic Management in a Period of Transition, (Vol. III), Arab Republic of Egypt, Washington D.C., May 1978

1 Category A includes food, beverages, tobacco, textiles and apparel; B includes wood, paper, printing, leather, rubber, chemicals, coal, petroleum products, basic metals, metallic products and miscellaneous; C includes non-electrical machinery, electric machinery and transport equipment.

52. Egypt started its industrialization (in the 1930's) with import-substitution (partly resource-based, domestic market-orientation) strategy. But, this strategy only worsened the trade and balance of payments deficits, in particular, in the 1950's and the 1960's. While import-substitution industries were given tariff protection, thus curtailing imports of consumer goods, they on the other hand created the demand for intermediate and capital goods, raw materials and spare parts.

53. Thus in the late 1960's and 1970's, import-substitution strategy was combined with the export-oriented strategy, with an eye towards the neighbouring and OPEC Arab countries. In spite of this, petroleum and cotton exports are still the most important source of foreign exchange (plus remittance and foreign aid, ODA). As regards regional co-operation, Egypt has very close ties with most of the Arab world although the relationship has been subject to wide fluctuations. Moreover, Egypt and the Sudan are following a policy of economic integration, but there is still a long way to go before economic integration is attained.

54. During the 1960's and 1970's (see Table II.2) Egypt has followed a strategy of developing the heavy, small- and medium-scale industries. In 1961 (after the revolution) nearly all private enterprises were nationalized. At present the industrial sector in Egypt consists mainly of four sub-sectors, i.e. the public, private, joint venture, co-operative and artisan sub-sectors. The public sector dominates the industrial sector with over 60 per cent of the industrial production.

55. In 1974 major shifts in industrial strategy and policy took place. The "Open-door" strategy is to enhance the role of the foreign and private sectors 1/. Moreover, the public sector has been reorganized to enable it to function on a commercial basis, and it is expected that the public sector will finally be confined to the activities that would not be attractive to the foreign and private sectors. Some of the newly adopted policies are foreign exchange policies (devaluation of the Egyptian Pound), the monetary policies (rise in the structure of interest rates) and the income policies (especially those related to agricultural prices and wages). Furthermore, the import of certain goods has been liberalized. The "open-door" strategy

1/ UNECA, Report and Recommendation of the Egyptian Preparatory Symposium to the African Conference on Industrial Development Policies and Strategies, Addis Ababa, September 1979.

has already had some effect on industrial investment. For instance, direct private and foreign investment in industry increased from less than LE 20 million in 1973 to over LE 250 million in 1977 1/.

56. As regards to the indigenisation policy Egypt has been quite successful with respect to employment, ownership and control, but is still dependent on the import of foreign technology. The Five-Year Development Plan (1980-84) emphasizes, among others things, the following industrial strategies and policies:

- public sector to be restricted;
- Private and foreign investment to be promoted;
- utilization of local resources;
- strong push to industrial exports;
- strengthening the policy of economic integration with the Sudan;
- expanding the geographical distribution of new industrial projects and
- establishing the industrial zones and estates.

57. Finally, the Egyptian industrial sector is, like other African countries, hampered by a number of constraints. The most important of these are: lack of proper infrastructure, lack of managerial and administrative capability, lack of foreign exchange, and shortage of skilled labour, raw materials and spare parts.

(ii) E T H I O P I A

58. Ethiopia is one of the least industrialized and least developed countries in Africa. The population is estimated to be about 30 million (1981) and the GNP per capita was $ 130 in 1979. The country is endowed with limited natural resources and is an oil importer. Ethiopia is thus very dependent on imported inputs. The share of MVA in GDP in 1980 was [illegible].7 per cent (see Table SA.4) and the MVA real growth rate during 1971-80 was barely

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1/ Egyptian Pound (LE) 1 = $ [illegible].55

3.06 per cent (see Table SA.5). The manufacturing sector is dominated by four light sub-sectors, viz. food, beverages, tobacco and textiles. In 1978, these four sub-sectors accounted for over 64 per cent of MVA (see Table SA.7). Exports of manufactures are insignificant, and the main export item is coffee, accounting for over 60 per cent of the total export earnings.

59. The industrial strategies and policies may be divided into two phases: pre-revolutionary and post-revolutionary (i.e. from 1974 onwards). In the 1960's and early 1970's (see Table II.2) an import substitution (non-resource-based, domestic market-orientation) strategy was followed by using high tariff protection and fiscal incentives, with the emphasis on the production of consumer goods for the domestic market. An outward looking resource-based and export-oriented strategy was not adopted. Negligible attention was paid to the manufacture of intermediate and capital goods or to the utilisation of domestic resources 1/ 2/. Moreover, the production of consumer goods exclusively for the domestic market meant that the establishment of new industrial capacity was limited by the growth of domestic demand, which in turn was limited by the low purchasing power of most of the consumers, thus, most branches of industry could not realize maximum economies of scale. Further, the industrial sector mostly consisted of a limited number of oligopolistic or monopolistic manufacturers with little competition. Capital intensive technology was preferred in contrast to labour intensive.

60. Foreign private investment was promoted up to 1974 with no limits on equity holdings. Other incentives given were: liberal profit remittances, dividends, interest repayments, management fees or royalties. There were, however, no explicit or implicit conditions guiding the transfer of technology from abroad. Moreover, most of the key positions in industry were held by expatriates. As a rule, most of the incentives were given to capital-intensive large-scale industries, and a very high proportion of investment in the economy went to these industries. Further, limited attention was paid to small-scale industries and the informal sector.

1/ Ethiopia: First Five-Year Development Plan, 1957-1962, Addis Ababa, 1956.

2/ Ethiopia: Second Five-Year Development Plan, 1963-1967, Addis Ababa, 1962

61. In 1974 and onwards, thus after the revolution (military coup), the industrial strategies and policies radically changed. The declaration on economic policy issued by the Government in 1975 places strong emphasis on the role to be played by the Government in the over-all economic and social development of the country and in all sectors of the economy. The Government nationalized all the banks, insurance companies, urban and rural land and a considerable number of manufacturing enterprises 1/. At present over 80 per cent of the manufacturing output is contributed by public enterprises. The Socialist Government has placed emphasis on resource-based (primarily agriculture) import substitution and export-oriented industries, development of small-scale and engineering industries, and strenghtening the agriculture and industry linkage. Among other things, the long-term industrial strategy (rather vague) emphasises a change in the pattern of industrial output from consumer goods to basic capital goods.industries.

62. As regards regional co-operation, Ethiopia has signed the treaty on Preferential Trade Area (PTA) among the 18 Eastern and Southern African countries. The establishment of PTA sometime in the middle of 1983, is expected to provide an expanded market for Ethiopia's industrial export 2/.

63. Ethiopia has made considerable progress since the revolution as regards the indigenisation of control, manpower and ownership. On the other hand very little progress has been made towards the indigenisation of technology.

64. As regards constraints, since 1974 the industrial output and exports have continued to decline (see Table SA.12) while at the same time imports, mainly manufactures (78 per cent of the total imports in 1978, see Table SA.11), have increased. The country is also facing increasing trade and balance of payments deficits (see Table SA.10) and declining industrial investment. The intersectoral linkages among various sectors are very weak, especially between industry and agriculture. The import content of manufactures

1/ Ministry of Industry, Projects, Planning and Policy Department, Ethiopia. A Review of Industrial Development Policies in Ethiopia, paper presented at Regional Symposium on Industrial Policies and Strategies, Nairobi, September 1979.

2/ The 18 member countries are: Angola, Botswana, the Comoro Islands, Djibouti, Ethiopia, Kenya, Lesotho, Madagascar, Malawi, Mauritius, Mozambique, Seychelles, Somalia, Swaziland, Tanzania, Uganda, Zambia and Zimbabwe. It is expected that P.T.A. will start functioning by the middle of 1983.

for instance, are rather high, and only a limited part of the domestic agricultural output is utilized as raw material output into the food-processing industries. Most of the agricultural products, as in the majority of the African countries, are exported unprocessed (see Table SA.12). At the same time, the industrial sector rarely provides inputs into agriculture, such as agricultural machinery, implements, pesticides and fertilizers.

65. Further, import-substitution industrialization has not brought about as much employment as expected, since most of the industries are in a high degree capital intensive (see Table SA.15). Other constraints faced by the industry are: lack of domestic entrepreneurship and skilled personnel, lack of infrastructure (partly due to war); lack of incentives for private and foreign investors, shortage of raw materials and spare parts, and inadequate industrial finance. Finally, the informal sector which is significant, using predominantly local raw materials, highly labour intensive and catering largely domestic consumption needs is not yet given proper incentives.

(iii) KENYA

66. Kenya's industrial sector made impressive progress during the 1960's and 1970's. In 1981 the MVA share in GDP was 13.4 per cent (see Table SA.16), and the MVA real growth rate during 1971-80 was 8.0 per cent (see Table SA.5). The industrial production consists largely of traditional manufactures such as food, beverages, tobacco and textiles. Moreover, food products were the largest component of MVA in 1981, i.e. 34.3 per cent (see Table SA.17). Kenya also manufactures technologically advanced products such as transport equipment, but such products account for a very small proportion of MVA.

67. Kenya's pattern of industrialization during the 1960's [1] and 1970's [2] [3] has been based predominantly on import-substitution (i.e. non-resource-based IS strategy). In order to implement the IS strategy successfully, high tariff and non-tariff barriers, and quantitative restrictions were imposed against competing imports, thus creating monopolistic or oligopolistic producers. Moreover, the Government favoured advantageous tax policies and gave duty refunds on imported raw materials and capital equipment. High priority was also given, in particular in the 1970's, to the development of those processing industries which contributed to the growth of the agricultural and fisheries sectors. This strategy led to high profits and investments mainly in the consumer goods sector. Several TNC's have since then established their manufacturing subsidiaries, but without adopting technologies to local conditions.

68. During the past few years Kenya has been experiencing difficulties in maintaining a high growth rate in the industrial sector through import-substitution for, mainly, consumer goods [4]. The Government is now placing emphasis on domestic resource-based IS and export-oriented industries more suited due to the limited size of the domestic market. An export subsidy scheme is already in operation. The Government hopes that this strategy will make a significant impact in alleviating poverty, increasing employment and reducing Kenya's reliance on imported inputs, especially intermediate and capital goods (an increase from [illegible]7.5 per cent in 1964 to [illegible]7.[illegible] per cent in 1981, see Table [illegible].13). The employment generating effect also in industry has been minimal with 10 per cent of the labour force employed in industry in 1979 (see Table [illegible].15).

69. As regards regional co-operation Kenya, together with Tanzania and Uganda, formed the East African Community (EAC) in 1967. It was hoped that the community would extend the markets for manufactured goods. However,

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1/ Republic of Kenya, Development Plan, 1966-1970, Nairobi, 1966

2/ Republic of Kenya, Development Plan, 1970-1974, Nairobi, 1970

3/ Republic of Kenya, Development Plan, 1979-1983, Nairobi, 197[illegible]

4/ Regional Co-operation - A Strategy for a Self-sustained Industrial Development and Collective Self-reliance in Africa, 197[illegible]-2000. A paper prepared by the Government of Kenya for the Regional Symposium on Industrial Policies and Strategies held in Nairobi, September 1979.

EAC failed to function according to expectation and it collapsed in 197[illegible]. Kenya has now joined the Preferential Trade Area (P.T.A.) for Eastern and Southern African Sub-region comprising a larger number of countries.

70. Kenyanization or the <u>indingenisation</u> policy since independence in 1963 has been successfully implemented. By 1981, approximately [illegible] per cent of all recorded employment comprised Kenyans [1/]. The Government has not, however, been able successfully to reduce Kenya's dependence on foreign capital or technology. On the other hand, Kenya has in the 1960's and 1970's actively promoted <u>foreign</u> and <u>local private</u> investment. The policy of stimulating the growth of <u>domestic savings</u> to reduce dependence on foreign capital has not proved successful.

71. The efforts of the Kenyan Government to reduce the concentration of industry (regional location of industry) through use of various <u>policy instruments</u> have not yet paid off, since most of the industries are located around Nairobi and Mombasa. Moreover, the Government, especially in the 1970's, is actively developing <u>industrial estates</u> and infrastructure, encouraging the <u>informal sector</u>, various incentives to <u>small and medium-scale</u> industries, and promoting <u>large-scale and heavy</u> industries. Nevertheless, the <u>public sector</u> is still not playing a very active role in industrialisation.

72. Finally, Kenya is still dependent on imported raw materials, spare parts, intermediate and capital goods, technology, know-how and managerial resources (see Table SA.11). The exports consist mainly of primary products (see Table SA.12) and owing to heavy net-outflows of surpluses resulting from, among other things, foreign investment, have led to trade and balance of payment deficits, especially during the past few years [2/] (see Table [illegible].10).

1/ Republic of Kenya, <u>Economic Survey 1982</u>, Ministry of Economic Planning and Development, Nairobi, 19[illegible].

2/ Fransman M. (Ed.), <u>Industry and Accumulation in Africa</u>, London, 19[illegible], pp. 19[illegible]-200.

(iv) MAURITIUS

73. Mauritius 1/ is one of the smallest island countries in Africa, with an area of less than [illegible],000 km² and an estimated population of 1 million (19[illegible]1). It is also one of the very few democratic countries in Africa with a multi-party political system. In the present sample Mauritius has the highest GNP per capita of $ 1,0[illegible]0 (1979), MVA per capita of $ [illegible] in 19[illegible] (see Table MA.2) and one of the highest literacy rates in Africa, or [illegible] per cent (197[illegible]). The share of MVA in GDP in 1980 was 21.3 per cent (see Table MA.4) and the growth rate in MVA in 1971-80 was 9.3[illegible] per cent (see Table MA.5). The industrial production, however, still consists largely of food, beverages and textile manufactures. In 197[illegible] the food, weaving and garment industries alone accounted for 55 per cent of MVA (see Table MA.7) and in terms of employment, the weaving apparel and garment industries provided over one third of the total employment in the industry. Moreover, Mauritius is an oil importer with practically no local industrial raw materials.

74. Industry in any modern sense was introduced in Mauritius as early as the 19th century by the sugar producers, who soon developed sugar milling to an advanced level of technology, research and management. Until the early 1960's the Government had intervened very little in the industrial process. It then started a process of <u>import-substitution</u> by providing generous incentives, such as tax holiday, import-duty concessions on raw materials and tariff protection for the finished goods 2/ 3/.

75. The First Development Plan 1971-1975 4/ emphasized the development of <u>export-oriented industries</u>, due to the limited size of the domestic market. Another short-term strategy of the Government was to create a substantial number of new job openings, with the ultimate aim of abolishing unemployment by 1980. The main reason behind this strategy was that the agricultural sector had already been used to the full, so that almost all arable land

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1/ An independent state since the 12th March 1968.

2/ Government of Mauritius position paper on, <u>Regional Co-ordination of Industrial Development in Africa</u>, presented at the Regional Symposium on Industrial Policies and Strategies held in Nairobi, UNIDO, September 1979, p. [illegible].

3/ Mauritius, <u>Public Sector Development Programme, 1966-70</u>, Port Louis, 1966.

4/ Mauritius, <u>Fourth-Year Plan for Social and Economic Development, 1971-1975</u>, Volumes I and II, Port Louis, June 1971.

- the only way of avoiding unemployment - was to encourage and facilitate the creation of a substantial export manufacturing sector.

76. Besides retaining the existing system of incentives for import-substitution industry a new incentive was designed to encourage exclusively export-oriented industries. The Mauritius Export Processing Zones (MEPZ) system was introduced without any geographical free zones of the traditional type, thus any export enterprise, wherever it was located, was considered a free zone. Among the substantial incentives and facilities were: several years' tax holiday for corporate income and dividends, complete exemption from payment of import duty on machinery, equipment, spare parts, raw materials and components; credit at preferential rates, and free "repatriation" of invested capital, profits and dividends.

77. The strategy of import-substitution had some drawbacks, such as substantially reduced revenues due to income tax losses and customs concessions; limited employment effect, since many of the plants were capital intensive; some small-scale manufacturers in the traditional sectors were eliminated, owing to the limited scope of the domestic market; and several plants were not able to utilize their full capacity and were therefore dependent on continued protection and subsidies from the Government 1/. Further, import-substitution strategy has also been discriminatory against the production of intermediate and capital goods owing to tariff structure.

78. On the other hand, MEPZ has created substatial employment, from 644 employees in 1971 to over 20,000 employees in 1979, and the value of manufactured exports in terms of total exports has also increased. The productivity in the MEPZ, however, has been low, owing to the policy of maximizing employment 2/. Moreover, from 1977 onwards the rate of development of investment in new export manufacture slowed down considerably on account of recession in industrialized countries and rising oil prices. Another principal external factor has been that the competitive advantage obtained

1/ Mauritius, Five-Year Plan for Social and Economic Development, 1975-1980, Port Louis, 1976.

2/ Mauritius, Two-Year Plan for Economic and Social Development, 1980-1982, Port Louis, September 1980, p. 100.

by Mauritius in Europe through its accession to the EEC through the Yaoundé Agreement was largely eliminated by the coming into force of the Lomé Convention, and by subsequent bilateral trade agreements between the EEC and non-ACP countries, especially bilateral agreements between the EEC and several Far Eastern and South American States.

79. As regards indigenisation, the Government made considerable progress in connection with indigenisation of manpower and to some extent transfer of technology. Concerning regional co-operation, Mauritius has signed the treaty on Preferential Trade Area (P.T.A.) and expects to increase its foreign trade with the Eastern and Southern African countries.

80. Finally, Mauritius had made great progress as compared to most of the African countries, from import-substitution and light export-oriented industries to industries with a higher level of technology. The aim of full employment by 1980 has not, however, been achieved, and the country is very dependent on foreign trade.

(v) TANZANIA

81. Tanzania 1/ is one of the 21 least developed countries in Africa (LDC's), with an estimated population of over 20 million (1980). The GDP per capita was $ 280 in 1981, and the share of MVA in GDP was barely 7.8 per cent in 1980 (see Tables SA.4 and 19). Tanzania's share of the total African MVA was less than 2.0 per cent in 1980 (see Table SA.3) and the MVA real growth rate during 1971-80 was only 2.62 per cent (see Table SA.1). Like most of the African countries, the industrial production consists largely of traditional manufacturers, such as food, beverages, tobacco and textile manufactures, accounting for 55.4 per cent of MVA in 1977 (see Table SA.20). Moreover, Tanzania is an oil importer and has few domestic raw materials.

1/ The United Republic of Tanzania was created by the merger of Tanganyika and Zanzibar in 1964.

82. The industrialization strategy may be divided into four phases: pre-independence; 1961-7 (pre-Arusha); 1967-73 (towards public sector dominance); and 1973 (towards an integrated strategy) [1]. During the colonial period and independence in 1961 the manufacturing sector consisted mainly of the first-stage processing of crops for exports. After independence import-substitution strategy was more or less followed by encouraging private investors, mostly foreign (inclusing TNC's), to invest in manufacturing consumer goods. Little attention was paid to utilising or developing local raw materials or processing them for exports.

83. The First Five-Year Plan (1964-69) [2] relied heavily on private, mainly foreign investment and proposed a wider range of import-substitution (non-resource-based, domestic-market oriented strategy) investment. It also proposed the manufacture of some intermediate goods (capital intensive), but was very dependent on imported inputs.

84. The 1967 Arusha Declaration marked a completely new industrial strategy, i.e. the public sector was made the dominant sector through nationalization and emphasis was placed on large-scale industry. In order to implement these strategies and policies a number of enterprises were either nationalized altogether or the Government acquired majority shares. Moreover, the Government established industries which were wholly owned by the public. The parastatals holding corporations and authorities have been established by the Government to run these enterprises. However, the private sector remains important, and is still producing 60-70 per cent of manufacturing GDP.

85. The Second Five-Year Plan (1969-74) [3], among others, emphasized the manufacture of import-substitution goods (including intermediate and capital goods), promotion of exports, small-scale industry employing labour intensive techniques and dispersal of industry.

1/ [illegible] ([illegible].), Industry and Accumulation in Africa, London 19[illegible], p. [illegible]. For a detailed discussion of Tanzania's experience of industrialisation see chapters 3-[illegible], pp. 60-141.

2/ The United Republic of Tanzania, Tanganyika Five-Year Plan for Economic and Social Development, 1964-1969, Dar-es-Salaam, 1964.

3/ The United Republic of Tanzania, Second Five-Year Plan for Economic and Social Development, 1969-1974, Dar-es-Salaam, 1969.

86. The post-1973 phase may be described in terms of attempts to build, articulate and apply a coherent medium-term strategy 1/. This strategy has been termed the basic industrial strategy (or long-term industrial strategy, 1975-1995, rather vague) 2/. The basic industrial strategy gives priority to industries supplying minimum mass consumption needs and the manufacture of intermediate and capital goods. High priority is given to, inter alia, resource-based export-oriented industries. Moreover, the location of industry was to take into account the effects on employment generation and regional equality. Small-scale industries are also given high priority.

87. As regards regional co-operation, Tanzania tried to increase its export market share in the East African Community (EAC), though with limited success 3/. Tanzania is, inter alios, one of the signatories of the two Lomé Conventions providing preferential trade arrangements between the European Economic Community and the African, Pacific and Caribbean countries (APC). Tanzania is also one of the nine member states of the Southern African Development Co-ordination Conference (SADCC) 4/. Moreover, Tanzania and Mozambique are planning to set up a free trade area, and Tanzania has signed the treaty on Preferential Trade Agreement (PTA) between [illegible] Eastern and Southern African countries (including SADCC).

88. During the 1960's and especially the 1970's, Tanzania has relied heavily on foreign aid sources and/or co-operation with overseas private or public firms for the financing of the rapid expansion of the public manufacturing sectors. This reliance on foreign aid ([illegible]) is expected to continue for a long time in the future, since most of the industries established with foreign aid are very import-dependent (raw materials, intermediate goods and machinery spares, and expatriates) for their operation requiring large foreign exchange allocations, while at the same time Tanzania's ability to earn foreign exchange has stagnated or even come to a complete stand-still in recent years.

1/ [illegible] (J.), Industry and Accumulation in Africa, London [illegible].

2/ The United Republic of Tanzania, Third Five-Year Plan for Economic and Social Development, 1976-1981, Vol I, Dar-es-Salaam, 197[illegible].

3/ East African Community (EAC) collapsed in January 1977 and since then the border between Kenya and Tanzania is closed.

4/ The other eight member states are: Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, Zambia and Zimbabwe.

89. The exports of manufactured goods have also stagnated, mainly due to the lack of foreign exchange to purchase the necessary imports of raw materials and intermediate goods. Although the manufacturing export performance has shown encouraging development during the last two years, as indicated by the fact that manufactured exports as a percentage of total exports in 1980 was 33 per cent of all exports.

90. As regards <u>indigenisation</u> Tanzania, unlike other countries in the sample (except Ethiopia), has used state enterprises as its main instrument for the indigenisation of the industrial and commercial sectors. Tanzania has made considerable progress towards the indigenisation of manpower, ownership and control, but not the technology.

91. The <u>domestic inter-industry linkages</u> have not been established to any significant extent. The lack of inter-industry linkages has meant that some of the production anomalies characteristic of underdevelopment and dependence have been perpetuated. Thus, the Tanzanian industrialisation process up to the present may be characterized by the lack of domestic linkages and the dependence on capital intensive techniques using imported skills and materials. This holds especially for the public sector, including parastatals.

92. Finally, Tanzania has for several years been experiencing an acute shortage of foreign exchange, and this has led to a marked shortage of imported raw materials, spare parts and other requirements for industry. Several plants are operating far below their respective installed capacities. Some other constraints faced by industry are: low labour productivity and relatively high wages; over-valued currency (Tanzanian Shilling); structure of protection and pricing policy (discriminatory against exports); and lack of infrastructure facilities, such as electricity, water, fuel and transport.

(vi) <u>N I G E R</u>

93. Brief coverage is given to Niger and the rest of the countries' experiences, since most of the industrial strategies and policies have already been mentioned in the previous five countries' experiences.

94. Niger is a vast land-locked country (1,267,000 km²) and one of the least develope/d countries (LDC's) in the drought-affected Sahel. The estimated population in 1981 was over 5 million, with a GNP per capita $ 270 (1979) and a literacy of 8 per cent (1976). The share of MVA in GDP in 1980 was 5.7 per cent (see Table SA.4) and the MVA growth rate in the period 1971-80 was only 3.47 per cent (see Table SA.5). Niger's industrial sector is small, employing only 3 per cent of the total labour force in 1979 (see Table SA.15).

95. In 1979 food processing, textiles and leather industries accounted for 55 per cent of MVA 1/. The country is an oil importer with a limited resource base. However, the mineral potential is considerable and uranium exports make an important contribution to the country's economy. Still, in the past few years Niger's trade and balance of payment have shown deficits, especially those due to the falling uranium prices on the world market (see Table SA.10).

96. In the 1960's and 1970's, Niger has, like most of the African countries, followed a strategy of <u>import-substitution</u> (non-resource based) and <u>export promotion</u> by providing incentives, such as tax holidays, tariff protection and import privileges, specially for <u>large-scale</u> (capital intensive) industries (1970's) 2/. Further, all investment projects requiring public incentives or financing are forced to give priority to the use of local raw materials and spare parts, and implement pre-agreed programmes to train Nigeriens (mainly lip-service). This policy has not so far been successful, since Niger is very dependent upon imports of intermediate and capital goods, spare parts, know-how and expatriates.

1/ Nations Unies, Conférence des Nations Unies sur les pays les moins avancés, Réunions de consultation par pays: <u>Mémoire du Niger</u>, LDC/CP/25, 1981.

2/ Niger, <u>Projet de Plan (1971-74)</u>, Niamey, Septembre 1970; and Niger, <u>Plan Quinquennal de Developpement Economique et Social, 1979-1983</u>, Niamey, 1979.

97. Since the 1960's the Government has also been promoting the expansion of public, private and foreign investment, and small-scale and artisan enterprises. Whereas in the 1970's, together with the above-mentioned industrial strategies and policies, regional diversification and indigenisation have gained in importance. Moreover, it is expected that the handicraft and artisan activities will be integrated with the industrial sector, exclusively managed by the Nigerians.

98. As regards indigenisation policy, the Government has not been successful in any respect, since the dependence on foreign capital and manpower is considerable. Moreover, reliance on external assistance (EA), such as bilateral and multilateral assistance for development (such as industry) is substantial, i.e. roughly 15 per cent of GNP (1980).

99. In connection with regional co-operation Niger is a member of several regional organizations in West Africa, for instance the Economic Community of West African States (ECOWAS) 1/. It is expected that during the 15-year period starting from 1975 the member states would progressively eliminate the tariffs and non-tariff restrictions among them. Niger has difficulties in exporting manufactured products to neighbouring countries, in particular to Nigeria, especially owing to the high prices.

100. Finally, some of the constraints facing industry are: lack of cheap energy sources; lack of indigenous entrepreneurs and skilled labour; lack of infrastructure; inadequate investment capital; lack of proper incentives to small-scale industry and to the informal sector.

(vii) N I G E R I A

101. Nigeria is the most populous country in Africa, with an estimated population of over 80 million (1981). The country is richly endowed with natural resources, and oil is the major source of export earnings and Government revenues. During the past few years, however, the oil output has [illegible]

1/ The member states of ECOWAS consist of Benin, Cape Verde, Ivory Coast, Gambia, Ghana, Guinea, Guinea-Bissau, Liberia, Mali, Mauritania, Niger, Nigeria, Senegal, Sierra Leone, Togo and Upper Volta.

of 2.3 million barrels/day (June 197[illegible]) fallen to less than 2 million barrels/day (January 1983), and combined with the falling price of oil on the international market this has caused considerable strain on the economy.

102. The public sector has expanded rapidly in Nigeria since the 1970's. Expansion has been concentrated mainly in traditional areas, such as communication, transport, power and administration. The Nigerian manufacturing sector does not as yet play a leading role in the country's economy. In 19[illegible], the share of MVA in GDP was barely [illegible] per cent (see Tables [illegible] and [illegible]). On the other hand, the employment level in the industrial sector is relatively high, thus 18 per cent of the total labour force was employed in the industrial sector in 1979 (see Table [illegible].15).

103. During the 1960's and 1970's import substitution has been adopted as a major strategy for industrialization without paying much attention to utilizing local raw materials (resource-based import substitution) or adopting foreign technology to local conditions [1]. On the other hand, there has been a shift of emphasis in the late 1970's from the processing of primary products to sophisticated ones (capital intensive), such as pharmaceuticals, chemicals, tyres, petroleum processing, motor vehicle assembly, machine-building industries and equipment (see Table [illegible].22). But the structure of the manufacturing sector in 197[illegible] relied heavily on consumer goods. The light consumer goods industries comprising food and beverages, tobacco, textiles, leather products, wood and wood products, paper and paper products and chemical products (generally based on imported fine and intermediate chemicals for local fabrication and finishing), accounted for about [illegible]1 per cent of the domestic value-added in manufacturing [2].

1/ National Workshop on Nigeria's Industrialization Policy and Strategy, Federal Ministry of Industries and UNIDO, Ibadan, December 197[illegible], p. 7.

2/ The Lessons of Nigeria's Industrial Development, by [illegible], UNIDO, paper presented at a Regional Symposium on Industrial Policies and Strategies held in Nairobi, September 1979, p. 3.

104. The Third 1/ and Fourth 2/ National Development Plans emphasize that the existing manufacturing sector should include more capital goods industries as well as export-oriented ones. The Government is also promoting, apparently with little success, industrial research and development at various institutes in the country.

105. The trade policy in Nigeria has been very effective in protecting the consumer goods industries, but not the intermediate and capital goods industries. This has been mainly due to over-emphasizing IS strategy, since it made the imports of intermediate and capital goods cheaper and their local production unattractive (see Table II.22).

106. As far as the export-market oriented strategy is concerned, Nigeria exports very limited amounts of consumer goods. This is mainly due to the country's manufacturing sector, which does not have export capabilities and is of a non-competitive character in terms of both price and quality. Nigeria is a member of the Economic Community of West African States (ECOWAS) and its strategy is to export, through regional co-operation, industrial goods to the immense West African market (it is too early to assess the negative repercussions on industrial exports due to the recent expulsion by Nigeria of millions of illegal immigrants from ECOWAS).

107. As in most of the African countries, export industry in Nigeria is penalized by high tariffs and other barriers for the protection of IS industry. Thus the inputs by the local industry to export industry are usually of low quality and high priced. Moreover, the export industry is also penalized by the over-valued exchange rate (mainly due to large oil revenues), high infrastructure and labour costs.

108. The public sector in Nigeria, especially during the 1970's, has been very active in the manufacturing sector, especially in the large-scale and heavy industries (capital intensive) by channelling a high proportion of the total planned investment in the economy to industry. However, at the same time the Government's policy has been to promote foreign and private investment, mainly in the labour intensive small- and medium-scale industries, thus providing employment. But, the linkage patterns between

1/ **Third National Development Plan, 1975-1980, Central Planning Office, Federal Republic of Nigeria, Lagos 1975.**

2/ **Guidelines for the Fourth National Development Plan, 1981-1985, Federal Republic of Nigeria, Lagos 1981.**

small-scale and other industries are still relatively weak. Further, the linkages between industry and other sectors of economy are also very weak, especially agriculture, which is totally neglected.

109. As regards other industrial strategies and policies, the Government, particularly in the 1970's, is successfully trying to disperse the industry throughout the 19 states by establishing industrial estates in each one of them and at the same time providing generous incentives.

110. According to the Third and Fourth National Development Plan, the indigenisation of industry should play an important role in the acceleration of industrial development in Nigeria. The policy of indigenisation (or Nigerianisation) has progressed well ahead of several African countries in achieving indigenisations of ownership by promoting domestic capital sources for industrial investment, but much less progress has been achieved with the indigenisation **of technology, as Nigeria remains overwhelmingly dependent on imported know-how, raw materials, intermediate and capital goods (see Table SA.23)** 1/.

111. Finally, in recent years an increasing number of problems have checked the growth of the industrial sector. The chief reasons for this are the artificially over-valued currency (Naira), high inflation and wages, low labour productivity, shortage of trained manpower, raw materials, capital equipment and spare parts, restrictive industrial policy and administrative practice, and lack of proper infrastructure. Further, another reason for the stagnation of the industrial output in many of the traditional low technology industries based on import-substitution has been that they have reached the limit of their domestic market, or, in several cases, the imported component of the substituted product has been so high that it would have been cheaper to continue to import the complete end-product 2/.

1/ UNIDO, Industrial Development Survey, 9th Edition (forthcoming), 1983.

2/ Manfred, B., Industrialisation Policies in Nigeria, Weltforum Verlag, Munchen, 1975, p. 50.

(viii) CAMEROON

112. Cameroon is one of the prosperous countries in Africa with a GDP per capita of $ 560 (1979) and an estimated population of over 8 million (1980). The country is richly endowed with natural resources. The share of MVA in GDP in 1980 was 9.1 per cent (see Table SA.4) and the MVA real growth rate during 1971-80 was 4.21 per cent (see Table SA.5). At present, over 60 per cent of the manufacturing output stems from three sectors, viz. food and beverages, textiles and shoes, and aluminium. Cameroon's manufacturing sector is in reality not yet integrated into the overall economic structure, since sectoral activities do not extend beyond the processing of primary products or the assembly of local and imported raw materials and components. The industrial sector employed barely 7.0 per cent of the total labour force in 1979 (see Table SA.15).

113. Cameroon started its industrialization like all the countries in this sample, in the 1960's with import substitution (partly resource-based) and export-oriented industries [1/] (see Table II.2). The export markets for Cameroonian products were considerably enlarged when Cameroon joined UDEAC (Union Douanière et Economique de l'Afrique Centrale) in 1964 with the Central African Republic, Congo and Gabon. The export markets are expected to expand further in the near future, when together with 10 other Central African states Cameroon joins a new regional co-operation grouping in the form of Economic Community of Central African States [2/]. At present, exports consist primarily of coffee, cocoa, and oil, accounting for over 60 per cent of the total exports (see Table SA.12).

114. Further, private and foreign industrial investment has been promoted by providing some of the most liberal incentives in Africa. Cameroon is very dependent on external assistance (ODA), both bilateral and multilateral and foreign private investment. Most of the external assistance

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1/ Cameroon, Second Five-Year Development Plan, 1965/66-1970/71, Yaoundé 1965.

2/ The treaty pertaining to the creation of the economic community is expected to be signed around March/April 1983. The other 10 member states are Angola, Burundi, Central African Republic, Chad, Congo, Equatorial Guinea, Gabon, Rwanda, Sao Tomé and Principe and Zaire.

and investment comes from France. In order to reduce this dependence on foreign investment the Government in the Third 1/ and Fourth 2/ Five-Year Development Plan has proposed several policy measures to mobilize the domestic savings. At present, the country's domestic savings rate at 17 per cent of annual GDP, is the highest in Africa, but this can barely meet the country's investment needs 3/. Moreover, owing to the limited private investment and the decreasing foreign investment in industry, especially due to limited opportunities of import substitution in the consumer goods sector, the Government in the 1970's has increased its participation in large-scale projects (joint ventures with foreign investors), which means ignoring the small-scale and informal sector.

115. Moreover, the Government is providing fiscal and financial incentives (in the 1970's) in order to decentralize industry from the major cities (such as Douala). Concerning indigenisation, Cameroon has not been successful in any respect, since it is highly dependent on external assistance. For instance, the majority of industrial establishments are foreign owned and run mainly by expatriates.

116. Finally, the constraints faced by industry are lack of proper infrastructure, lack of domestic entrepreneurship, dependence on imported intermediate and capital goods, raw materials and spare parts, technology, manpower and know-how (see Table SA.11).

CONCLUDING REMARKS

117 . During the 1960's and 1970's all the eight countries have followed an inward-looking import substitution strategy. This strategy has been over-emphasised by most of the countries, since the industrial sector is

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1/ Cameroon: Third Five-Year Development Plan (1971/72-1975/76), Yaoundé 1971.

2/ Cameroon: Fourth Five-Year Economic, Social and Cultural Development Plan, 1976-1981, Yaoundé 1976.

3/ Economist: African Country Changes President without a Coup, 13 November 1982, p. 93.

inefficient, oligopolistic or monopolistic in structure, relies heavily on imported materials, intermediate and capital goods, know-how and man-power, highly capital-intensive, with low employment creation and productivity, and substantial under-utilization of capacity. The IS strategy has also aggravated the trade and balance-of-payment deficits.

118. Most of the industries are manufacturing consumer goods with little local value added. These industries are mainly packaging and assembly type and most of them lose foreign exchange instead of saving it. Few countries have built up an industrial base with production of some intermediate and capital goods, such as Egypt and Nigeria, and exports of manufactured goods to Europe, such as Mauritius. Further, most of the countries are not utilizing their local resources, and there is generally a lack of linkages between industry and other sectors of the economy. Most of the countries so far failed to implement the policy of indigenisation, especially the technological aspect.

119. The incentives given to industry are very distorted, particularly the trade and exchange-rate policies, which are penalizing the export industry. The foreign investors, private, small-scale and informal sectors are also penalised by lack of proper incentives. Further, the public sector, including parastatals, are in most cases very inefficient. As regards regional co-operation African countries have achieved limited success.

120. It is surprising that even after pursuing the industrial strategies and policies mentioned above and elsewhere for over the last two decades the industrial sector in most of the countries is very under-developed. Thus, a restructuring of post-independence, industrial strategies and policies is essential, if Africa is to accelerate its industrial development in the 1980's and 1990's. Finally, one cannot but conclude that most or some of the industrial strategies and policies have been given only lip-service.

PART III PROSPECTS FOR INDUSTRIAL DEVELOPMENT IN AFRICA IN THE 1980'S AND 1990'S

121. The approach in this study has been to a large extent qualitative rather than quantitative, owing to the lack of reliable and sufficient data. It is necessary to study the costs and benefits of individual industrial strategies and policies, something that this study has been unable to do. Furthermore, this document has not fully reflected the experiences of all the African countries with respect to past and current industrial strategies and policies in process of industrialization.

122. Africa is too diversified politically, culturally, linguistically, religiously, philosophically and also as regards population and resources. In spite of this and the limitations mentioned above the report will, however, recommend a few general industrial strategies and policies to enable African countries to accelerate industrial development in Africa in the 1980's and 1990's. Individual countries should, in co-operation with their neighbours, bilateral and multilateral donors, outline suitable strategies and policies in the light of the recommendations given below.

123. The restructuring of industrial strategies and policies will not have immediate and dramatic effects on industrial performance, but the cumulative, long-term effects will be substantial, something that will be noticed only in the late 1980's or in the early 1990's.

124. Before proceeding further, with specific recommendation, we may first briefly summarize the present situation in Africa. Africa is the least industrialized region in the world. It relies largely on foreign capital and manpower, and imported capital intensive technology. This has not created substantial employment opportunities or indigenous technological development. Further, the emphasis has been placed on consumer goods industries, which has led to a high degree of dependence on imported intermediate and capital goods and spare parts.

125. In the mid-1970's Africa was severely hit by inflation and recession, and by the end of the 1970's practically all countries, including the oil exporters, were more or less in a state of severe economic crisis. The external factors cannot be wholly blamed for the poor industrial performance. The internal factors, such as political violence and frequent military coups and conflicts have also contributed to this poor performance. Moreover, deficiencies in domestic industrial strategies and policies have also been responsible for the poor industrial performance.

126. Thus the internal and external factors mentioned above, and the deterioration in terms of trade, for oil-importing countries the prospects of further decreases in the price of primary commodities, the rising external debt which has increased fivefold during the last decade, the declining external reserves which are at their lowest level, the present global recession and the increased protectionism in the developed countries give a very pessimistic outlook for African industrial development in the 1980's and 1990's. The 1980's and 1990's, however, should be somewhat more favourable for oil importers owing to the recent fall in oil prices. In spite of this, much depends on the future development of oil prices, something, again, which is highly unpredictable.

127. During the 1960's and 1970's industrial development in most African countries has been slow. The rate of real industrial growth in the period 1971-80, about 5.5 per cent per annum, is inadequate in terms of the development goals implied by the Lima target. This rate of growth has allowed Africa to hold its place in world industrial production to the tune of about 1.11 per cent (1982), owing to the recession in the industrialised countries.

128. In order to attain the regional target of a 2 per cent share in world industrial production by the year 2000 as endorsed in the Lagos Plan of Action (LPA) 1/ and recommended in the Industrial Development Decade for Africa (IDDA) Programme 2/, African countries, in particular LDC's, have to make radical changes in their present industrial strategies and policies.

1/ OAU, Lagos Plan of Action for the Economic Development of Africa, 1980-2000, International Institute for Labour Studies, Geneva, 1981.

2/ UNECA/OAU/UNIDO: A Programme for the Industrial Development Decade for Africa, United Nations, New York 1982

129. Most of the African countries have formulated explicit industrial strategies and policies, with the emphasis on, inter alia, the import substitution, export promotion, small-scale and/or large-scale industries, basic industries or simply fulfilment of basic needs. The industrial strategies and policies are highly influenced by ideological positions, in particular with regard to the roles of the private foreign investment (including TNC's) and the public sector. Further, the present industrial strategies and policies have not resulted in greater self-reliance or self-sufficiency in Africa.

130. Thus, if past and current trends were to continue unchecked, industrial prospects in the 1980's and 1990's would appear very unfavourable for Africa. However, there is much that African countries can do to reverse this trend, inter alia, by restructuring and reformulating the present industrial strategies and policies.

131. In order to formulate the industrial strategies and policies for the 1980's and 1990's, some of the main constraints should be taken into consideration:

- market size and population density: most African countries are sparsely and under-populated, with low per capita incomes and lack of supporting infrastructure. These factors make it difficult for several industries to realize full economies of scale.

- management costs, wages and productivity: most of the African countries rely heavily on expatriates, the wages are high and productivity low as compared to the case of most developing countries. This makes African manufactures on the export market non-competitive.

132. In order to accelerate industrial development, industry and other sectors, notably agriculture, have to be developed side-by-side. To be successful, industry must have strong backward and forward linkages with other economic sectors, instead of expanding at their expense or ignoring them, as is the case in most of the African countries.

133. African countries rich in natural resources, for instance in agriculture, should base their industrial development on agriculturelly oriented development strategy. As far as possible, labour intensive techniques should be employed instead of capital intensive.

134. As regards import substitution versus export-oriented strategies, import substitution strategy is a must for all African countries. However, it has up to the present been badly implemented. IS industry should be based on local resources and be as far as possible labour intensive. Moreover, it should not be given excessive protection for too long periods, it should be competitive and able to realize economies of scale. The current incentive system in most African countries must be restructured, since it has only stagnated industrial development in Africa.

135. Import substitution industries should be established on a regional or sub-regional rather than on a national basis by most African countries, or, alternatively as soon as the limits of IS are reached, export of manufactured goods should be considered.

136. Import substitution (inward-looking) strategy in the present form has failed in most of the African countries, and, since IS has not resulted in greater self-reliance or self-sufficiency, export-oriented (outward-looking) strategy has to be given serious consideration, especially in order to make possible an indigenous industrial base and accelerating industrial development. However, to get any footing in the export markets is not easy, owing to the tough competition on the export market, and it also requires considerable knowledge of the export markets, marketing and other supports.

137 . Africa's share of world manufactured export is low, i.e. approximately 0.4 per cent (1981) and one third of their exports are merely processed resources, such as diamonds and precious stones. Moreover, African manufactured exports are not competitive on the world market, among other

things, due to high price and poor quality. In spite of this, Africa has tremendous potential for manufactured exports due to its substantial resources.

138. African countries should increase the processing and manufacture of primary products before exporting them. Since the capital costs are very high, bilateral and multilateral assistance should be called in, and these projects should be developed at regional and sub-regional levels.

139. The major policies reforms urgently required are, an increase in export subsidies, devaluations, lower wages, replacement of expatriate managers and technicians, increase in productivity and above all intensification of sub-regional, regional, international and global co-operation. The export industries should be resource-based.

140. Up to the present most of the African countries have attained limited success as regards regional co-operation, something due mainly to political and military disputes, the benefits are long-term, bilateral and multilateral donors are reluctant to provide the financial support required and member states are at different stages of industrialization. These constraints have to be overcome, since almost all the large-scale, capital intensive, intermediate and capital goods projects require regional co-operation in order to realize economies of scale. Regional co-operation also increases trade in manufacture, notably inter-African, which is at present very low.

141. Another important area for regional co-operation and economic integration is the exploitation of natural resources. To achieve this goal, African countries, in particular LDC's and land-locked countries, have to establish regional projects or form customs unions (similar to UDEAC). Both options should be considered in order to accelerate industrial development. Moreover, infrastructure has to be improved, monetary

and commercial policies have to be restructured by creating, for instance, zones similar to the CFA Franc zone prevailing in West and Central African sub-regions, and joint R & D (research and development) institutions.

142. African countries should also strengthen South-South and North-South industrial co-operation with regard to such aspects as technology transfer, finance, industrial skills, joint ventures, and natural resource development. Industrial co-operation should be first strengthened among the African countries themselves at the sub-regional and regional levels, and secondly between African and other countries all over the world.

143. African countries should avoid too frequent use of "cult words" such as "New International Economic Order" or "Duty of rich countries to help poor countries", since this only tends to conceal the harsh realities, in both the developing and the industrialized world.

144. In order to attract private and foreign capital (including TNC's) and the transfer of technology from both the developing and developed countries it is necessary to revise legislation in most of the countries in such a way as to eliminate the danger of nationalization and guarantee the repatriation of profits and the avoidance of double taxation. Moreover, the mobilization of local resources should be increased in order to ensure a high level of indigenous industrial investment.

145. In several countries the public sector, in particular the parastatals controlling large-scale industrial enterprises, has to be reorganized in such a way that they may be treated strictly as commercial enterprises. At present the public sector in most of the countries is inefficient and is thus retarding industrial development.

146. The small, medium and large-scale and heavy industries should be promoting the manufacture of not only consumer goods, but also intermediate and capital goods. Furthermore, the Government should encourage the development of the informal sector instead of discriminating it, since it is labour intensive, has indigenous ownership and stronger linkages with the domestic economy.

147. External assistance (ODA) from bilateral and multilateral agencies can considerably accelerate the industrial development in the 1980's and 1990's. Foreign assistance may be sought in, inter alia, the selection and financing of viable regional and sub-regional projects, the development of large-scale, intermediate and capital goods industries and the transfer of technology.

148. Some other policy reforms which are urgently required are:

- procedures for the selection of industrial projects should be strengthened

- institutions facilitating the processes of acquisition, choice, adaptation and development of industrial technology should be promoted

- positive measures should be devised to disperse or decentralize industry to rural areas and develop industrial estates

- adverse effects of monopoly power must be checked

- strengthened education and industrial training institutions

149. Finally, the restructuring and implementing of the industrial strategies and policies outlined above would in several countries require more or less radical political changes in order to accelerate industrial development in the 1980's and 1990's.

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PAST AND CURRENT INDUSTRIAL STRATEGIES

AND POLICIES FOR THE ACCELERATION OF

INDUSTRIAL DEVELOPMENT IN AFRICA

STATISTICAL ANNEX

Table 1. COMMODITY TRADE: VOLUME AND PRICES

	Volume		Price		
	Annual average growth rate (%) World		Annual average change 1955-78	Annual average growth rate (%)	
	1960-70	1970-79		1960-70	1970-80
Fuels					
Petroleum	11.1	3.5	14.1	- 2.2	18.2
Minerals and metals					
Copper	2.9	2.5	18.6	3.8	- 18.7
Iron ore	7.7	1.7	8.5	- 3.9	- 13.0
Bauxite	5.8	3.0	8.3	5.6	2.2
Phosphate rock	7.7	2.7	17.6	- 2.0	1.5
Manganese ore	5.8	0.0	10.3	- 5.7	- 1.1
Zinc	5.5	3.2	17.9	1.5	- 3.0
Tin	0.8	0.9	10.2	4.0	4.6
Lead	3.2	0.6	15.8	3.0	0.3
Food and beverages					
Coffee	2.3	0.3	18.1	0.8	3.9
Cocoa	0.5	- 2.2	26.5	3.5	7.5
Sugar	1.2	2.8	37.4	- 3.7	- 1.3
Tea	2.3	2.2	9.7	- 4.0	- 2.8
Groundnuts	- 1.6	- 1.9	10.3	0.1	- 3.5
Groundnut oil	3.2	1.9	12.6	- 0.1	- 3.1
Beef	5.4	5.4	12.3	4.8	- 1.8
Palmoil	4.1	10.2	14.0	- 1.7	- 2.4
Bananas	4.9	1.3	7.3	2.3	- 3.1
Maize	7.0	11.0	9.9	0.9	- 0.5
Nonfood					
Timber	5.9	3.0	13.7	1.0	0.4
Cotton	0.8	0.3	10.4	0.1	- 2.2
Tobacco	1.7	3.5	10.6	0.7	- 1.0
Rubber	2.9	1.9	16.5	- 6.0	1.3
Hides and skins	3.7	2.5	...	0.3	- 0.4
Sisal	- 1.7	- 11.6	...	- 7.1	1.5

Source: World Bank

Table 2 : Manufacturing value added per capita in Africa 1970 and 1980

Country	MVA per capita US$ 1970	MVA per capita US$ 1980 (constant 1970 prices)
Oil-exporters (4)	13.8	25.6
1. Algeria	30.3	43.4
2. Gabon	23.4	120.6
3. Libya A.J.	32.4	144.0
4. Nigeria	9.2	17.4
LDC's (21)	7.8	7.5
5. Benin	6.9	6.3
6. Botswana	9.5	25.8
7. Burundi	4.3	5.5
8. Cape Verde	4.9	4.7
9. Central African Republic	13.5	12.6
10. Chad	4.5	3.7
11. Comoros	6.4	2.4
12. Ethiopia	6.8	7.1
13. Gambia	6.1	2.9
14. Guinea	4.5	4.6
15. Guinea-Bissau	1.3	1.3
16. Lesotho	1.5	4.6
17. Malawi	10.2	16.0
18. Mali	5.1	5.2
19. Niger	5.7	5.8
20. Rwanda	2.0	10.2
21. Somalia	5.0	6.8
22. Sudan	13.6	10.2
23. Tanzania U.R.	8.8	8.2
24. UGANDA	9.1	4.3
25. Upper Volta	5.8	7.0
Other (27)	23.3	27.8
26. Angola	14.3	6.6
27. Cameroun	15.3	18.0
28. Congo	13.3	12.0
29. Djibouti	24.0	19.9
30. Egypt	35.5	47.5
31. Equatorial Guinea	9.6	2.3
32. Ghana	29.3	20.9
33. Ivory Coast	23.7	36.1
34. Kenya	15.0	22.6
35. Liberia	11.3	14.6
36. Madagascar	13.3	12.5
37. Mauritania	8.2	9.0
38. Mauritius	31.7	65.9
39. Morocco	35.6	42.5
40. Mozambique	12.8	9.6
41. Namibia	54.6	57.1
42. Reunion	39.2	38.8
43. Sao Tome and Principe	8.5	7.5
44. Senegal	27.7	26.1
45. Seychelles	6.2	20.4
46. Sierra Leone	8.9	9.6
47. Swaziland	30.3	68.2
48. Togo	12.5	7.5
49. Tunisia	23.2	48.7
50. Zaire	5.1	3.7
51. Zambia	23.4	31.1
52. Zimbabwe	55.1	55.5
Total (52) Developing Africa)	16.3	21.1

Source: ECA, Statistics Division and UNIDO data base

Table 3 : The country share in total African MVA, 1970 and 1980

Country (Subregion)	Country share in MVA of developing Africa (in per cent) 1970	1980 (constant 1970 prices)
North Africa	46.10	49.00
1. Algeria	7.48	8.57
2. Egypt	21.90	21.34
3. Libya	1.19	4.60
4. Morocco	9.84	9.18
5. Sudan	3.56	2.02
6. Tunisia	2.13	3.29
West Africa	22.67	22.65
7. Benin	0.35	0.19
8. Cape Verde	0.02	0.02
9. Gambia	0.05	0.02
10. Ghana	4.68	0.77
11. Guinea	0.33	0.25
12. Guinea Bissau	0.01	0.01
13. Ivory Coast	2.51	3.13
14. Liberia	0.28	0.29
15. Mali	0.50	0.37
16. Mauritania	0.17	0.14
17. Niger	0.43	0.33
18. Nigeria	9.58	14.46
19. Senegal	2.26	1.59
20. Sierra Leone	0.45	0.36
21. Togo	0.45	0.21
22. Upper Volta	0.60	0.51
East. & Southern Africa	17.61	15.61
23. Botswana	0.11	0.22
24. Comores	0.03	0.02
25. Djibouti	0.07	0.07
26. Ethiopia	3.11	2.43
27. Kenya	3.22	4.00
28. Lesotho	0.03	0.07
29. Madagascar	1.67	1.15
30. Malawi	0.85	1.04
31. Mauritius	0.49	0.68
32. Mozambique	1.92	1.05
33. Seychelles	0.01	0.02
34. Somalia	0.26	0.27
35. Swaziland	0.24	0.40
36. Tanzania	2.14	1.60
37. Uganda	1.65	0.63
38. Zambia	1.81	1.96
Central Africa	7.12	5.48
39. Angola	1.50	0.48
40. Burundi	0.28	0.26
41. Cameroon	1.90	1.66
42. Central African Rep.	0.44	0.30
43. Chad	0.30	0.18
44. Congo	0.29	0.20
45. Equ. Guinea	0.05	0.01
46. Gabon	0.21	0.72
47. Rwanda	0.13	0.53
48. Sao Tomé & Principe	0.01	0.01
49. Zaire	2.01	1.13
Other Dev. Africa	6.51	5.33
50. Namibia	0.78	0.61
51. Reunion	0.32	0.23
52. Zimbabwe	5.41	4.49

Source: ECA Statistics Division and UNIDO data base.

Table 4 : The share of MVA in GDP in Africa, 1970-1980

Country (Subregion)	Share, MVA in GDP at factor cost (in per cent) 1970	1980 (constant 1970 prices)
North Africa	13.0	12.0
1. Algeria	11.2	11.2
2. Egypt	19.6	17.7
3. Libya	1.8	5.6
4. Morocco	15.9	15.5
5. Sudan	10.2	7.1
6. Tunisia	9.2	11.2
West Africa	7.0	7.0
7. Benin	8.4	6.3
8. Cape Verde Is.	5.2	5.9
9. Gambia	5.1	2.6
10. Ghana	12.2	12.5
11. Guinea	2.9	3.0
12. Guinea Bissau	1.1	1.1
13. Ivory Coast	11.4	13.5
14. Liberia	4.0	5.6
15. Mali	10.5	10.8
16. Mauritania	4.9	6.2
17. Niger	6.0	5.7
18. Nigeria	4.4	5.2
19. Senegal	15.9	18.2
20. Sierra Leone	6.5	7.3
21. Togo	10.2	6.2
22. Upper Volta	10.9	14.6
East. & South. Afr.	10.0	12.0
23. Botswana	7.8	10.3
24. Comoro Is.	6.7	4.7
25. Djibouti	6.1	8.5
26. Ethiopia	9.6	9.7
27. Kenya	12.1	16.0
28. Lesotho	2.7	5.0
29. Madagascar	11.5	12.0
30. Malawi	15.4	16.1
31. Mauritius	16.0	21.3
32. Mozambique	5.9	6.1
33. Seychelles	1.6	4.2
34. Somalia	6.5	8.3
35. Swaziland	12.4	18.3
36. Tanzania	10.1	7.8
37. Uganda	7.5	4.8
38. Zambia	6.5	10.0
Central Africa	7.0	8.0
39. Angola	5.2	4.9
40. Burundi	6.8	7.8
41. Cameroon	10.0	9.1
42. Central Af. Republic	13.1	14.0
43. Chad	5.5	5.2
44. Congo	6.6	5.2
45. Equatorial Guinea	3.8	4.2
46. Gabon	4.2	10.2
47. Rwanda	3.5	12.2
48. Sao Tome and Principe	4.8	5.4
49. Zaire	7.6	6.5
Other Developing Africa	23.0	24.0
50. Namibia	9.4	8.3
51. Reunion	4.9	3.3
52. Zimbabwe	21.3	23.3
Total (52) (Developing Africa)	9.5	9.8

Source : ECA Statistics Division and UNIDO data base

Table 5 : Real growth rates in manufacturing value added (MVA) averages for 1971-75, 1976-80 and 1971-80, developing Africa

Country (Subregion)	MVA real growth rate (per cent) constant 1970 prices		
	1971-75	1976-80	1971-80
North Africa	5.50	6.90	6.20
1. Algeria	7.05	8.28	7.66
2. Egypt	4.06	6.50	5.28
3. Libya A.J.	20.16	22.64	21.40
4. Morocco	6.55	3.11	4.83
5. Sudan	3.99	1.87	2.93
6. Tunisia	13.50	7.60	10.55
West Africa	8.74	4.68	6.71
7. Benin	5.77	-5.74	0.02
8. Cape-Verde Is	1.65	1.96	1.81
9. Gambia	21.81	-13.49	4.16
10. Ghana	2.60	-1.52	0.54
11. Guinea	2.58	3.23	2.91
12. Guinea Bissau	0.14	2.61	1.37
13. Ivory Coast	6.72	9.20	7.96
14. Liberia	12.18	0.60	6.39
15. Mali	3.06	2.82	2.94
16. Mauritania	0.41	6.90	3.66
17. Niger	2.52	4.42	3.47
18. Nigeria	15.29	7.03	11.16
19. Senegal	4.37	0.15	2.26
20. Sierra Leone	7.26	-0.12	3.57
21. Togo	-3.64	-0.35	-1.99
22. Upper Volta	7.89	1.54	4.71
East. & South. Africa	6.36	2.15	4.26
23. Botswana	15.86	14.71	15.28
24. Comores Is.	3.70	-6.37	-1.34
25. Djibouti	10.81	0.49	5.65
26. Ethiopia	1.07	5.05	3.06
27. Kenya	8.25	7.70	7.98
28. Lesotho	45.74	5.98	25.86
29. Madagascar	2.34	1.23	1.79
30. Malawi	11.20	4.62	7.91
31. Mauritius	11.44	7.33	9.38
32. Mozambique	6.22	-3.37	1.42
33. Seychelles	25.93	12.99	19.46
34. Somalia	9.66	2.56	6.11
35. Swaziland	17.07	5.98	11.53
36. Tanzania	4.81	0.44	2.62
37. Uganda	-2.69	-5.37	-4.03
38. Zambia	19.99	-1.11	9.44
Central Africa	3.62	2.26	2.94
39. Angola	-2.07	-1.57	-1.82
40. Burundi	4.43	4.63	4.53
41. Cameroon	2.15	6.26	4.21
42. Central Africa Rep.	-0.27	3.94	1.84
43. Chad	6.18	-5.32	0.43
44. Congo	-0.99	4.98	1.99
45. Equ. Guinea	-2.29	-18.76	-10.53
46. Gabon	28.80	11.57	20.19
47. Rwanda	68.31	6.28	37.30
48. Sao Tomé & Principe	0.50	0.39	0.44
49. Zaire	3.78	-4.43	-0.32
Other Dev. Afri.	4.05	3.95	4.00
50. Namibia	2.58	3.45	3.02
51. Reunion	-1.23	6.09	2.43
52. Zimbabwe	6.53	1.04	3.78
Total (52) (Developing Africa)	6.11	4.97	5.54

Source : ECA Statistics Division and UNIDO data base

Table 6. Mineral production and exports from Africa in 1980

Country	Mineral production	Mineral exports
Algeria	Antimony/Barium/Bentonite,Fullers earth/Copper/ Diatomite/Gypsum/Iron ore/ Pig iron/ Steel ignots + castings/Kaolin/Lead/Mercury/Phospate rock/ Brine salt + sea salt/Silver/Zinc/Slab zinc/ Strontium/	Bentonite/Cadmium/Copper ore, scrap/Diatomite/ Iron ore, burnt pyrites/Pig iron, scrap/Kaolin + bentonite/Lead ore,scrap/ Mercury/Phosphate rock/Cerium metal/Salt/Zinc ore, unwrought, scrap/
Morocco	Antimony/Barium/Bentonite, Fullers earth/Coal an hra ite/Cobalt/Copper/Fluorspar/Iron ore/Lead/ Refined lead/Manganese ore 50%/Nickel/Phosphate rock/Salt/Silver/Pyrites 8%/Zinc/	Antimony ore/Barium/ Bentonite, Fullers earth/ Coal anthracite/Cobalt ore/Copper/Matte, scrap, ore/Fluorspar/Gypsum crude, calcined/Burnt pyrites/Scrap iron + steel/Lead ore, unwrought/ Manganese ore/Mica unmanufactured/Phosphate rock/ Silver metal/Zinc ore/
Tunisia	Barium/Fluorspar/Gypsum/Iron ore/Pig iron/Steel ignites and castings/Lead/Refined lead/Phosphate rock/Sea salt/Silver/Zinc/	[illegible]arium/Copper unwrought + scrap/Fluorspar/Iron o. /Ignots+blooms+billets, scrap iron + steel/ Lead ore, unwrought,scrap/Phosphate rock/Salt/ Silver metal/Zinc ore/
Central African Republic	Diamonds/	Diamonds/
Gabon	Gold/Manganese ore 50%/Uranium/	Manganese ore/
Angola	Diamonds/Gold/Gypsum/Iron ore/Salt/	Manganese ore/
Burundi	Gold/Kaolin/Bastnaesite/	
Ivory Coast	Diamonds/	Copper matter scrap/Diamonds/Scrap iron + steel/ Lead scmp/Potassic fertilisers/Salt/
Madagascar	Chromium concentrates/Gold/Graphite/Kaolin/Mica Phlogopite crude/Salt/Beryl/	Chromium ore/Graphite/Mica unmanufactured/Salt/
Uganda	Copper/Smelter copper/Phosphate rock/Columbite-Tantalite 25%-20%/Tin/Tungsten/Beryl/	Copper unwrought/Tungsten wolframite ore/
Sudan	Chromium ore/Gypsum/Manganese ore 48%/Mica/Salt/	Chromium ore/Scrap iron + steel/Lead scrap/Salt/
Swaziland	Asbestos chrysotile/Barium/Coal bituminous/Iron ore/	Asbestos/Barium/Coal Iron ore/Kaolin/
Sierra Leone	Bauxite/Diamonds/Titanium rutile/	Bauxite/Diamonds/
Comoros		
Guinea Bissau		
Mauritania	Copper/Gold/Gypsum/Iron ore/	Iron ore/
Guinea	Bauxite/Alumina/Diamonds/	Bauxite/Alumina/
Cape Verde	Salt/	Salt/
Namibia	White arsenic/Cadmium/Copper/Smelter copper/ Diamonds/Lead/Refined lead/Lithium/Salt/Silver/ Tin/Tungsten wolframite + scheelite/Vanadium/ Zinc/Uranium/Wollastonite/	
Nigeria	Coal sub-biuminous/Feldspar/Kaolin/Lead/Monazite/ Columbite 43%-6%, Tantalite coal 30% - 30%/Tin, smelter tin/	Columbite/Tin unwrought alloys/
Reunion		
United Republic of Tanzania	Coal bituminous/Diamonds/Gypsum/Kaolin/Mica sheet/ Salt/	Diamonds/Gypsum/Lead scrap/Mica unmanufactured/ Salt/Tin concentrates/
Zaire	Cadmium/Coal bituminous/Cobalt/Cobalt metal/Copper/ Smelter copper/Diamonds/Gold/Manganese ore 48%/ Manazite/Silver/Sulphur + pyrites recovered/ Columbite-tantalite 27%-27%/Tin/Smelter tin/ Tungsten wolframite, scheelite/Zinc,slab zinc/	Cadmium/Cobalt/Copper ores + concentrates, unwrought unrefined, unwrought refined, scrap/ Diamonds/Gold metal/Manganese ore/Columbite - tantalite/Tin concentrates, unwrought/Tungsten ore/Zinc unwrought/
United Republic of Cameroon	Aluminium/Gold/Tin/	Aluminium unwrought, scrap/
Botswana	Coal/Cobalt/Copper/Diamonds/Nickel/	Copper ores + concentrates/
Kenya	Barium/Diatomite/Feldspar/Fluorspar/Gold/Gypsum/ Kaolin/Phosphate rock guano/Salt/Vermiculite/ Wollastonite/	Diatomite/Fluorspar/Gypsum/Scrap iron + steel/ Lead ores + concentrates, scrap/Salt/
Niger	Gypsum/Tin/Uranium/	Tin concentrates/

Table 6. (cont'd)

Country	Mineral production	Mineral exports
Benin		
Eq. Guinea		
Chad		
Ghana	Bauxite/Aluminium/Diamonds/Gold/Manganese ore 40%/ Salt/	Bauxite/Aluminium unwrought/Diamonds industrial /Gold metal/Manganese ore/Salt/
Zimbabwe	Columbite-tantalite 11%-28%/Smelter tin/Tungsten/ Beryl/	
Mozambique	Bauxite/Asbestos/Bentonite/Coal bituminous/Copper/ Feldspar/Lithium lepidolite, spodumene/Mica/ Salt/Tantalite 14%-42%, microlite 4%-55%/	Bentonite/Coal/Copper ore/Scrap iron + steel/ Lithium/Mica unmanufactured/Salt/Columbite + tantalite/
Mauritius	Sea salt/	
Mali	Gold/Salt/	
Malawi		
Liby Arab Im.	Gypsum/Salt/	
Liberia	Diamonds/Gold/Iron ore/	Diamonds/Iron ore/
Togo	Phosphate rock/	Phosphate rock/
Zimbabwe	Antimony/White arsenic/ Asbestos chrysotile/Barium/ Chromium ores/Coal bituminous/Cobalt/Copper smelter copper/Feldspar/Fluorspar/Gold/Graphite/Iron ore/Pig iron/Steel ignites + castings/Ferro-chrome, ferro-silicon-chrome, ferro-manganese/Kaolin/Lithium/ Magnesite/Mica/Nickel/Phosphate rock/Silver/Pyrites 42%/ Talc/Tin/	Asbestos/Chromium ore/Coal/Copper unwrought/ Pig iron, ferro-chrome, ferro-silicon-chrome, blooms + billets, scrap iron + steel/ Magnesite/Mica ground/Pyrites/
Somalia		
Senegal	Fullers earth/Phosphate rock, aluminium phosphates/ Salt/	Fullers earth/Copper unwrought + scrap/Scrap iron + steel/Lead unwrought + scrap/Phosphate rock, calcium phosphate, aluminium phosphate/ Salt/
Rwanda	Gold/Lithium amblygonite/Columbite-tantalite 30% - 23%/Tin/Tungsten/Beryl/	Tin concentrates/Tungsten ores + concentrates/
Lesotho	Diamonds/	Diamonds/
Gambia		
Ethiopia	Gold/Kaolin/Platinum group metals/Salt/	
Zambia	Cadmium/Coal bituminous/Cobalt/Cobalt metal/Copper, smelter copper/Feldspar/Gold/Gypsum/Lead/Refined lead/ Silver/Pyrites 42% recovered/Zinc, slab zinc/Zinc-unwrought/Selenium/	Cobalt/Copper unwrought unrefined, unwrought refined/Lead unwrought/
Upper Volta		
Egypt	Aluminium/Asbestos/Barium/Bentonite/Diatomite/ Feldspar/Fluorspar/Gypsum/Iron ore/Pig iron/Steel ignots and castings/Ferro-silicon/Kaolin/Manganese ore 35%/Phosphate rock/Salt/Sulphur + pyrites recovered/ Talc/Vermiculite/	Gypsum/Pig iron + spiegeleisen/Phosphate rock/ Salt/
Congo	Copper/Gold/Lead/Potash/Zinc/	Copper ores + concentrates/Diamonds/Lead ore/ Potassic fertilisers/

Source: UNIDO and various other United Nation publications

TABLE 7 : MAJOR INDUSTRIAL SECTORS IN 15 AFRICAN COUNTRIES, 1979

(Major sectors accounting for at least 10 per cent MVA)

Country (Sub-region)	Industrial sectors
North Africa	
1. Egypt	a/ Food (12) and textiles (30)
2. Libya A.J.	a/ d/ Food (16); tobacco (40) and non-metal products (13)
3. Tunisia	b/ Food (11); industrial chemicals (11); and non-metal products (16)
West Africa	
4. Ivory Coast	b/ Food and tobacco (21); petroleum refineries, petroleum and coal products (20)
5. Nigeria	a/ Food (12); textiles (13), chemicals (12), petroleum refineries, petroleum and coal products (13)
6. Togo	a/ Beverages (29) and textiles (27)
Eastern and Southern Africa	
7. Ethiopia	b/ Food (21); beverages (16) and textiles (27)
8. Kenya	Food (31); beverages and tobacco (10)
9. Madagascar	a/ Food (18); beverages (11) and textiles (30)
10. Mauritius	b/ Food (42); and wearing apparel (13)
11. Somalia	c/ Food (28); beverages and tobacco (17); textiles (18) and printing and publishing (15)
12. Swaziland	b/ Food and beverages (47); and wood products and furniture (34)
Central Africa	
13. Central Afr. Republic	a/ Food, beverages and tobacco (48); textiles, wearing apparel and leather products (37)
14. Rwanda	Food (93)
Other developing Africa	
15. Zimbabwe	b/ Food (14); iron and steel and non-ferrous metals (15); metal products and machinery (11)

Source: Year Book of Industrial Statistics, 1979 Edition, New York, 1981.

a/ 1976

b/ 1978

c/ 1977

d/ Excluding petroleum refineries

Table 8. Average number of employees in the manufacturing sector in 14 African countries (Major sectors accounting for at least 10 per cent of employees)

	North Africa			West Africa			East. and South. Africa					Cen. Africa		Other
	1976	1976	1978	1979	1976	1976	1977	1979	1975	1977	1976	1976	1979	1978
	Egypt	Libya	R.J Tunisia	Ivory Coast	Nigeria	Togo	Ethiopia	Kenya	Madagascar	Somalia	Swaziland	C.A.R	Rwanda	Zimbabwe
311 Food prod.	15	19	12	29 a/	23	13	15	21	35	36	53		61	16
313 Beverage	-	-	-	-	-	-	-	-	-	-	-	22	-	-
314 Tobacco	-	11	-	- a/	-	-	-	-	-	-	-	-	-	-
321 Textiles	37	13	-	20	22	31	44	14	20	18	-	-	-	11
322 Wearing App.	-	-	18		-	-	-	-	-	-	-	60	-	-
323 Leather prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
324 Foot wear	-	-	-	-	-	-	-	-	-	-	-	-	-	-
331 Wood prod.	-	-	-	19	-	-	-	-	-	-	31	-	-	-
332 Furniture & Fix.	-	-	-		-	-	-	-	-	-		-	-	-
341 Paper & product	-	-	-	-	-	-	-	-	-	-	-	-	-	-
342 Printing & Prod.	-	-	-	-	-	11	-	-	-	-	-	-	-	-
351 Industrial ch.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
352 Other chem.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
353 Petroleum Ref.	-	b/	-	-	-	-	-	-	-	-	-	-	-	-
354 Petroleum, coal	-	-	-	-	-	-	-	-	-	-	-	-	-	-
355 Rubber prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
356 Plastic Prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
361 Pottery, China	-	-	-	-	-	-	-	-	-	-	-	-	-	-
362 Glass & Prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
369 Non metal	-	16	12	-	-	-	-	-	-	-	-	-	-	-
371 Iron & Steel	-	-	-	-	-	-	-	-	-	-	-	-	-	-
372 Non-ferrous	-	-	-	-	-	-	-	-	-	-	-	-	-	-
381 Metal prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
382 Machinery	-	-	-	-	-	-	-	-	-	-	-	-	-	12
383 Electrical Mach.	-	-	-	-	-	-	-	-	-	-	-	-	-	-
384 Transport eq.	-	-	-	-	-	-	-	15	-	-	-	-	-	-
385 Professional goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-
390 Other Manuf.	-	-	-	-	-	18	-	-	-	-	-	-	-	-

Source: Year[illegible] of [illegible]ndustrial St[illegible], [illegible]. a/ Incl. 314 ; [illegible]/ [illegible]. 353

Table 9. Wages and salaries of employees in the manufacturing sector in 15 African countries

(Major sectors accounting for at least 10 per cent of total wages and salaries)

	North Africa			West Africa			East. and South. Africa						Cen. Africa		Other
	Egypt	Libya	Tunisia	I.Coast	Nigeria	Togo	Ethio.	Kenya	Madag.	Mauri.	Somal.	Swazi.	C.A.R.	Rwanda	Zimbabwe
311 Food prod.	13	19	10	22	12	-	13	22	25	43	35	37			14
313 Beverages	-	-	-	-	-	20	-	-	-	-	-		33	74	-
314 Tobacco	-	12	-	-	-	-	-	-	-	-	-	-			-
321 Textiles	34	-	-	21	-	28	36	-	-	-	1	-		-	-
322 Wearing app.	-	-	11		-	-	-	-	-	15	-	-	45	-	-
323 Leather prod.	-	-	-	-	-	-	-	-	-	-	-	-		-	-
324 Foot wear	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
331 Wood prod.		-	-	11	-	-	-	-	-	-	-	46	-	-	-
332 Furniture&fixt.		-	-		-	-	-	-	-	-	-		-	-	-
341 Paper & prod.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
342 Printing.		-	-	-	-	-	-	-	-	-	12	-	-	-	-
351 Industrial Ch.		-	11	10 b/	-	-	-	-	-	-	-	-			-
352 Other chem.		-			-	-	-	-	-		-	-	-	-	-
353 Petroleum Ref.		a/	-	-	-	-	-	-	-	-	-	-	-	-	-
354 Petroleum		-		-	-	-	-	-	-	-	-	-	-	-	-
355 Rubber prod.		-	-	-		-	-	-	-	-	-	-			
356 Plastic prod.		-	-	b/		-	-	-	-	-	-	-	-		-
361 Pottery		-		-		-	-	-	-	-	-	-	-	-	-
362 Glass prod.		-		-		-	-	-	-	-	-	-	-	-	-
369 Non-metal prod.		18	14	-		-	-	-	-	-	-	-	-	-	
371 Iron & Steel		-	-	-		-	-	-	-	-	-	-	-	-	[illegible]
372 Non-ferrous		-	-	-	11	-	-	-	-	-	-	-	-	-	
381 Metal prod.		-	-	-		-	-	-	-	-	-	-		-	[illegible]
382 Machinery		-				-				-		-	11		

Source: year book of Industrial Statistics, 1981

a/ Excl. 353; b/ Incl. 356

Table 9 (cont'd)

	North Africa			West Africa			East. and South. Africa						Cen. Africa		Other
	Egypt	Libya	Tunisia	I.Coast	Nigeria	Togo	Ethiopia	Kenya	Mada.	Mauri.	Somalia	Swazi.	C.A.R.	Rwanda	Zimbabwe
383 Electrial mach.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
384 Transport equip.	-	12	-	-	-	-	-	11	-	-	-	-	-	-	-
385 Professional goods	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
390 Other Manufacture	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

Source : Yearbook of Industrial Statistics, 1981.

a/ Excl. 353

b/ Incl. 356

TABLE 10 : GDP, NET EXPORTS, IMPORTS AND EXPORTS OF GOODS AND SERVICES IN AFRICA

(At current market prices, year-to-year exchange rate U.S. $ 1 million)

Country (Sub-regions)	GDP 1970	Net [illegible] 1970	Imports 1970	Exports 1970	GDP 1981	Net [illegible] 1981	Imports 1981	Exports 1981
North Africa								
1. Algeria	4[illegible]1	-40	154	114	4,375	-411	1,[illegible]	1,[illegible]
2. Egypt	703	-31	132	101	2,467	-437	1,130	694
3. Libya AJ.	372	131	113	244	2,804	392	1,283	1,675
4. Morocco	3[illegible]4	-12	82	70	1,478	-174	493	319
5. Sudan	219	-5	40	35	1,000	-121	150	[illegible]
6. Tunisia	144	-6	38	32				
West Africa								
7. Benin	25	-2	9	7	[illegible]	-33	41	[illegible]
8. Cape Verde Is.	3	-2	3	1	10	-5	6	[illegible]
9. Gambia	6	-1	3	2	24	-17	19	[illegible]
10. Ghana	221	-2	53	51	516	-30	55	25
11. Guinea	66	-5	10	5	134	-1	44	43
12. Guinea-Bissau	6	-2	3	1	16	-10	11	1
13. Ivory Coast	149	4	51	55	[illegible]52	-37	252	[illegible]
14. Liberia	41	7	17	24	153	-1	55	54
15. Mali	32	-1	[illegible]	[illegible]	122	-1[illegible]	[illegible]	[illegible]
16. Mauritania	20	2	7	9	[illegible]1	-17	44	[illegible]
17. Niger	40	-3	9	6	196	-12	50	3[illegible]
18. Nigeria	1,054	1	113	114	7,637	-856	2,997	2,141
19. Senegal	86	-4	27	23	230	-53	120	[illegible]7
20. Sierra Leone	42	-1	14	13	133	-37	[illegible]2	[illegible]
21. Togo	26	-1	3	7				
22. Upper Volta	[illegible]	-4	[illegible]	[illegible]	10[illegible]	-[illegible]	[illegible]	[illegible]
East. & South. Afr.								
23. Botswana	11	-4	7	3	96	-15	63	43
24. Comoro Is.	3		1	1	12	-2	4	2
25. Djibouti	7	0	4	4	3[illegible]	-5	1[illegible]	[illegible]
26. Ethiopia	138	-3	22	19	430	-25	25	[illegible]
27. Kenya	161	-3	42	45	675	-59	[illegible]	[illegible]

[illegible]

Country (Sub-regions)	GDP 1970	Net exp. 1970	Imports 1970	Exports 1970	GDP 1981	Net exp. 1981	Imports 1981	Exports 1981
28. Lesotho	7	- 2	3	1	33	- 35	44	9
29. Madagascar	90	- 3	19	16	[illegible]	- 3	48	45
30. Malawi	[illegible]	- 4	11	[illegible]	[illegible]	- 11	[illegible]	[illegible]
31. Mauritius	19	0	[illegible]	[illegible]	[illegible]	- 17	[illegible]	[illegible]
32. Mozambique	153	- 5	37	32	[illegible]	- 32	133	[illegible]
33. Seychelles	2	0	1	1	15	- 3	11	8
34. Somalia	22	- 2	5	3	138	- 35	51	16
35. Swaziland	11	1	7	8				
36. Tanzania	128	- 6	37	31				
37. Uganda	132	4	25	29				
38. Zambia	179	30	66	96				
Central Africa								
39. Angola	164	9	37	47	716	136	[illegible]	[illegible]
40. Burundi	25	0	3	3	93	- 14	[illegible]2	[illegible]
41. Cameroon	116	- 4	33	29	596	- 44	163	119
42. Centra Afr. Rep.	21	- 1	5	4	59	- 16	25	9
43. Chad	33	- 2	9	7				
44. Congo	27	- 2	13	11	117	- 7	54	47
45. Equat. Guinea	8	1	3	4	3	- 2	4	[illegible]
46. Gabon	34	4	12	16	342	64	139	203
47. Rwanda	22	- 1	3	2	134	- 16	[illegible]	14
48. Sao Tomé and Principe	2	0	1	1	5	1	2	3
49. Zaire	190	3	80	83				
Other Developing Africa								
50. Namibia	57	3	30	33	233	37	153	[illegible]
51. Réunion	49	- 11	16	5	[illegible]	- [illegible]	[illegible]	[illegible]
52. Zimbabwe	145	2	43	45				

Source: ECA Statistics Division and UNIDO data base

TABLE 11 : STRUCTURE OF MERCHANDISE IMPORTS (PER CENT)

Country (Sub-regions)	Food		Fuels		Other primary commodities		Machin. & transp.equip.		Other manufactures	
	1960	1978	1960	1978	1960	1978	1960	1978	1960	1978
North Africa										
1. Algeria										
2. Egypt										
3. Libya A.J.										
4. Morocco										
5. Sudan	17	19	8	1	3	2	14	36	58	42
6. Tunisia										
West Africa										
7. Benin	17	15	10	15	1	2	18	22	[illegible]	46
8. Cape Verde Is.										
9. Gambia		24		9		3		14		[illegible]
10. Ghana	19	9	5	16	4	5	26	26	46	[illegible]
11. Guinea										
12. Guinea-Bissau		43		5		1		29		22
13. Ivory Coast	18	13	6	10	2	2	27	39	47	36
14. Liberia	16	17	4	13	7	1	34	32	39	[illegible]
15. Mali	20	19	5	14	4	2	1	30	[illegible]	[illegible]
16. Mauritania	5		3		3		39		50	
17. Niger	[illegible]	10	5	12	4	2	[illegible]	[illegible]	[illegible]	[illegible]
18. Nigeria	14	14	5	2	6	[illegible]	[illegible]	[illegible]	51	
19. Senegal	30	23	5	12	2	21	19	13	44	26
20. Sierra Leone	23	21	12	12	5	1	15	24	45	42
21. Togo	16	8	6	14	3	4	22	37	43	37
22. Upper Volta	21	19	4	9	1	0	24	43	50	[illegible]
East. & South. Afr.										
23. Botswana										
24. Comoro Is.										
25. Djibouti										
26. Ethiopia		6		12		4		25		[illegible]
27. Kenya	12	7	11	[illegible]		[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Table (cont'd)

Country (Sub-regions)	Food		Fuels		Other primary commodities		Machinery & transport equip.		Other manufactures	
	1960	1980	1960	1978	1960	1978	1960	1978	1960	1978
28. Lesotho										
29. Madagascar	17	17	[illegible]	14	[illegible]	[illegible]	[illegible]	31	51	[illegible]
30. Malawi		5		19		[illegible]		37		[illegible]
31. Mauritius		24		2		[illegible]		[illegible]		[illegible]
32. Mozambique										
33. Seychelles										
34. Somalia	27	25	4	7	0	6	18	28	51	24
35. Swaziland										
36. Tanzania		11		19		4		33		33
37. Uganda	6	8	8	30	8	2	25	27	53	[illegible]
38. Zambia		6		15		3		71		[illegible]
Central Africa										
39. Angola										
40. Burundi		23		11		8		27		31
41. Cameroon	20	10	8	7	3	2	17	39	52	42
42. Central Afr. Republic	15	17	9	2	[illegible]	2	26	32	43	41
43. Chad	19	15	12	14	4	2	19	[illegible]	26	[illegible]
44. Congo	18	21	6	1	1	1	31	32	[illegible]	45
45. Equat. Guinea										
46. Gabon		12				2		39		40
47. Rwanda										
48. Sao Tomé and Principe										
49. Zaire		17		13				[illegible]		27
Other Developing Africa										
50. Namibia										
51. Réunion										
52. Zimbabwe		2		30		5		34		[illegible]

Source: World Bank

TABLE 12 : STRUCTURE OF MERCHANDISE EXPORTS (PER CENT)

Country (Sub-regions)	Fuels		Minerals & metals		Food and beverages		Other primary products		Manufactures	
	1962	1973	1962	1978	1962	1973	1962	1973	1962	1973
North Africa										
1. Algeria										
2. Egypt										
3. Libya										
4. Morocco										
5. Sudan		5				44		51		
6. Tunisia										
West Africa										
7. Benin		[illegible]		4	[illegible]	[illegible]	[illegible]	[illegible]	4	[illegible]
8. Cape Verde Is.										
9. Gambia					100					
10. Ghana		[illegible]	13	14	71	73	[illegible]	6	4	5
11. Guinea			70	98	29	2				
12. Guinea-Bissau					96	96	4	3		1
13. Ivory Coast		4	2		76	74	22	15	1	7
14. Liberia				63		6		29		[illegible]
15. Mali			1		31	47	16	52	2	1
16. Mauritania	6			87	32	9	6		55	4
17. Niger	1			[illegible]	92	21	[illegible]	4	4	[illegible]
18. Nigeria	10	91			65	6	17	2	8	1
19. Senegal		1	6	12	90	72	1	3	4	7
20. Sierra Leone				8		47		1		44
21. Togo			12	49	75	43	6	2	[illegible]	6
22. Upper Volta			4		[illegible]	49	4	[illegible]	7	[illegible]
East. & South. Afr.										
23. Botswana										
24. Comoro Is.										
25. Djibouti										
26. Ethiopia		4	1		79	[illegible]	[illegible]	[illegible]	[illegible]	1
27. Kenya		[illegible]				[illegible]		[illegible]		13

Table (cont'd)

Country (Sub-regions)	Fuels 1962	Fuels 1976	Minerals & metals 1962	Minerals & metals 1976	Food and beverages 1962	Food and beverages 1976	Other primary products 1962	Other primary products 1976	Manufactures 1962	Manufactures 1976
28. Lesotho		6		26		[illegible]		9		[illegible]
29. Madagascar		[illegible]	4	6	[illegible]	[illegible]	[illegible]	2	5	7
30. Malawi						95		1		4
31. Mauritius						100				
32. Mozambique		10		2		64		21		3
33. Seychelles										
34. Somalia					87	96	11	3	2	1
35. Swaziland										
36. Tanzania	2	2	1	2	34	65	49	25	14	6
37. Uganda				1		92		7		
38. Zambia				94		1				4
Central Africa										
39. Angola		62		2		23		6		7
40. Burundi				8		89		2		1
41. Cameroon		3	21	3	59	74	16	17	4	4
42. Central Afr. Republic	2				36	32	41	30	21	28
43. Chad	4		1		17	15	75	81	3	[illegible]
44. Congo	7	54		6	44	10	40	15	9	15
45. Equat. Guinea										
46. Gabon	18	81	18	9	3	1	48	7	14	2
47. Rwanda				10		87		3		
48. Sao Tomé and Principe										
49. Zaire		1	16	71	49	13	26	2	10	[illegible]
Other Developing Countries										
50. Namibia										
51. Réunion										
52. Zimbabwe				25 a/				62 b/		13

Source: World Bank

a/ Includes fuels

b/ Includes food and beverages

Table 13. Egypt: GDP by industrial origin
(percentage of total; constant prices)

	1960	1966	1972	1978
Agriculture	36.0	29.2	27.2	23.1
Mining & Quarrying	4.7	4.6	5.7	2.8
Manufacturing	19.7	20.1	17.2	18.2
Utilities	0.7	1.0	1.3	1.4
Construction	2.5	3.5	3.1	4.8
Services	36.2	41.5	45.3	39.8

Source: UNIDO

TABLE 14 : EGYPT : COMPOSITION OF MANUFACTURING SECTOR IN SELECTED YEARS
(percentage of total)

ISIC GROUP	1960	1970	197[illegible]
31 Food, beverages and tobacco	23.9	24.3	21.[illegible]
32 Textiles, wearing apparel and leather	40.9	[illegible]	[illegible]
33 Wood products and furniture	1.5	2.4	1.2
34 Paper and printing	3.8	7.1	4.8
35 Chemicals, petroleum, rubber and plastic	12.1	12.2	17.0
36 Pottery, glass and non-metal products	4.3	4.8	4.0
37 Non-ferrous, iron and steel	[illegible]	[illegible].5	7.9
38 Metal products, machinery and transport equipment	4.4	11.7	15.7
39 Other manufactures	0.1	[illegible].4	0.1

Source: UNIDO

TABLE 15 : LABOUR FORCE (PER CENT)

Country (Sub-regions)	In agriculture		In industry		In services	
	1960	1979	1960	1979	1960	1979
North Africa						
1. Algeria						
2. Egypt						
3. Libya A.J.						
4. Morocco						
5. Sudan	86	72	6	10	8	12
6. Tunisia						
West Africa						
7. Benin	54	46	9	16	37	38
8. Cape Verde Is.						
9. Gambia	85	79	7	10	[illegible]	11
10. Ghana	64	54	14	20	22	26
11. Guinea	88	82	6	11	6	7
12. Guinea Bissau		93		1		6
13. Ivory Coast	89	79	2	4	9	17
14. Liberia	80	71	10	14	10	[illegible]
15. Mali	94	88	3	5	3	7
16. Mauritania	91	85	3	5	6	10
17. Niger	95	91	1	3	4	[illegible]
18. Nigeria	71	55	10	13	19	27
19. Senegal	84	76	5	10	11	14
20. Sierra Leone	78	66	12	19	10	15
21. Togo	80	6[illegible]	[illegible]	15	1[illegible]	17
22. Upper Volta	92	83	5	1[illegible]	[illegible]	5
East. and South. Afr.						
23. Botswana	92	83	3	5	5	1[illegible]
24. Comoro Is.						
25. Djibouti						
26. Ethiopia	[illegible]	[illegible]	5	7	[illegible]	13
27. Kenya	86	78	5	10	9	12

Table (cont'd)

Country (Sub-regions)	In agriculture 1960	In agriculture 1979	In industry 1960	In industry 1979	In services 1960	In services 1979
28. Lesotho	93	87	2	4	5	9
29. Madagascar	[illegible]	[illegible]		[illegible]	[illegible]	[illegible]
30. Malawi	92	86	[illegible]	5	5	[illegible]
31. Mauritius	40	30	[illegible]	[illegible]	35	[illegible]
32. Mozambique	81	67	3	17	11	16
33. Seychelles						
34. Somalia	83	84	4	8	8	8
35. Swaziland	54	52	4	9	42	39
36. Tanzania	89	83	4	6	7	11
37. Uganda	89	83	4	6	7	11
38. Zambia	79	[illegible]	7	11	[illegible]	21
Central Africa						
39. Angola	69	60	12	16	19	24
40. Burundi	90	84	3	5	7	11
41. Cameroon	87	83	5	7	8	10
42. Central Afr. Republic	94	88	2	4	4	8
43. Chad	95	[illegible]	[illegible]	7	3	[illegible]
44. Congo	52	35	17	26	31	39
45. Equat. Guinea						
46. Gabon	[illegible]	79	7	10	[illegible]	11
47. Rwanda	95	91	1	2	4	7
48. Sao Tomé and Principe						
49. Zaire	83	75	9	13	8	[illegible]
Other Developing Africa						
50. Namibia						
51. Réunion						
52. Zimbabwe	69	60	11	15	20	25

Source: World Bank

Table 16. Kenya: GDP by industrial origin, selected years (percentage of GDP)

	1964	1972	1981
Agriculture and non-monetary activities	**42.5**	**37.1**	**39.0**
Manufacturing	10.5	11.8	13.4
Building and construction	3.9	5.4	3.5
Private services	30.4	29.1	29.2
Government	**12.3**	**16.2**	**14.7**
Other	**0.4**	**0.4**	**0.2**

Source: UNIDO

TABLE 17 : KENYA: COMPOSITION OF MANUFACTURING SECTOR IN SELECTED YEARS (PERCENTAGE OF TOTAL)

ISIC GROUP	[illegible]	[illegible]	[illegible]
31 Food, beverages and tobacco	40.1	30.6	34.[illegible]
[illegible] Textiles, wearing apparel and leather	11.1	[illegible]	[illegible]
33 Wood products and furniture	3.6	3.5	[illegible]
34 Paper and printing	-	7.8	13.9
35 Chemicals, petroleum, rubber and plastic	14.5	17.9	1[illegible].1
36 Pottery, glass and non-metal products	[illegible].0	[illegible].2	5.0
37 Non-ferrous, iron and steel	-	0.5	-
38 Metal products, machinery and transport equipment	21.[illegible]	[illegible]1.0	[illegible]
39 Other manufactures	[illegible]	1.[illegible]	1.[illegible]

Source : UNIDO

Table 18. Kenya: Imports by end-use, selected years (percentage of total imports)

	1964	1972	1975	1978	1981
1. Consumer goods					
(a) Fuels & lubricants[a]	1.4	1.6	2.1	1.4	3.1
(b) Other	21.2	17.6	10.7	10.6	6.5
(c) TOTAL	22.6	19.2	12.8	12.0	9.6
2. Intermediate goods					
(a) Fuels & lubricants[a]	2.7	2.9	15.4	10.4	22.6
(b) Other	39.5	37.8	32.7	30.9	28.1
(c) TOTAL	42.2	40.7	48.1	41.3	50.7
3. Capital goods					
(a) Transport equipment	15.5	14.3	12.9	19.2	9.2
(b) Machinery & other capital equipment	9.8	19.1	17.0	21.3	17.3
(c) TOTAL	25.3	33.4	29.9	40.5	26.5
4. Miscellaneous					
(a) Fuels & lubricants for re-export[a]	5.8	6.1	8.9	6.0	13.1
(b) Unclassified	4.1	0.6	0.2	0.3	0.2
(c) TOTAL	9.9	6.7	9.1	6.3	13.3
5. GRAND TOTAL	100.0	100.0	100.0	100.0	100.0

Source: UNIDO

Note: (a) Fuels and lubricants have been allocated to the end-use categories in proportions given by input-output tables for Kenya

Table 19. Tanzania: GDP in industrial origin, selected years (percentage of total)

	At current prices			At 1966 prices	
	1966	1973	1979	1973	1979
Monetary Sector	68.5	72.1	60.4	72.2	68.6
Agriculture	21.6	18.7	19.8	18.5	16.2
Mining	2.9	1.1	0.5	1.0	0.5
Manufacturing	8.1	11.0	8.9	10.1	8.3
Electricity & water supply	1.0	0.9	0.8	1.3	1.4
Construction	2.7	4.6	2.5	4.1	2.5
Transport & communications	7.4	8.9	5.7	10.3	9.6
Trade	12.7	13.1	11.5	11.8	11.5
Commercial services	2.5	3.7	4.1	3.6	3.3
Public administration	10.6	11.6	9.1	13.1	16.6
Less: imputed bank charges	-0.8	-1.6	-2.6	-1.6	-1.3
Subsistence Production	31.5	27.9	39.6	27.8	31.4
Agriculture	23.7	20.8	33.7	20.8	25.4
Construction	0.8	0.7	0.5	0.7	0.6
Owner-occupied dwellings	7.0	6.5	5.3	6.3	5.4
Total	100.0	100.0	100.0	100.0	100.0

Source: World Bank

[illegible] : [illegible]

IN SELECTED YEARS (PERCENTAGE OF TOTAL)

ISIC GROUP	1960	1970	1977
31 Food, beverages and tobacco	28.2	35.9	35.0
32 Textiles, wearing apparel and leather	31.9	21.4	20.4
33 Wood products and furniture	21.4	10.0	4.2
34 Paper and printing	4.7	3.9	[illegible]
35 Chemicals, petroleum, rubber and plastic	4.1	[illegible]	[illegible]
36 Pottery, glass and non-metal products	[illegible]	2.1	[illegible]
37 Non-ferrous, iron and steel	-	3.2	[illegible]
38 Metal products, machinery and transport equipment	5.3	8.5	11.9
39 Other manufactures	0.6	0.4	1.4

Source : UNIDO

Table 21. Nigeria: GDP by industrial origin (at constant 1975 prices) (% of GDP)

	1960	1966	1972	1975	1978
Agriculture	57.5	43.6	28.7	23.5	21.6
Mining & Quarrying	2.5	13.7	31.7	26.3	24.0
Manufacturing	2.6	4.1	4.0	5.0	6.5
Utilities	0.1	0.2	0.2	0.3	0.5
Construction	2.7	3.3	5.5	6.7	8.6
Services	34.4	35.0	29.6	38.1	39.1

Source: UNIDO

Table 22. Nigeria: structural change in manufacturing

	share of value added		share of employment	
	1964	1975	1964	1975
Food & beverages	29.8	16.9	16.0	19.0
Tobacco, beer & spirits	15.5	10.9	5.8	4.3
Textiles	6.2	16.2	13.7	24.8
Leather	2.0	3.4	2.9	2.6
Wooden products	8.6	3.7	17.3	8.8
Paper, printing, etc.	3.5	6.0	9.3	7.2
Chemical products	9.8	16.0	5.7	5.3
Rubber	7.6	3.3	10.0	4.6
Plastic	0.0	1.7	0.0	2.1
Pottery and glass	0.1	0.5	0.7	0.8
Other non-metallic	6.7	3.5	5.4	5.3
Basic metal	6.9	10.5	8.2	11.3
Machinery	0.1	0.2	0.1	0.2
Electrical equipment	0.4	1.7	0.6	1.4
Transport	2.0	4.6	3.0	1.8

Table 23. Nigeria: trends in import composition for selected years (percentage shares)

	1960	1965	1972	1978
1. Consumer goods	61	45	36	28
of which:				
durable	-	-	10	8
non-durable	-	-	26	20
2. Capital goods	22	31	37	49
3. Raw materials	17	24	26	24

Source: UNIDO

Table 24. Cameroon: composition of manufacturing sector in selected years

Branch (ISIC)	Composition of manufacturing value added (percentage)	
	1970	1977
Food products (311/2)	13.5	13.3
Beverages (313)	12.8	20.1
Tobacco (314)	4.5	5.8
Textiles (321)	18.3	13.2
Wearing apparel (322)	7.3	5.3
Leather and fur products (323)	0.9	0.8
Footwear (324)	6.9	5.7
Wood and cork products (331)	8.8	5.3
Furniture and fixtures excluding metal (332)	1.4	1.2
Paper (341)	-	0.2
Printing and publishing (342)	1.4	1.4
Industrial chemicals (351)	0.2	0.1
Other chemicals (352)	3.1	5.6
Petroleum refineries (353)	0.7	0.7
Miscellaneous products of petroleum and coal (354)	-	-
Rubber products (355)	0.0	0.0
Plastic products (356)	0.9	0.9
Pottery, china and earthenware (361)	0.5	1.7
Glass (362)	0.4	1.3
Other non-metallic mineral products (369)	1.0	3.6
Iron and steel (371)	-	-
Non-ferrous metals (372)	9.3	7.3
Metal products, excluding machinery (381)	3.8	2.6
Non-electrical machinery (382)	1.1	0.8
Electrical machinery (383)	0.3	0.3
Transport equipment (384)	0.9	0.6
Professional and scientific equipment, photographic and optical goods (385)	-	-

Source: UNIDO