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## **The Lagos Plan of Action and Some Aspects of Development in Sierra Leone**

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### **Introduction**

Both the Monrovia Declaration and the Lagos Plan of Action emerged on the 'African development agenda as a result of frustrations amongst African leaders with development approaches derived from the modernization thesis.<sup>1</sup> As it has turned out, the application of the modernization concept has not always produced the socio-cultural and politico-economic developments experienced in Western Europe and the rest of the industrialized world. At both the financial and industrial levels, Africa still remains a backward region, not only in relation to the metropolitan powers, but even to Asian countries. The continent's ability to feed itself has deteriorated since independence,<sup>2</sup> despite the application of Western development policies. Moreover, the gap between the rich and poor within the region has intensified.

In formulating the Monrovia Declaration and Lagos Plan of Action African governments wanted not only to register their protest to the World Bank's "Berg Report" with its emphasis on increased agricultural exports, but also to address and redress the critical development crisis which has characterized the region's political economy over the last two decades.

This paper summarizes the basic tenets of both the Monrovia Declaration and the Lagos Plan of Action and examines the extent to which Sierra Leone has pursued those ideas in its development strategy, towards internal, sub-regional and regional ends. In this endeavour, emphasis will be laid on the agricultural, mining and energy sectors of the economy. The choice of these three sectors has been determined by their crucial positions in Sierra Leone's economy. Historically, agriculture and, since 1929, mining have had a predominant role in Sierra Leone's economy. The two sectors not only accounted for the largest component of the gross domestic product (GDP), but contributed the bulk of the export earnings as well as provided jobs and livelihoods for the majority of the people. The energy sector - oil in particular - has since the 1970s become the major consumer of the country's scarce foreign exchange. This paper will examine how the state has had to rationalize this contradictory and yet inevitable situation and also suggest prospects for the future.

The government of Sierra Leone has accepted and committed itself to the OAU's development approach for the decade of the 1980s and beyond.<sup>3</sup> This continental development strategy was propounded and enshrined in two documents, the Monrovia Declaration adopted in Monrovia in 1979, and the final report entitled "The Lagos Plan of Action" (1980) which elaborates on sectoral and other policy priorities for development.

## Monrovia Declaration

Although it is a Herculean task to attempt a plausible summary of the gist of the Monrovia Declaration, it would, however, appear that the document was designed to redress, among other things, the following issue areas in the African continent - (a) alien life styles; (b) environmental degradation; (c) urbanization and the erosion of family life; (d) "locking in" to overseas dependence; (e) economic development and (f) low participation in the development process of large groups of the population, especially, rural people and women in particular.<sup>4</sup> To this extent, the document goes beyond a mere analysis of the enigma of economic development to a concern with the socio- structural features and cultural parameters.

To mitigate those problems, the document proposes a number of objectives which include -

- (a) establishment of self -sustaining, internally located process of development and economic growth;
- (b) achievement of sub-regional and regional collective self reliance;
- (c) development of human resources to ensure their greater participation in the development process and
- (d) establishment of industrialization patterns that are consistent with the socio-economic environment of each country, and not a simple importation of foreign industrialization patterns.<sup>5</sup> These objectives underpin the greater desire for original continental patterns of development and underscore the necessity for the realization of collective self- reliance. The declaration accords preeminence to industrial development and there is also an implicit acknowledgement of the fact that increased growth output in agriculture alone would not be enough to propel the region sufficiently toward self-reliance.

Consequent upon the analysis of the problematic and identification of the major

objectives, the Monrovia Declaration also provides declared policy priorities. These embrace -

- (a) the attainment of self sufficiency in food;
- (b) establishment of a sound industrial base within each country in accordance with each country's resource endowments;
- (c) the physical integration of the continent through the expansion of a transport and communications network;
- (d) the development of capabilities to maintain sovereignty over the region's natural resources by the government and people's of Africa;
- (e) establishment of mutually beneficial and equitable relations between Africa and the rest of the international community and
- (f) the attainment of a substantial increase in the approximately 5% share of intra-African trade in the total trade of Africa.

A close examination of these policies reveals a number of concerns affecting the continent. For instance, the last three policy priorities indicate an actual outright attack on the continent dependence on global extensions, and by implication, a concerted desire by the heads of state to alleviate the situation through the establishment of stronger regional linkages. It would also appear that the concern with social, cultural and environmental issue areas emphasized in the analysis of the problematic are somewhat relegated to the background in the policy priorities. This may well be a result of the intractable problems in formulating short-term policies to address social issues in a situation where by and large the economy is characterized by stagflation and unproductivity.

In summary, therefore, the Monrovia document addresses three fundamental themes. The first concerns the achievement of collective self-reliance. The second has to do with the development of human resources through training and education. And the third theme relates to the development of improved control over Africa's natural

resources and an end to external dependence. The realization of all these objectives would require both short- term and long-term planning and policy actions.

As indicated above, the views expressed in the Monrovia document were expatiated further in the Lagos Plan of Action.<sup>6</sup> These will now be summarized with a view to indicating the extent to which the Sierra Leone government has followed these policy guidelines in some aspects of its development policy for the 1980s and beyond.

### **The Lagos Plan of Action**

The Plan elaborates on the declared policy priorities stated in the Monrovia document. It covers a wide spectrum of issues which are of topical concern to the region as it approaches the twenty-first century. A closer scrutiny of the Plan reveals three dominant features, notably,

- (a) the development of priority sectors
- (b) skills and training for participation; and
- (c) institutional development at the national, subregional and regional levels.

Other concerns of the Plan relate to the region's external environment, such as, the New International Economic Order (NIEO), the European Economic Community (EEC) and transfer of technology from the industrialized to developing countries.<sup>7</sup> The region's global relations are indeed significant to its operational environment, both diplomatically and economically. This fact notwithstanding, the paper lays more emphasis on those issue areas over which individual African governments have a greater leverage of control - i.e. development strategy questions at the national and continental levels.

As indicated above, one of the major features of the Lagos Plan of Action has to do with the development of priority sectors. This relates to food production: industry;

infrastructure and energy. As regards food and agriculture, the plan notes that during the past two development decades, the continent's agricultural sector has deteriorated, leading to a decline in food production and consumption per person.

The document states rather emphatically that:

At the root of the food problem in Africa is the fact that member states have not usually accorded the necessary priority to agriculture, both in the allocation of resources and giving sufficient attention to policies for the promotion of productivity and improvement of rural life.<sup>8</sup>

This analysis of the region's agrarian crisis best captures the situation in Sierra Leone. Despite the fact that the agricultural sector has been declared the top priority in government policy, the sector's claims in development expenditure have remained lower, particularly in the 1980s, than was justified by its significance in GDP generation, employment and food supply.<sup>9</sup> Thus although government's major objective with respect to the agricultural sector has been to achieve self-sufficiency in food production and livestock and fish products, these objectives have to date remained a development mirage.

With regard to industry, the Plan accords high priority to the establishment of sound industrial base in the region. This was underscored further by the OAU's declaration of the 1980s as the "Industrial Development Decade in Africa". The Plan is explicitly critical of past approaches to industrial development in most African countries which have tended to be carbon-copies of foreign patterns of industrialization". Those approaches have resulted invariably in industries which have had a very high import content and therefore low value added. The products which have been produced by most of those industries have tended to be luxury goods which did not satisfy the basic needs of the majority of African population. The Lagos Plan denounces such

approaches to industrial development and advocates an industrial sector which would aim at - (a) satisfaction of the basic needs of the population; (b) fostering local linkages by exploiting local natural resources; (c) creating jobs; (d) establishment of a base for the development of other sectors and (e) achievement of regional self-reliance.<sup>10</sup>

The implementation of these objectives inevitably calls for the undertaking of a comprehensive subregional and regional surveys to ascertain what natural factor endowments could be utilized to create the essential base for industrial development. Such surveys would, of necessity, cover and result in detailed inventories of the continent's agricultural and mineral as well as human resources. Other areas essential to this process would be the strengthening and/or establishment of technical training facilities to produce the requisite qualified person power for the various sectors of the economy. However, the Lagos Plan is not exploit on the essential resources for surveys and creation of an industrial base and for training would come from. Effective cooperation among African states is still at too low a level to have an impact on the above areas.

As regards the transport and communications system, the Plan considers them significant in the achievement of regional integration, self-reliance and in intra-African trade.<sup>11</sup> With respect to natural resources and energy, the Lagos Plan lays emphasis on more prospecting and data collection to bridge the present information gap on the continent's resources. In the field of energy, the Plan specifically calls for measures to increase its availability.<sup>12</sup>

The document also makes a plea for the formulation of national plans by individual African states providing guidelines for the research and management of water resources<sup>13</sup> in the best interest of the region's population.

Yet another aspect of the theme of development of priority sectors relates to



environmental protection and development. Realizing that the development process could also pollute the environment, the authors of the Plan emphasize measures that would mitigate this potential problem in the following areas -

- (a) environmental sanitation and safe drinking water. These relate to rapid urbanization, where garbage collection and disposal, as well as sewerage systems have presented insurmountable problems. In the rural areas the need for safe drinking piped water has remained unresolved. As regards soil degradation and reforestation, the Plan calls for the conservation of soil fertility, management of forests and rehabilitation of mined out areas and those no longer under cultivation, and
- (c) lastly, the conservation of marine resources from industrial pollution. These issues are relevant to the Sierra Leone case. The country faces acute problems of soil degradation, resulting from the bush fallow system and forest exploitation for domestic energy. The second feature of the celebrated Lagos Plan concerns skills and training for participation in development.<sup>15</sup> This feature entails two aspects, notably; (a) training through formal education, and (b) inservice training. Both aspects are critical in enhancing the possibilities of life and in effective participation in the development process.

The other aspect under the rubric of skills and training deals with science and technology. The aim of the Plan with respect to these was to introduce that type of technology which would advance the quality of life. This still remains a problem area for most African countries, and the Sierra Leone government has yet to consider the issue more seriously.

The last aspect under skills and training pertains to women and development. The underlying objective here concerns the creation of an environment in which women and men could both participate equally in the development process. There is an implicit suggestion that this could be achieved through legislation to account for the

special interests of women in commerce, business and industry as well as in the decision-making processes.<sup>16</sup>

The final theme of the Plan covers institutional development.<sup>17</sup> Institutions are considered important and essential in the effective restructuring of African political economies and in the efficient flow of information and decision-making processes. The Plan thus calls for the strengthening of existing institutions and the establishment of new ones where necessary, particularly in the area of trade, finance, development planning and statistics and population. At the regional level, the Lagos Plan lays emphasis on the strengthening of the intra-African institutions such as, the association of African central banks and the African Development Bank (ADB). Greater significance is also attached to the creation of regional linkages which would facilitate intra-African trade.

The assumption with regard to these, is that they would accentuate the achievement of self-reliance.

At the national and sub-regional levels, the Lagos Plan emphasizes measures that would enhance the functional and efficient management of finance and trade transactions in the following areas -

- (a) the reduction of trade barriers among African states,
  - (b) minimization of the use of foreign exchange in regional trade; and
  - (c) integration of the banking system into the development process of the country.
- This would entail policy reorientations of central and commercial banks in accordance with the needs of the individual national economies and regional linkages.

Finally, institutional development also embraces development planning, statistics and

population. The Plan proposes that the population variables be integrated into the planning process. This proposal is most pertinent to development not only for short term purposes, but also for long-term planning, especially since the region's population is projected to double its 1975 figure by the year 2000. Incidentally, statistical data on population variables and other national aggregates are still soft in most African countries. The improvement of such data would enhance the planning and implementation processes.

The strategy and policy priorities in the Lagos Plan are relevant to Sierra Leone's political economy. Implementation of some of those policies may overcome the problems of dependency, lack of self-reliance, regional economic community, and may increase participation of more people in the development process.

However, both the Monrovia Declaration and the Lagos Plan are not explicit on a number of fundamental issues. First, the issue of human rights in Africa is not at all addressed, despite the fact that the majority of African people are denied the rights to decent life and freedom of political choice. Second, the question of class is not raised and yet the rate of inequalities amongst social groups has been increasing unabated since independence.

For some countries this systemic class contradiction has led to political chaos and further repressions of the masses, and is likely to affect more countries unless it is addressed immediately. Lastly, the two blueprints offer no ideological principles to inspire political commitment on the part of the leadership to restructure the region's economies for the benefit of the African population. Therefore, the Africa oriented approach elaborated in the two documents does not appear sufficient to provide the necessary turning point from past trends. Therefore, some states are likely to pay lip-service to the guidelines in the two documents.

### (iii) Sierra Leone's Development Strategy

The basic document which details Sierra Leone's development programmes and strategy for the 1980's and beyond is "The Second Five-Year National Development Plan (NDP) 1981/82 - 1985/86: The construction of the second NDP was based on the guidelines of both the Monrovia Declaration and Lagos Plan of Action blueprints,<sup>18</sup> and aims at (a) restoring stability to government's financial operations; (b) arresting and reversing the trend of persistent economic stagnation; and (c) achieving self-sufficiency in food production. The NDP details a variety of both short-term expediences and long-term development programmes in the genre of the Lagos Plan, and estimates the total investment expenditure over the five-year period to amount to Le 1,800 million (1981/2 estimates of which the public sector would claim Le 1,065 million.<sup>19</sup>

Amongst the major projects undertaken in terms of their needs for capital were - (a) the Bumbuna hydro-electric project to redress the energy crisis; (b) the Kimberlite diamond scheme to increase foreign exchange and also provide a base for local Industries; (c) the integrated agricultural development projects to tackle the agrarian crisis and engender the establishment of agro-based industries; and (d) highway construction and maintenance for both internal services and sub-regional links. All these development objectives are in line with the declared priorities in the Lagos Plan of Action and reflect the immediate needs and long-term aspirations and preferences of the Sierra Leone polity. The implementation of those lead projects would, however, require more substantial funds, which are unfortunately not available from local resources, and thus would have to be mobilized from external sources. This in itself would reduce autonomy by deepening the dependence of the state and economy on external sources.

## Energy

In the past, Sierra Leone's energy needs were met largely from imported oil, purchased at international market prices. This trend has, since the mid-1970s contributed to serious balance of payments problems. The total costs of petroleum imports in the past decade averaged 35% of total foreign exchange earnings.<sup>20</sup> In undertaking the construction of the Bumbuma hydro electric project therefore, the government hoped to mitigate this oil crisis.

Phase I of the project was estimated (1982) to cost about Le 48 million, of which foreign financing was estimated at Le 39 million. It was envisaged that when the project was completed and came into operation, the fuel imports for electricity generation would drop from 64,000 to 7,600 tons,<sup>21</sup> a decline of over 88%. However, in the short-term, the state would have to cope with the energy crisis by rationing consumption.

With respect to domestic energy for cooking, this has been derived from fuel-wood and charcoal. Sierra Leone's consumption of this form of energy has been estimated at 2.5 million tons per year. Fuel-wood and charcoal come from the forests, which have been estimated (1982) to cover about 5%<sup>22</sup> of the country's land area and from secondary bush.

Continued exploitation of forests without proper management, would pose major ecological problems for the future, such as, soil erosion and climatic change. To mitigate this possible disaster, a national energy committee was appointed to investigate and suggest possible alternative fuel sources to the government, but this committee has yet to produce its report. In the meantime, the degradation would continue unabated.

## Mining

Mining used to Contribute nearly 60-70% of the total merchandise export earnings, and approximately 20% of the GDP <sup>23</sup>. However, between 1973/4 and 1980/1, the contribution of mining to export earnings fell at the average rate of 11% per annum, and as a result, its share in the GDP at constant factor cost, dropped to 8% in 1980/81 from 16.1% in 1973/4. A number of developments accounted for this trend in mining. First, by 1982, the production of alluvial diamonds had fallen by 50% from a 1970 volume of one million carats due largely to depletion. Second, smuggling of precious stones, estimated at the rate of 25% of total production had intensified. Third, low investment locally and the recession in the international diamond market in the 1980-1982 period compounded the situation. And fourth, the closure of the Marampa iron ore mine in 1975, further aggravated the situation.<sup>24</sup>

One possible solution to this downward trend in the mineral industry was the undertaking by the state of the Kimberlite mining scheme, and plans were also made for reactivating Marampa mine. The Kimberlite scheme was estimated to cost about Le 100 million and when operational it was projected that it would produce approximately 240,000 carats per year.<sup>25</sup>

The government also negotiated a credit and management contract with an Austrian state owned company - Austro-Minerals - to reactivate Marampa iron ore mine. Bauxite and rutile deposits were also discovered and were scheduled for exploitation during the plan period. The projected mineral production and export situation is indicated in the table below.

**Table 1: Projected Mineral Exports, 1981/2 - 1985/6<sup>27</sup>**

Minerals                      1981/2 1982/3 1983/4 1984/5 1985/6

Minerals	1981/2	1982/3	1983/4	1984/5	1985/6
a) Diminco Diamonds	160,000	140,000	120,000	100,000	80,000
b) ADS Diamonds carats	450,000	400,000	380,000	450,000	300,000
c) Kimberlite Diamonds carats	—	—	—	156,000	
Bauxite - Wet (tons)	700,00	530,000	450,000	400,000	300,000
Bauxite - Dry (tons)	—	370,000	450,000		600,000
Rutile (tons)	80,000	90,000	90,000	100,000	100,000
Iron Ore (tons)	—	—	1,000,000	1,000,000	1,000,000

**NOTES:**

- (a) National Diamond Mining Co.  
 (b) Allurial Diamond Mining Scheme

The table indicates a projected downward trend in the production of diamonds and wet bauxite, while dry bauxite would be expected to increase at an average rate of 29.94% per year while iron ore would remain stable until the end of the plan period.

According to the NDP, Kimberlite diamond production would come on stream from 1985/6 and the initial output would be about 156,000 carats. This was expected to increase to 240,000 carats when the mine reached full operation. The Kimberlite diamonds scheme therefore, would most likely reverse the downward development in the mineral industry in the late 1980s, and thus provide the necessary support for potential diamond cutting and polishing.

Assuming that the programme of investment envisaged would be executed effectively,

the value of gross output and export have been projected to slow down from the 1980/81 level of Le 167.2 m to Le 152.4 m in 1982/3, and then increase to Le 172.2 m in 1985/6, and the value added would reflect correspondingly a similar trend from Le 136.4 m in 1980/81 to Le 140.0 m in 1985/6 as illustrated in table 2 below. Total investment in the mineral sector would increase from Le 18. m to Le 174.0 m during the period under consideration.

**Table 2: Projected trends in the mineral industry.<sup>28</sup>**

Indicators	1980/1	1981/2	1982/3	1983/4	1984/5	1985/6
Gross Output	167.21	157.0	152.4	155.0	154.0	172.2
Value added	136.4	128.1	124.3	126.5	125.7	140.3
Investment	13.4	47.6	98.6	144.6	144.6	174.0

This projected development beyond 1985/6 would probably go a long way towards reducing the balance of payment deficit and regenerating growth in the economy. The most critical issue in all these projections, however, would be whether the funds for investment would be found, and whether the implementation of programmes would be completed. The state also made plans for intensifying prospecting of various mineable mineral deposits, and required that any foreign company exploring for minerals should submit to government all the technical and geological data gathered. This condition would bridge the information gap and tighten actual control of the country's resources. But whether this significant aspiration would be achieved remains to be seen. Another important aspect, which the government had yet to consider seriously had to do with the development of an effective local capability to negotiate with potential private investors, with a determination to extract satisfactory benefits for the nation. This was critical and would depend not only on training, but also on control of information and the state's commitment in deriving benefits for the nation from natural factor endowments. As regards joint ventures, the state would have to demonstrate its



commitments not only through tough negotiation, but by meeting its obligations. And once again, the bottom line was the availability of financial resources to the government.

## **Agriculture**

Although the agricultural sector has been the cornerstone of the country's economy, contributing on average 33% to the GDP 1970/71 to 1980/81) and 35% to export earnings,<sup>29</sup> it was, however, ignored in earlier post independence development strategies. Caught in pathological bandwagon of capital intensive industrialization of the 1950s through 1970s, Sierra Leone neglected the agricultural sector. The result, ostensibly, was the poor performance of the sector, and increased importation of rice. While the growth of the general economy recorded 4.3% from 1963/4 to 1970/71, the agricultural sector grew by a mere 1.6% per annum,<sup>30</sup> and rice imports became critical.

To reverse this trend, the administration gave top priority to the agricultural sector in the first five-year NDP (1974/5 1978/9). The sector's share of development expenditure was increased.<sup>31</sup> This deliberate strategy was also aimed at improving the welfare of the broad masses of the rural population, although prices for agricultural products were not increased significantly. Nevertheless, the ultimate aim of this approach, from government's point of view was to stimulate production through the use of small farmers, and thus achieve a more equitable distribution of wealth and income.

However, the above approach did not produce the expected results. The production of export crops, ie. cocoa, coffee and palm- kernels fluctuated badly as illustrated in Table 3.

**Table 3: Major agricultural exports, 1970 - 1981.****(Value in Le'000) (Volume in tons)<sup>32</sup>**

Year	Palm Volume	Kernels Value	Cocoa Volume	Value	Coffee Volume	Value
1970/1	56,064	6,750	5,117	3,205	6,437	4,231
1971/2	51,307	5,419	3,795	1,886	4,027	2,812
1972/3	48,876	3,637	7,919	3,414	14,375	7,378
1973/4	34,862	5,046	6,615	4,458	11,867	9,368
1974/5	24,937	7,998	4,838	6,895	3,107	2,804
1975/6	28,561	4,367	6,240	8,475	7,252	6,594
1976/7	16,873	3,183	7,010	13,895	4,614	7,276
1977/8		1,649	4,379	15,173	9,010	43,690
1978/9	3,133	932	7,017	23,098	5,412	19,085
1979/80	10,744	4,270	9,111	31,347	13,298	36,972
1980/1	1,004	237	8,497	23,860	9,900	19,339
1981/2	13,519	3,336	9,234	16,494	9,143	19,655

Income distribution between the urban and rural areas continued to be highly skewed in favour of the urban centres, estimated at a Gini-coefficient of 0.60 and 0.32 for the rural areas.<sup>33</sup>

Despite the above development, the production of rice increased at an average of 4% per annum, although it did not keep up with demand for local consumption. The shortfalls had to be met by imports, with serious consequences for the country's meagre foreign exchange as demonstrated in Table 4.

**Table 4: Impact of Rice Imports on Foreign Exchange, 1970 - 1981.<sup>34</sup>**

Year	(a) Rice Imports (tons)	(b) Value of Rice Imports	(c) Value of Agric. Exports	(d) b as % of c	(e) Value of total exports	b as % of e
1970	49,365	5,549,000	14,878,000	37.24	83,012,000	6.68
1971	29,929	2,696,000	16,416,000	16.42	81,369,000	3.31
1972	6,668	881,000	19,043,000	4.63	93,980,000	0.94
1973	43,724	6,100,000	22,338,000	27.31	105,979,000	5.76
1974	45,025	17,173,000	20,236,000	84.86	123,036,000	13.98
1975	—	—	—	—	112,504,000	—
1976	15,000	4,321,000	45,910,000	9.41	112,503,000	3.84
1977	6,701	1,666,212	48,004,000	3.47	140,254,000	1.19
1978	22,500	8,835,227	54,186,000	16.31	178,132,000	4.96
1979	76,536	27,216,000	70,065,000	38.84	215,136,000	12.96
1980	51,054	24,085,167	50,612,000	47.58	224,845,000	10.71
1981	55,114	25,717,000	40,023,000	74.96	183,930,000	13.98
1982	80,000	30,000,000	—	—	—	—

By 1981, the amount of money spent on rice imports had peaked to 74.96% of the export earnings of agricultural products, and 13.98% of the total value of exports.<sup>35</sup>

This trend was likely to continue if immediate measures were not taken to alleviate the situation. To ameliorate this impending disaster, the government in the second NDP (1982/3-1985/6) pledged concerted efforts to the development of the sector in the light of the Lagos Plan of Action.

The state argued that it would like to develop the agricultural sector to the extent that it would contribute more significantly to GDP and export earnings, and supply all the rice requirements of the nation by the end of the plan period.

These expectations would appear not altogether unrealistic. The potential for agricultural development in Sierra Leone is quite high. Sierra Leone is one of the land

surplus countries in Africa. Of the 72,600 km area, 74% is suitable for agricultural production; yet only 11% of this is under cultivation. Massive fertile land in the deep flooded grasslands; mangrove swamps; scattered inland valley-swamps and uplands are available which could be utilized for a variety of crops.<sup>36</sup> There is also scope for the development of marine and inland fisheries, and forestry offers prospects for supporting industrial development and providing fuel wood.

Animal husbandry is of a poor quality level, and would require drastic improvements through breeding. The use of artificial insemination, which would relatively be cheap, would go a long way towards improving dairy products.

### **Crop Production: Projections**

As pointed out, opportunities for increasing the acreage under cultivation and yields of most crops exist to be exploited. This is even more so in a situation of demand-supply inequilibrium, like the one obtaining in Sierra Leone. As regards rice, the second NDP estimates that its demand would increase from 368,000 metric tons (1981/2) of clean rice to 458,000 metric tons in 1985/6, while production of rice (husk) would increase by 5.4% per annum from 547,000 tons to 733,000 metric tons by 1985/6.<sup>37</sup> To realize this spectacular growth rate in rice production, the government hoped to utilize a strategy derived from the Lagos Plan of Action, which includes - (a) attractive prices to producers and organization of marketing and distribution systems; (b) encouragement of better land use methods and water control management; (c) improved seed varieties suitable to the different agro-ecological zones; (d) good weeding practices and increased use of fertilizers adapted to the specific soil conditions; (e) selective mechanization utilized to overcome increasing labour shortages; (f) improved harvest and post-harvest technologies and (g) lastly, undertake adequate measures for soil conservation, especially in the uplands.<sup>38</sup>

Moreover, the Ministry of Agriculture and Forestry has estimated that to reverse effectively the rate of rice imports (80,000 tons in 1982), about 152,000 additional hectares ie. 380,000 acres of different rice ecologies would have to be cultivated by the end of plan period in 1985/6<sup>39</sup>. The government has also decided to phase out rice imports by the end of the plan. This would mean that production would definitely have to be increased or else the country would face serious shortages, which might not augur well for political stability.

The government has also decided to restructure the activities of the IADPs, which since the 1970s have been providing an integrated approach to rural development. The MAF would like to coordinate the operations of those IADPs in a bid to increase the production of rice in particular, as well as other crops in general by the end of the plan period. All these policy objectives would be expected to stimulate agricultural production, thereby meeting the nation's food supply, and possibly provide raw materials for the establishment of agro-based industries as well as increasing cash crop production.

Whether these objectives would be achieved remains to be seen. Sierra Leone has had a record of agricultural policies, which nevertheless, have not been implemented successfully. Since independence, self-sufficient in food has been the top priority of government policy, and yet this was not matched-up by development expenditure patterns. From 1962/3 to 1971/2 government expenditure on agriculture averaged 5.6% of total development expenditure. However, this trend improved from 1972/3. Between 1972/3 and 1976/7<sup>40</sup> development expenditure on agriculture increased and averaged 22.2% of total development expenditure. Despite this improvement in expenditure profile on agriculture, the actual achievement of goals remained illusive because of poor planning, poor price policies and mismanagement of resources. Unless improvements are made in these aspects, it would appear unlikely that the objectives of the second NDP with respect to food would be realized.

With regard to cash crops, the Sierra Leone Marketing Board (SLPMB) estimated that exports of cocoa and coffee would increase from 10,740 and 8,050 metric tons (1980/81) to 12,000 and 12,500 metric tons respectively by 1985/6, while the production of the two commodities has been projected to increase from 14,000 and 16,000 metric tons to 22,000 and 25,000 metric tons respectively beyond the plan period.<sup>41</sup> The realization of these projections would solve the foreign exchange problems and government revenue.

The NDP also contains a prognostic scenario of the prospects for the economy beyond the plan period. The economy is expected to grow at the rate of 5% - 9% per annum during the decade 1986/7 - 1995/6.<sup>42</sup> This projected growth rate beyond the 1980's would appear over-optimistic. It could, however, be achieved if all the programmes in the NDP could be implemented fully by the end of the present plan. The completion of the four lead projects, together with the full utilization of installed industrial facilities and the strengthening of institutional infrastructures would be critical in the achievements of the projected long-term goals. In 1986/7 it appeared most unlikely that those projects in the NDP would be completed by 1985/86. For instance, the agricultural programmes had not yet had an impact, despite the projected significance of agriculture in the growth of the economy. That the base for industrialization could only be realized through the concerted implementation of programmes in agriculture, mining, economic infrastructure and achievement of cheap power cannot be overemphasized. Consequent upon the severe foreign exchange constraints, industrial development during the short-term period would have to be based on a minimum dependence on foreign exchange resources. The problems which have plagued the few established industries in the procurement of industrial raw materials provide lasting historical lessons and point to the future direction of industrial development. Considered from this perspective, projected increase in the production of rice would be of great importance in achieving the government's goal of self-sufficiency in regard to the nation's staple food and in reducing the country's

import bill, while increases in other agricultural products would provide a base for agro-based industries. The achievement of these goals would alleviate the present balance of payment problems and stimulate growth in the economy.

However, the underlying factor in the realization of the projected goals would be the availability of finance. Since the 1970s, this resource availability has been a crucial constraint to development in Sierra Leone. The state has had problems in raising adequate revenue internally to finance its total development expenditures. This has been partly a result of the narrowness of the income tax base and the reliance of the tax system on foreign transactions. Dependence on the exports of diamonds, coffee, cocoa and palm kernels to the tune of 40% has rendered government revenue critically vulnerable to their export volumes and prices.<sup>43</sup> The bulk of government revenue has been derived from import duties which have depended on the availability of foreign exchange. As pointed out already, the production and export of minerals have been declining since the mid-1970s, while the export and value of cash crops have fluctuated. The government has also lost revenue through diamond smuggling and informal export across the country's borders. The result has been a general economic stagflation and decline in average per capita income. Inadequate growth in the output and export of commodities led to financial crisis from the mid 1970's. Financial difficulties were exacerbated by the sharp rise in the import prices of essential items like oil, petroleum-based products and rice.

Faced with a severe revenue crisis in an almost stagnant economy, unable to generate sufficient investible resources, the state has had to concentrate efforts on the mobilization of foreign aid to finance both development programmes and the rising costs of imports. The resort to financing imports through suppliers credits and contractor finance which carry relatively high interest rates and short-term maturity-periods has worsened the problems of external debt management. Moreover, increased reliance on foreign aid would not only sink the country further into the debt

trap, but is contradictory to the very spirit of self-reliance the long-term objective of the Lagos Plan. Admittedly, alternative sources of revenue for Sierra Leone were limited, although reductions in standard of living of government officials in the short-term and a serious check on misappropriation of public funds<sup>44</sup> could result in some savings which could be invested in productive projects.

However, the extent of the financial crisis in Sierra Leone demanded immediate rescue with heavy doses of funds, which could only be obtained in the form of aid, without which the situation would continue to worsen. The fact that the state had on a number of occasions failed to meet its financial obligations in co-financed projects, such as the IADPs, was an indication of the extent of the financial crisis.<sup>44</sup>

"The Land of waving palms: political economy, corruption inquiries and politics in Sierra Leone" in Michael Clarke (ed), Corruption: Causes, Consequences and Control (London: Fraser Printer, 1983) 190-204.

Therefore, implementation of the four lead projects and achievement of the projected goals in the second NDP would depend on the ability of the state to mobilize resources, both internally and externally and effectively utilize them for development.

## v) Conclusion

This paper has highlighted the major themes of both the Monrovia Declaration and the Lagos Plan of Action and argued that the Sierra Leone government in effect accepted the OAU's development priorities for the 1980's and beyond. As an indication of this, the government based its second National Development Plan on the OAU's approach. Thus, the NDP laid more emphasis on self-sufficiency in food supply, better financial management, stimulation of economic growth and strengthening of sub-regional linkages.



However, it has also been maintained that the major considerations which have determined government's development strategy have been the problems of the economy due to stagnation in commodity production, the increasing balance of payments situation and the identification of both short-term and long-term objectives. These two considerations have had to be reconciled within the limits of the Sierra Leone situation - where the critical constraint of the economy has been its inability to generate investible resources to extricate itself from the vicious circle of low income and low savings - the state has had to give the highest priority in its strategy to the mobilization of foreign aid during the short-term period, in order to meet the financial obligations related to servicing the external debt, rising costs of imports, as well as to finance development projects geared to establishing a base for long-term growth and reducing the balance of payments deficit. Therefore, the decisions of the government to undertake the development of the Bumbuna hydro-electric project, the Kimberlite diamond scheme and the agricultural programmes, partly through external financing, were aimed at improving the balance of payments situation, achieving self-sufficiency in food supply and generating growth in the economy. The realization of all these objectives depended critically on government's ability to secure financial resources externally and the effectiveness with which those resources were utilized. But dependence on external assistance has been fraught with problems and contradictions which were bound to mortgage the future of the economy as well as the ability to realize the goals of the Lagos Plan of Action. Yet without external assistance and internal restructuring, the future for Sierra Leone appeared gloomy and fraught with political and economic uncertainties: exactly the type of predictable crisis or conjuncture which the Lagos Plan seeks to avoid or transcend.

**NOTES**

1. Ankie, M.M. Hoogvelt, *The World in Global Development* (London:Macmillan, 1982) 120-137.
2. OAU, *Lagos Plan-of-Action for the Economic Development of Africa, 1980-2000*. (Geneva: Institute of Labour Studies, 1981, 3 and 7; For Background Information see, OAU, What Kind of Africa by the Year 2000, (Addis Ababa: Organization of African Unity, 1979) 13 - 31).
3. See Government of Sierra Leone - "Second National Development Plan 1981/82 - 1985/6" manuscript (1982).
4. See "The Development Strategy for Africa fir Third Development Decade" adopted in Monrovia, 1979.
5. Ibid.
6. For a more detailed analysis of the Lagos Plan of Action, see Timothy, M. Shaw "The African Crisis: alternative development strategies for the continent" Alternatives i(1) 1983, 111-127; also see Robert, S. and Roberth, J. Cummings, The Lagos Plan of Action Vs The Berg Report: contemporary issues in African economic development, (Washington: Howard University Press, 1984) for comparisons.
7. See Lagos Plan of Action, 43-44.
8. Ibid., p7.
9. See Sierra Leone Agricultural Statistics Bulletin 1, February 1983, 15-27 and 39-40: also see Dunstan S.C. Spencer, "Rice Policy in Sierra Leone" in Scott, R. Pearson et al (eds.) *Rice in West Africa: policy and economics* (Stanford University Press, 1981) 1-182.
10. See Lagos Plan of Action, 43 - 44.
11. Ibid. 71.
12. Ibid. 104.

13. Ibid. 31.
14. Ibid. 94.
15. Ibid. 37-38.
16. Ibid. 109-111.
17. Ibid. 89-91.
18. See the Second National Development Plan. Op cit.
19. Ibid
20. Calculated from Bank of Sierra Leone, Economic Review. (Nos. 1 and 2), (January to June 1981) Table 24.
21. Central Planning Unit, "Economic Review and Prospects" internal paper, (April 1982)9
22. Ibid 9.
23. Bank of Sierra Leone, Annual Report and Statement of Accounts. Freetown Government Printer, 1982)9
24. Interview with H. Kalil, Director of Mines (February, 1983).
25. See "Second National Development Plan".
26. Interview with Kabil, op cit.
27. See Raymond Johnson "Review of the Mineral Industry" - internal paper, Ministry of Development and Economic Planning (December 1980), 17.
28. Ibid.
29. Agricultural Statistical Review, (1982) 39 and 25.
30. Interview with B-ola-Clarkson (Freetown, December 1982).
31. See Agricultural Statistical Bulletin (1982), table 40,41.
32. Ibid. Table 26 p.25.

33. Central Planning Unit "Overall Review of the Economy" internal paper, (September, 1980) p.5, for a Description of Poverty in Sierra Leone, see F. Lisk and Van Der Hoeven, "Measurement and Interpretation of Poverty in Sierra Leone" in International Labour Review 118. (Nov. - Dec. 1979). 713 - 728.
34. Calculated from Agricultural Statistics Bulletin.
35. See Table 4 above.
36. For a detailed analysis of Sierra Leone's agro-ecologies see Dunstan S.C. Spencer, "Rice Production in Sierra Leone" in Peason et al (eds) Rice in West Africa, 201-206.
37. "The Second NDP" paragraph 1.3.2.
38. MAF "Policy Guidelines for Development of Agriculture and Forestry in 1982/3-1985/6" - memorandum. Undated 2.12.
39. Ibid. 2 - 3.
40. Calculated from Agricultural Statistical Bulletin 41. Also see Sierra Leone's National Development Plan, 1974/75 - 1978/79 (Freetown: Government Printer, 1974), 129 - 137.
41. Interview with Jallah, Economic Planner, SLPMB. Freetown, April, 1983.
42. See the "Second NDP".
43. Bank of Sierra Leone, Annual Report, 66.