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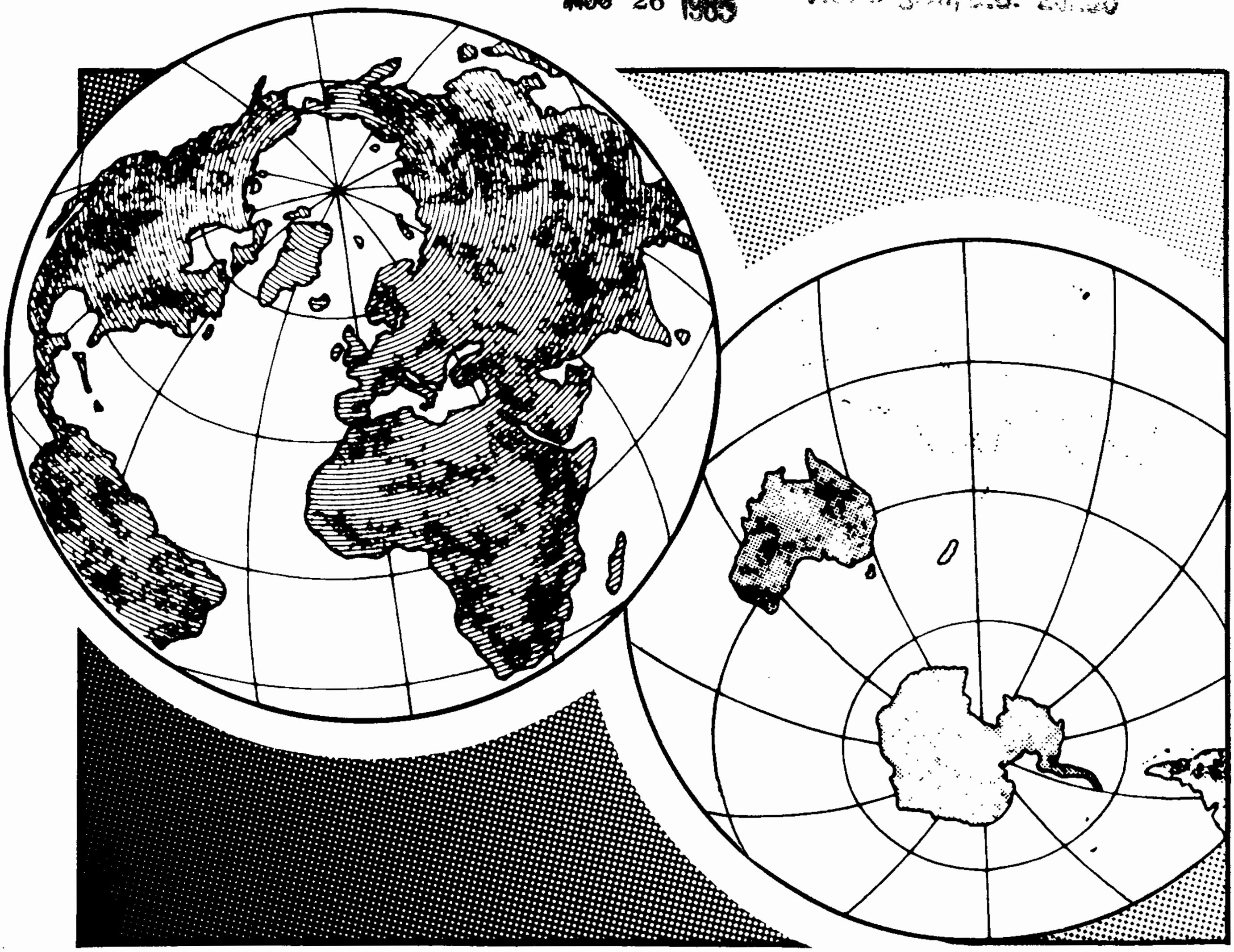
Sub-Saharan Africa

World Agriculture Regional Supplement

Review of 1982 and Outlook for 1983



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ABSTRACT

Sub-Saharan Africa currently faces a food emergency. A drought sharply reduced production across much of the continent and devastated the output of some southern African countries, raising food aid needs. The region's agricultural production stagnated in 1982. Per capita food production reached a new low, increasing only about one-third as fast as population. Lower oil exports by Nigeria resulted in reduced purchases of U.S. products. U.S. agricultural exports to the region declined nearly 21 percent, mainly because of lower prices, although volume also declined.

Keywords: Drought, food aid, food imports, foreign exchange shortages, political instability, commodity prices, agricultural policies, population growth.

FOREWORD

This report analyzes the agriculture of 11 countries in Sub-Saharan Africa, covering their agricultural production, trade, policies, financial constraints, and the outlook for 1983. The report also analyzes regions, such as the Sahel, the Horn, Central Africa, and Southern African—in some cases discussing individual countries, and in others focusing only on the region. Data tables are provided for U.S. agricultural trade and indices of aggregate and per capita food and agricultural production. Recent data revisions included in the narrative are not always reflected in the tables.

Michael E. Kurtzig coordinated and directed the preparation of this report. Authors were Susan Buchanan, Mary Burfisher, Michael A. Cullen, Nadine Horenstein, Cornelia Miller, Margaret B. Missiaen, Peter A. Riley, Shahla Shapouri, David Skully, Herbert Steiner, and Lawrence A. Witucki. Victoria Valentine, Dee Midgette, Denise Morton, and Alma Young typed the manuscript. The Foreign Agriculture Service's annual situation and commodity reports were drawn upon for this publication.

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We welcome any comments, suggestions, or questions about this report or other aspects of the agricultural situation in Sub-Saharan Africa. Responses should be directed to the Africa and Middle East Branch, International Economics Division, Economic Research Service, USDA, Room 342, 500 12th Street, S.W. Washington, D.C. 20250. Our telephone number is (202) 447-8260.

Cheryl Christensen
Branch Chief

Washington, D.C. 20250 August 1983

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SUB-SAHARAN AFRICA
REVIEW OF AGRICULTURE IN 1982 AND OUTLOOK FOR 1983

SUMMARY

Sub-Saharan Africa currently faces a food emergency. Some 19 countries with a combined population of nearly 180 million had adverse food production conditions in 1982. An estimated 9 million people are suffering from malnutrition and some are starving. In southern Africa, the worst drought of the century has severely reduced agricultural production. In addition to poor crops, livestock losses will be substantial. All southern African countries except Malawi suffered corn production declines and most will need food aid. South Africa, the region's dominant corn producer and usually the world's third largest exporter, will virtually cease exports and is expected to import about 2.5 million tons of coarse grains in 1983/84. The United States will probably supply a large share of this, as well as oilseed needs. Except for South Africa, the countries of this region are unlikely to make large commercial purchases. American food aid will also increase.

Even some wealthier Sub-Saharan countries, unaffected by drought, faced economic setbacks last year. Nigeria's real Gross Domestic Product (GDP) declined by more than 10 percent in 1982. The world oil glut resulted in sharply lower export earnings and reduced Nigeria's 1982 foreign exchange earnings to $14 billion, 25 percent below 1981. In April 1982, the Government introduced an austerity program to help reduce the trade deficit. As a result of this, and lower prices for our commodities, U.S. agricultural exports to Nigeria declined to $468 million in 1982, from the $544 million the year before. While the United States should retain its share of Nigeria's wheat market, our share of the rice market has declined significantly, as cheaper Thai rice has been imported. U.S. agricultural sales in 1983 could be less than half of the 1982 level of 343,000 tons.

Sub-Saharan Africa is the only region in the world characterized by declining per capita food production, because it has some of the world's highest population growth rates combined with stagnating agricultural output. Food production grew about 1.9 percent per year during the last decade, and only 0.8 percent in 1982, while population in the last 10 years increased by nearly 3 percent annually. In addition, increased requirements for food imports in recent years, combined with the soaring cost of imported oil, have pushed several important countries close to bankruptcy.

In countries of the Sahel, agricultural production stagnated or declined in 1982. Localized drought and insect damage lowered output of grains in most of the region. As a proportion of imports, foodstuffs ranged from about 10 percent in Niger in 1982, to 50 percent in Cape Verde in 1978. Senegal is the largest rice importer of the region, taking over 350,000 tons in 1982, the bulk commercially imported.

The Ivory Coast is experiencing its first major recession since independence. Real GDP has stagnated for 2 years, and unfavorable weather reduced the 1982 harvests and damaged production prospects for this year. In the Horn, a drought in the northern provinces of Ethiopia cut harvests for the second consecutive year. On the other hand, Somalia harvested a record cereal crop. Sudan's economy grew by 7 percent in 1982, reflecting record harvests in 1981/82—primarily cotton—and improved farm exports. In Tanzania, weather was generally good in 1982; production increased, although still slightly less than the population grew. In Kenya, production increased by 2.4 percent, a result of good weather and higher producer prices.

Trade between the United States and Sub-Saharan Africa dropped significantly in 1982, reflecting the recession and lower prices both for Africa's key exports and for U.S. agricultural exports. Total U.S. exports were $5.4 billion, down 17.5 percent from 1981. At the same time, total U.S. imports declined by 14.3 percent to $13.9 billion, reducing the U.S. trade deficit with Sub-Sahara from $9.7 billion in 1981 to $8.5 billion in 1982. The major reason was the decline in the value of petroleum imports from Nigeria, which dropped from $9.2 billion to $7.0 billion, reducing the U.S. trade deficit with Nigeria from $7.7 billion in 1981, to $5.8 billion in 1982.

The value of U.S. agricultural exports to the Sub-Saharan region declined nearly 21 percent, partly because of lower volume for some commodities, but more because of lower prices. For example, the volume of wheat and wheat flour exports dropped by just over 9 percent, while the value declined by 15 percent. The value of rice exports was $312 million, down 17 percent, while volume was up 10 percent. The sharpest volume decline occurred in corn, which dropped by nearly half to 360,000 tons, mainly because of lower shipments to Kenya, Somalia, Tanzania, and Ghana.

The value of U.S. agricultural imports from the region was down 15 percent to just over $1.1 billion, despite a 27-percent increase in the value of coffee imports and a 23-percent increase in the volume. The value and volume of imports of sugar, cocoa beans, rubber, and cocoa cake and butter all declined sharply.

SUB-SAHARAN AFRICA: A GROWING BUT DIFFICULT MARKET FOR U.S. GRAIN EXPORTS

Growth Dramatic During 1975-81

Unprecedented growth in the exports of wheat, wheat flour, rice, and corn to Sub-Saharan Africa took place from the mid-1970's through 1981. Rice export quantities grew an astounding 354 percent, followed by 204 percent for wheat flour, 107 percent for wheat, and 45 percent for corn. These increases can be traced to several trends. First, per capita food production in Sub-Saharan Africa has been declining over the past 20 years. Second, demand for grains has been rising simultaneously, as a result of high population growth rates, rising incomes, a high rate of urbanization, and increasing preferences for nontraditional, quickly prepared foods, such as wheat (in bread) and rice.[1] Finally, world grain prices have been generally lower because of plentiful supplies. These factors are expected to spur further growth in grain imports, at least over the next few years.

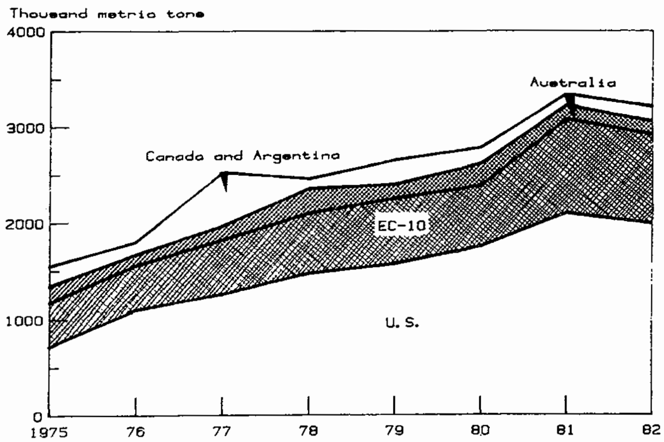
Exports Decline in 1982

Exports of wheat, wheat flour, and corn to Sub-Saharan Africa by the major suppliers declined in 1982. The reasons can be traced to problems common to several major importing countries, such as foreign exchange shortages, debt-service obligations, and reduced revenues for oil exporters. In addition, the global recession has tightened the available financing for some commodities. Rice exports to the Sub-Saharan region rose in 1982, however. Increasing demand, plentiful quantities of low priced rice, and stiff competition between suppliers were the reasons. Moreover, the outlook is good for continued, though slower, expansion of exports of all four commodities, as plentiful supplies and continued demand growth offset financial constraints.

United States and EC Vie for Wheat Market

The major suppliers of wheat to Sub-Saharan Africa are the United States, the European Community (EC), Canada, Australia, and occasionally Argentina. Together, these countries exported 3.2 million tons of wheat to the region in 1982. During 1979-82, the United States held an average of 62 percent of this total, exporting nearly 2 million tons in 1982. Part of the U.S. success can be attributed to concessional financing through the P.L. 480 programs. During 1975-78, no more than 8 percent of U.S. wheat sales to Sub-Saharan Africa were on a concessional basis, but in 1982 the concessional sales reached 20 percent. However, the lion's share of U.S. exports go to Nigeria on commercial terms. Nigeria's imports of 1.3 million tons of U.S. wheat represented 64 percent of total U.S. wheat exports to the region in 1982.

Wheat Exports to Sub-Saharan Africa by Major Suppliers



[1]For a more detailed discussion of these trends, see Food Problems and Prospects in Sub-Saharan Africa, USDA/ERS/IED, 1981.

The EC is the United States' main competitor in this market, exporting an average of 26.7 percent of the major suppliers' total during the past 4 years and shipping an estimated 929,000 tons in 1982. Most EC wheat exports come from France. While the United States offers long-term financing, the EC uses export subsidies to compete with other suppliers. The EC's markets are also more diversified than those of the United States. Major markets for EC wheat are the Ivory Coast, Senegal, Ethiopia, Mozambique, Cameroon, Angola, and Benin. The EC (especially France) is an aggressive marketer and exploits its close political and economic ties with its former colonies.

Other major suppliers of wheat are Canada, Australia, and occasionally Argentina. The former two have held a fairly steady share of the Sub-Saharan market over the past 4 years, averaging 5.6 percent for Australia and 5.1 percent for Canada. Argentina exports to Sub-Saharan Africa when large crops and limited storage capacity necessitate wheat sales at low prices.

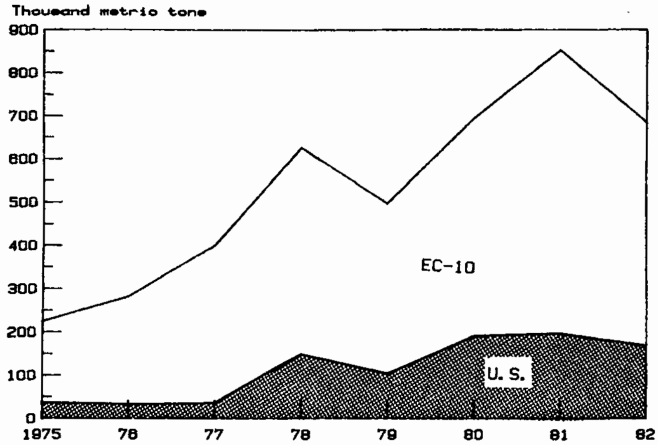
In 1983, the United States faces a Nigerian market that is shrinking because of diminished petroleum earnings. Because of Nigeria's overwhelming importance to U.S. wheat sales in the region, 1983 U.S. wheat exports to Sub-Saharan Africa should show a decline from 1982. The EC has a large wheat harvest this year and should be able to boost its exports. Canada and Australia have recently raised their wheat prices, which may reduce their competitiveness. However, Argentina's current large wheat export availability has already caused its prices to drop, and it may seek African markets to dispose of its surplus.

Wheat Flour Exports Largely Concessional

The Sub-Saharan Africa market for wheat flour is supplied mostly by the EC, the United States, and Canada. Their combined exports to the region were 685,000 tons in 1982, a 20-percent drop from 1981. The EC, mainly France, is by far the largest exporter, with an average 76-percent share over the past 4 years. The U.S. average share was 21.9 percent over the same period.

Market strategies used by the EC and the United States are very different. The EC uses export subsidies to offer a low price, which is at times half the U.S. price per ton. The EC is also willing to sell even small quantities of wheat, resulting in a diversified market of many countries (43 in Africa in 1982, as compared with 21 coun-

Wheat Flour Exports to Sub-Saharan Africa by Major Suppliers



tries for the United States). By contrast, the United States offers a higher price but longer term financing; 63.6 percent of U.S. wheat flour sales to the region were concessionally financed in 1979, but this declined to 32.5 percent in 1982. The United States also serves a relatively more concentrated market; Sudan received 64.5 percent of U.S. flour exports to the region in 1982. Canada exported just over 4 percent of the major supplier total in 1982, up from an average of 2.2 percent during 1979-82. Its increased share was due to large sales to Zaire, Sudan, and Liberia.

The outlook for U.S. wheat flour exports in 1983 will depend on the availability of concessional financing for the United States' major markets, many of which have reduced import capabilities because of foreign exchange constraints. The EC, with its export subsidies and political ties, is likely to maintain its advantage in this market.

Rice Market Very Competitive

In recent years, demand for rice has grown dramatically in Sub-Saharan Africa. Exports to the region from the major suppliers were 2.7 million tons in 1982, up 12.4 percent from 1981. Major suppliers are Thailand, the United States, Pakistan, Burma, the People's Republic of China, the EC, and occasionally Taiwan. Rice is the most important U.S. grain export to the region; in 1982, 32 percent of all U.S. rice exports went to Sub-Saharan Africa. But it is in this market as well that the United States faces its stiffest competition. Of the seven major suppliers, the four largest export from 30-40 percent of their total rice exports to the region. This has led to aggressive marketing tactics and competitive prices.

Moreover, the United States is falling behind in price competitiveness. The United States generally exports high-quality rice, while Asian suppliers tend to send lower quality, inexpensive rice. To low-income Sub-Saharan African importers, this inexpensive rice is very attractive. U.S. rice is not only more expensive because of quality differentials, it is also higher for comparable qualities. For example, current price quotations for U.S. #2, 4-percent broken, and Thai 100-percent Grade B rice are $500 and $350 per ton, respectively. As a result, the United States has priced itself out of all but the affluent markets where higher priced, higher grade rice is preferred, such as Nigeria and South Africa.

During 1979-82, the United States held an average 27.6 percent of the major supplier total of rice, rising to 30 percent in 1982. In 1982, U.S. exports were 814,000 tons, 42.4 percent going to Nigeria, 14.8 percent to South Africa, and 10.4 percent to Liberia. An average of 26.7 percent of U.S. rice exports to Sub-Saharan Africa were sold on a concessional basis over the past 4 years. U.S. concentration on the Nigerian market leaves us vulnerable to sudden policy changes there, such as the import restrictions of 1979, which caused U.S. rice exports to fall 200,000 tons from 1978 levels.

Thailand is the largest rice exporter to Sub-Saharan Africa, with an average 34.3 percent share from 1979 to 1982. Its exports, mainly broken rice, go primarily to Senegal, Madagascar, Nigeria, and Cameroon. Pakistan's share of the region's market rose dramatically from 7 percent in 1977 to 27.6 percent in 1979. During 1979-82, it held an average 20.2-percent share of the total from major suppliers. Pakistan exports low-grade high-yielding varieties of rice at competitive prices. China and Burma had an average of 8.6 and 5.1 percent of the major supplier total, respectively, over the past 4 years. Taiwan occasionally sells surplus rice to the region.

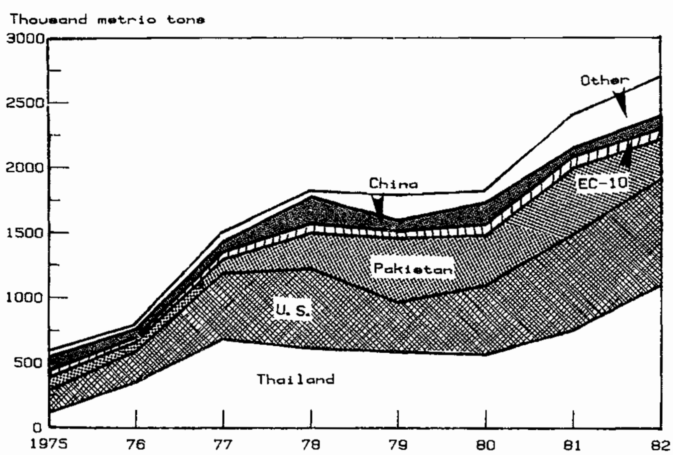
U.S. exports have fallen in the first half of 1983 because of shrinking Nigerian imports. Thailand's export supplies are equal to or greater than last year's, and early 1983 sales to Ivory Coast and Senegal have been brisk; in addition, Kenya has negotiated an unprecedented agreement for 40,000 tons of Thai rice. Pakistan, too, has been selling large orders to Ivory Coast. Clearly, the trend in the Sub-Saharan market is toward low-grade, inexpensive rice, and if the United States is to maintain its share of the market, concessional financing will have to be made available to an even greater degree than before.

Corn Exports Vary With Drought Conditions

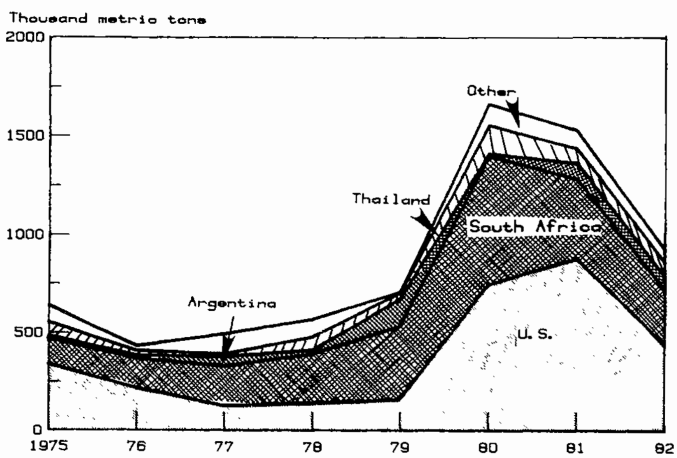
While corn exports to Sub-Saharan Africa showed an upward trend from 1975 to 1982, quantities exported to the region varied greatly, particularly according to crop conditions in southern and eastern Africa, the major consuming areas. In 1980 and 1981, for example, exports soared because of widespread drought.

The United States held an average share of 43.4 percent of the total corn exports from major suppliers during 1979-82. Nigeria is the main market for U.S. corn,

Rice Exports to Sub-Saharan Africa by Major Suppliers



Corn Exports to Sub-Saharan Africa by Major Suppliers



taking 65.4 percent of total U.S. corn exports to the region in 1982. Concessional shipments to Sub-Saharan Africa have declined steeply in recent years—from 60.4 percent in 1979 to 9.4 percent in 1982.

South Africa held an estimated average of 37 percent of the major supplier total during 1979-82, though in some years its share has been over 50 percent.[2] South Africa has an advantage in this market because of its proximity, its ability to supply corn quickly, and its provision of white corn, which is preferred for human consumption in most areas. Most U.S. exports are of yellow corn, which is mainly used as feed for livestock and poultry.

[2]South African corn export figures for Sub-Saharan Africa are ERS estimates.

The disastrous drought this year in southern Africa will force South Africa to import up to 2 million tons of corn. The U.S. will probably supply the bulk of this, and may possibly have market opportunities in other southern African nations that traditionally import from South Africa.

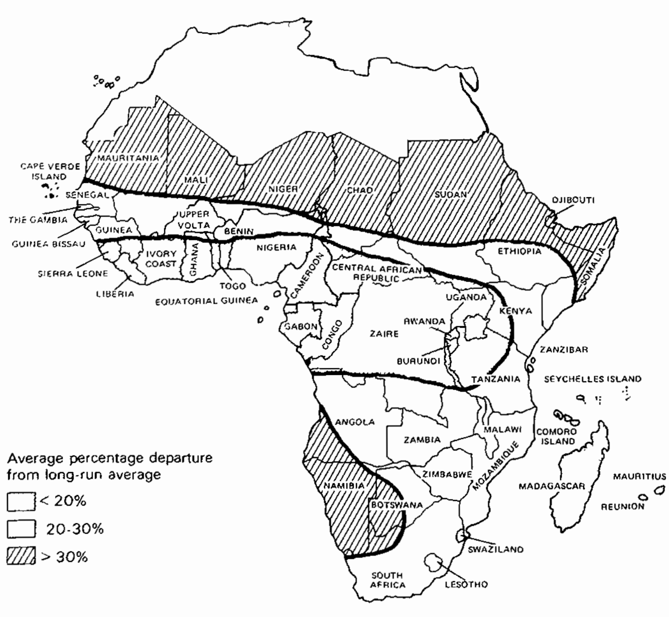
Other major suppliers of corn are the EC, Thailand, Argentina, and occasionally Brazil. The EC and Thailand share varies with South Africa's share. As with its wheat, Argentina sells corn to the region when it has a particularly large crop. Brazil's sales have been intermittent; while its 1983 exports were forecast to be large, the Government has recently lowered the amount of corn authorized for export, because of larger projected domestic needs. (Cornelia Miller)

THE IMPACT OF YIELD VARIABILITY ON FOOD SECURITY IN SUB-SAHARAN AFRICA

This year's widespread drought in southern Africa has again focused world attention on the problem of food shortages in Sub-Saharan Africa. Since the Sahel drought of 1968-1973, many international organizations and national governments have initiated programs and policies to help ensure against food shortages. Yet problems persist.

While drought is a major cause of African food crisis, the roots of the problem go much deeper. Sub-Saharan Africa's food situation is almost always precarious. Food production has grown only slowly over the last decade, averaging about 1.9 percent per year and only 0.8 percent in 1982, while population has increased by nearly 3 percent a year. Most African countries already have per capita calorie consumption levels below the minimum standards of the United Nations Food and Agricultural Organization (FAO). Hence, there is little margin for human error or natural disaster. Yet both occur regularly.

Relative Variability of Rainfall in Sub-Saharan Africa



Source O Ojo The Climates of West Africa, (Heinemann)(1977)

In many African countries, rainfall is highly variable and the variation greatly influences crop yields. This is especially true in arid areas such as the Sahel, portions of the Horn of Africa, and eastern and southern Africa. We analyzed the association between variable rainfall and crop yields for primary food crops in selected African countries between 1966 and 1981 (see accompanying table).

Variability is not a major problem in the high rainfall regions of coastal west and equatorial Africa, as the low coefficient of variance (CV)[1] for rice in the Ivory Coast (.06) shows. However, the situation is much different in the Sahel, where the CV ranges between .21 and .27, and

Mean yields and yield variability for Sub-Saharan food production, 1966-81

Country	Commodity	Mean yield 1966-1981, tons/ha	Coeffiecient of variability
Ivory Coast	Rice	1.16	.06
Niger	Rice	1.11	.25
Senegal	Rice	1.22	.21
Mali	Rice	.66	.27
Ivory Coast	Corn	.61	.09
Tanzania	Corn	.80	.16
Republic of South Africa	Corn	1.76	.20
Ethiopia	Corn	1.12	.19
United States (total)	Corn	2.25	.08
South Dakota	Corn	1.29	.23

[1]The coefficient of variance (CV) is the standard deviation of a population divided by the mean of the population. The higher the value of the CV the greater the variability. As the CV is a relative measure it may be used to compare the variability of crops between countries. To remove the influence of long-term secular trends in yields due to improved varieties or cultivation methods, observations were regressed as a function of time; the residuals of the trend are the observations used in the analysis.

weather-related food emergencies are common. Eastern and southern Africa show somewhat less variability, with CV's between .16 and .20.

The CV for Ethiopian corn (.19) certainly underestimates the yield variability of the drought and famine-prone Tigre, Wollo, and Eritrea provinces. Because yield is reported on a national level, the CV's may obscure the high yield variability that characterizes regions within nations; the disparity between the variability of South Dakota and the United States is included to illustrate this problem. Large variations in yield often strain African marketing systems and make it hard for governments to provide food for key urban areas.

The table below shows how often large yield fluctuations occur. In the Ivory Coast, yield never fluctuated more than 25 percent, in contrast to Senegal, where rice yields varied more than 50 percent half the time. South African corn shows the greatest volatility, with yields fluctuating more than 25 per cent nearly half the time.

Distribution of the absolute value of year-to-year changes in yield of primary food crops, Sub-Sahara, 1966-1981

Country	Commodity	0%-10%	10%-25%	25%-50%	50%+
Ivory Coast[1]	Rice	.73	.27	0	0
Niger	Rice	.40	.20	.33	.07
Senegal	Rice	.20	.13	.20	.47
Mali	Rice	.33	.40	.20	.07
Ivory Coast	Corn	.60	.40	0	0
Tanzania	Corn	.60	.33	.07	0
Republic of South Africa	Corn	.13	.40	.34	.13
Ethiopia	Corn	.67	.13	.13	.07
United States (total)	Corn	.46	.54	0	0
South Dakota	Corn	.07	.53	.33	.07

[1] I.e., during the period 1966-1981 the absolute value of the year to year percentage change in yield was less than 10% for 11 of the 15 observations, or 73 percent of the time, and in 4 cases (27 percent), the change was between 10% and 25%.

Although most food in Sub-Saharan Africa is produced under rainfed conditions, few countries have developed the capacity to deal internally with production fluctuations. Severe foreign exchange constraints also limit the ability to import to cover shortfalls.[2] Government officials have frequently neglected the agricultural sector, often tailoring policies toward subsidizing food for politically important urban consumers rather than stimulating increased production. In addition, agricultural price policy, marketing practices, trade policy, and foreign exchange policy have often been inconsistent, making it difficult to cope with changing conditions. Weaknesses in food production policy have been compounded by warfare, and political instability, which have reduced food production in many countries and generated flows of refugees. In addition, experience with food crises shows that logistical problems often limit the volume of external food that can be distributed, especially when the hungry people are in remote rural areas. Major studies by USDA, the World Bank, the FAO, and the International Food Policy Research Institute are unanimous in their conclusions: without significant changes in the productivity of African agriculture, and better policies and planning capable of providing incentives for greater productivity, there will continue to be increasingly serious food emergencies over the next decade.[3] (David W. Skully)

[2] A. Sen, *Poverty and Famine: An Essay on Entitlement and Deprivation* (1981).

[3] For example, S. Reutlinger, et al., *Food Security in Food Deficit Countries*. World Bank Staff Working Paper No. 393 (1980); A. Valdez, ed., *Food Security for Developing Countries* Westview, Boulder Co. (1981); USDA, *Food Problems and Prospects in Sub-Saharan Africa: The Decade of the 1980's*, ERS, FAER 166, (1981); World Bank, *Accelerated Development in Sub-Saharan Africa*, Washington D.C., (1981).

WEST AFRICA

The Sahel[1]

Serious Problems Facing Region

Agriculture dominates the economy of most of the Sahelian countries. Since agricultural production is highly vulnerable to the changes in the volume and timing of rainfall, annual crop output often fluctuates throughout the region. This, in turn, influences GDP growth, export earnings, the import bill, and the governments' general budgetary situation.

GDP rose in 1982, reflecting strong 1981 agricultural output in most countries. From 1981 to 1982, real GDP was estimated to have risen by 10 percent in Senegal (compared to .04 percent the previous year), and by 4.5 percent in Mali (compared to a 2.4-percent fall in 1981). The Gambia and Mauritania also showed positive growth rates—9.7 and 4.0 percent, respectively—although these were down from the previous year. Other economic indicators, however, point to the complex and serious problems facing the region. The balance of trade remains negative in all the countries, and current account deficits range from about 14 percent of GDP in Niger to about 38 percent in Mauritania. High import prices, coupled with lower world prices for many of the Sahelian countries' primary commodity exports, caused the terms of trade to deteriorate further. The sharp downturn in the world price of peanuts has particularly hurt the Gambia and Senegal. Declining world prices for uranium and iron ore seriously dampened the economies of Niger and Mauritania, respectively.

The debt burden limits government investment and compounds the region's financial problems. Mauritania in particular remains in a difficult position, with outstanding external debt in 1982 estimated at 163 percent of GDP, and a debt-service ratio of 25 percent. Debt payments are expected to peak in 1983 and 1986 because of

[1] The Sahel region includes Cape Verde, Chad, The Gambia, Mali, Mauritania, Niger, Senegal, and Upper Volta. The Confederation of Senegambia has been officially launched, but both countries are treated separately in this report.

balloon amortizations. Senegal's debt-service ratio dropped from 20.3 percent in 1982 to 14.4 percent in 1982, but it is expected to rise sharply over the next few years because of earlier rescheduling. At the end of 1982, Niger's estimated disbursed foreign debt was $880 million, with the debt-service ratio reaching an estimated 39.2 percent because of loans with shorter terms and higher interest.

Coarse Grain Output Lower

After showing significant increases in 1981, agricultural production in most of the region remained steady or declined in 1982. Localized drought and insect damage lowered coarse grain output in many countries. Senegal's millet and sorghum output dropped by over 20 percent to 585,000 tons, due to insufficient rains in the northern part of the country. The Gambia was one of the few countries whose agricultural sector showed some growth. In Mauritania—already a food-deficit country—production declined by more than 75 percent from 1981's high level. Most of eastern and central Mali was affected by drought, causing a 60,000-ton drop in coarse grain production. Chad's food situation continues to be precarious. The 1982/83 crop was affected by drought, particularly in the north, and transportation from the crop-growing regions in the south remains difficult because of civil disturbance and the onset of the rainy season. In Niger, late rains delayed the harvest in most areas and the Government sought food aid and commercial food imports to offset the anticipated deficit. At present, however, because the official marketing agency bought aggressively and some food imports arrived late, the Government is faced with a surplus of grain and a lack of storage capacity. Emergency food aid has been requested by Chad, Mali, and Mauritania.

Rice continues to be a preferred cereal in urban areas, and most countries are promoting rice production with investment in both traditional and modern irrigation schemes. Rice output increased only slightly in 1982. Because of urbanization, most countries will continue to have significant deficits.

Peanuts and cotton are the principal cash crops of the Sahelian countries, and many depend on these exports for the bulk of their foreign exchange earnings. Output and exports of peanuts increased in both Senegal and the Gambia this year, but a sharp downturn in the world price of this commodity is expected to lower foreign exchange earnings. In the Gambia, for example, even though export volume is estimated to be some 18,000 tons higher than in 1981, export earnings are likely to be only three-fourths of last year's level. The drop will have a serious impact on the Gambian economy. Cotton output and exports are estimated to have declined in Mali as farmers shifted more acreage into cereals. In Niger, both cotton and peanut output have continued to decline, because of disease and low producer prices. Cowpeas have become an important food and cash crop in Niger because of their relative insensitivity to variations in rainfall and their short growing season. Farmers also appear to be responding to the high free-market price.

For many of the Sahelian countries, livestock exports are also an important source of foreign exchange earnings. In Mali and Upper Volta, these exports contributed up to 30 percent of the total export earnings. The livestock population has recovered from the drought devastation of the 1970's. Livestock sector projects aim at raising productivity, disseminating information on improved breeding practices, and increasing sanitation and veterinary services.

Countries Pursue Structural Adjustment

Providing incentives for farmers has been a concern of Sahelian governments, in theory if not in fact, for at least the last few years. Recently, this has been translated into actual policy adjustments. Both the World Bank and the International Monetary Fund (IMF) have played important roles in promoting structural adjustment.

In almost all the countries, prices received by farmers are now significantly higher and are announced prior to planting time. In some cases, this has meant a shift among crops rather than an overall increase in area or production. In Niger, over crop years 1981/82 and 1982/83, producer prices for millet were increased by 100 percent, and those for rice and unshelled peanuts by 54 and 80 percent, respectively. In Mali, producer prices were also increased, and there has been substantial reorganization of the cereals marketing system, lessening the control of the state. Licensed private traders are free to buy and sell on the open market, while the official marketing agency's role has been reduced to acting as a price stabilizer and providing for institutions such as hospitals and the army. Retail prices have also increased throughout the region.

Sahelian governments are changing policies on fertilizer pricing and distribution. In both the Gambia and Senegal, fertilizer prices have been raised; subsidies have been lowered and are eventually to be phased out. In Senegal, prices are being differentiated among various types of fertilizers to reflect cost differences.

Prices received for cash crops also have been rising as Sahelian governments attempt to increase output and exports. In Senegal, as part of reforms required under an IMF standby agreement, export subsidies are being used to promote nontraditional agricultural exports for which the country has excess production capacity. The subsidy rate will be increased from 10 to 15 percent. In Niger, with foreign exchange earnings from uranium exports declining, there is need to increase earnings from agricultural exports. Cowpeas and peanuts, both potential export earners, are sold primarily through private channels and thus revenues do not accrue to the Government.

Concessional Food Aid Important

As a proportion of the region's imports, foodstuffs range from about 10 percent in Niger (1982) to 50 percent in Cape Verde (1978). Foodstuffs are imported both commercially and as aid, with the mix depending on a country's financial and agricultural situation. In 1982, more than 50 percent of the cereal imports of Cape Verde, Chad, and Mauritania were aid. Rice and wheat consumption continues to grow, particularly in urban areas. In many countries, the official retail prices of these commodities are kept artificially low, although there have been efforts to readjust prices to make them reflect market value. Domestic production of these commodities, especially wheat, cannot keep pace with demand, necessitating increasing imports. Senegal is the largest rice importer of the region, taking over 350,000 tons in 1982, the bulk commercially imported.

The major agricultural exports of the Sahelian countries are peanuts, cotton, and livestock. World prices for these commodities have been declining, thus contributing to deteriorating terms of trade. The world price for peanuts declined by 44 percent between 1981 and 1983, while cotton prices dropped by 14 percent. The value of Mali's exports in 1982 reached an estimated $132 million, with cotton and livestock representing about 80 percent of that total, down from 86 percent in 1980. Fish and fish products are becoming important sources of foreign exchange in both Mauritania and Senegal. In the latter, fish export earnings now surpass those from peanuts. Livestock exports contribute about 20 percent to Niger's total exports, but recorded cotton and peanut exports have dropped to almost nothing. Varying amounts of peanuts and cowpeas are part of the substantial unrecorded trade across the border with Nigeria.

The major trading partners of this region are EC, mainly France, and other African countries. U.S. agricultural exports to the region fluctuate but remain fairly small. They are concentrated in sorghum (Chad, Mali, and Niger), dairy products (the Gambia, Mauritania, and Upper Volta), and some rice (Senegal and Mauritania). The United States is an important food aid donor, providing about 82,900 tons of cereals in 1982 through government-to-government programs and voluntary relief agencies. Emergency food aid is currently being provided to Chad, Mali, and Mauritania. (Nadine R. Horenstein)

Cameroon

Economic Performance Good

Cameroon's strong economic growth, political stability, and natural resources give it enviable potential for future economic development and have made it an increasingly attractive import market for capital and consumer goods. The rapid increase in oil production and exports since 1978 have led to GDP real growth of 6 to 8 percent annually since 1976/77. Oil output increased by 40 percent between 1981 and 1982, to 120,000 barrels per day (bpd), and it is expected to increase to 200,000 bpd by 1985. Oil revenue likely was close to $800 million in 1982. While small by international standards, this amount was equivalent to 65 percent of the 1981/82 Government budget in this country of 9 million people. The increasing volume of petroleum exports should offset the decline in world oil prices and boost 1983 oil earnings to over $900 million.

Cameroon has conservative economic policies and development plans. These have helped shield its economy from the disruptions now being experienced by other African countries that financially overcommitted themselves during the commodity and oil price booms of the 1970's. Inflation has been officially estimated at 11-12 percent annually. Cameroon's debt-service ratio, 11 percent in 1982, is low by African standards, although investment outlays for development are beginning to increase commercial borrowing abroad. The debt-service ratio is expected to rise to 14 percent by 1985—still a modest level—but to decrease thereafter. Cameroon's economic policies, which include longstanding support of the private sector, are being continued by the new president, Paul Biya.

Production Rose in 1982

The strong performance of Cameroon's economy has masked the relatively slow growth in its agricultural output, and agriculture's declining share of GDP. Ninety percent of agricultural output is from small farms that use traditional methods of cultivation. Two-thirds of all farm area is devoted to food crops. However, the small-farm sector received only about 10 percent of total agricultural investment during the latter 1970's. Export crops, particularly coffee and cocoa, have received the lion's share of Government investment in agriculture, in the form of rising producer prices and subsidized inputs. These efforts have not appreciably increased production of coffee and cocoa. Ageing plantations, migration of youth to the cities, increased plant disease, and unreliable delivery of inputs have all contributed to the mediocre performance of cash crop production.

Still, favorable weather in 1982 and timely delivery of inputs contributed to a 9-percent increase in the value of total agricultural output from the disappointing 1981 level. Most of this increase was accounted for by a 37-percent rise in coffee output, following a sharp production decline in 1981. Cocoa production increased 3 percent, while that of cotton, the third leading agricultural export, increased slightly.

Rice production increased to 52,000 tons, reflecting the Government's intense, though troubled, efforts to increase output and meet rapidly rising consumer demand. Millet production increased 14 percent and corn output improved slightly to 430,000 tons. The outlook for agricultural production in 1983/84 is poor, because drought early in the season delayed plantings.

Cameroon continues to be broadly self-sufficient in food production. It imports about 20 percent of its food requirements but has sizable border trade with neighboring countries in rice and fresh produce. Food imports, which account for about 5 percent of total imports, are not very diverse, consisting mainly of wheat, rice, dairy products, alcohol, malt, and tobacco products. Meat and fish imports, particularly tinned sardines, are beginning to boom.

Cameroon is the United States' third most important trading partner in Sub-Saharan Africa, largely because the United States is the leading market for Cameroonian petroleum. U.S. imports from Cameroon totaled $789.5 million in 1982, 90 percent petroleum. Imports of coffee reached $31 million, making it the second leading Cameroonian export to the U.S. U.S. agricultural exports to Cameroon came to $19.2 million in 1982, mainly feed grains, tobacco, and inedible tallow. France remains Cameroon's major trading partner, accounting for up to half of Cameroon's agricultural imports. However, imports of rice from Thailand and Pakistan are increasing.

High Priority Given Agriculture

Cameroon's Fifth Development Plan (1981-86) has assigned high priority to developing the agricultural sector, increasing its share in national investment to 24 percent from 14 percent in the previous plan. To increase production of both export and food crops, raise rural incomes, and improve the quality of rural life, the Government plans to invest over $7 billion in agriculture by 1986. Producer prices for cash crops were increased again in 1983, following steady increases since the mid-1970's. (Mary E. Burfisher)

Ghana

Economic Situation Deteriorates Further

Ghana's per capita GNP declined at an average annual rate of 3 percent during the 1970's. Per capita income, estimated at $400 in 1979, is now well below that amount. Major contributing factors have been a smaller cocoa crop in each of the last 4 years, declining industrial activity, and distortions in international financial transactions caused by an overvalued currency. The 1982/83 cocoa harvest of 190,000 tons was the smallest since the early 1940's. In addition to declining production, Ghana also faced declining world prices. Earnings from cocoa exports in 1982 were $340 million—less than half of the $800 million earned in 1980. Cocoa prices on the New York market averaged 74 cents a pound in 1982, compared with $1.14 in 1980. As cocoa exports have fallen, so have total export earnings, since cocoa contributes over half of the total. Because of the severe foreign exchange shortages, the Government was forced to curtail imports sharply. Shortages of spare parts and raw materials forced most industries to operate at less than 20 percent of capacity. The overvalued currency encouraged foreign exchange transactions outside official channels and made importing very profitable while discouraging exports.

In addition to these long-run problems, two recent developments have shaken the Ghanaian economy. In January, the Government of Nigeria expelled all aliens living illegally in that country. As many as 1 million Ghanaians returned—almost 10 percent of the country 's total population. This put a severe strain on Gł na's food supplies when the lean season was just beginning, and food stocks were very low because of a poor 1982 harvest and reduced imports. An unusually harsh dry season in late 1982 and early 1983 will contribute to reduced food availabilities during the next few months.

Ghana Hopes IMF Loan Will Help Recovery

After reaching agreement in principle with the IMF for a $220 million standby credit, the Government of Ghana introduced a complex system of import surcharges and export incentives. These were part of a budget aimed at stabilizing the country's chronic balance-of-payments deficit without resorting to devaluation. Exporters who surrender their foreign exchange earnings to authorized banks will receive a bonus in cedis (the Ghanaian currency) amounting to 7.5 times the value of their receipts. This bonus applies to cocoa beans, other agricultural products, and minerals. Export earnings from manufactured goods, receipts from tourism, and direct foreign exchange transfers will receive bonuses equivalent to 9.9 times the face value of foreign exchange surrender.

Essential imports such as crude oil, raw materials, agricultural inputs, and some food items will have to pay a surcharge 7.5 times the value of the transaction, while other imports will be taxed at a rate 9.9 times their face value. The import program proposes expenditures of $1.1 billion while earnings from exports are projected at $550 million. The Government estimates a balance-of-payments deficit of $740 million. The system of bonuses and surcharges is meant to tax users of foreign exchange in order to finance bonuses for earners of foreign exchange, and also to stimulate productive sectors of the economy. These budget measures have been submitted to the IMF to see if they meet its requirements. The Government expects to qualify for an additional $110 million compensatory financing facility because of the slump in world cocoa prices.

Downtrend in Agriculture Continues

Indices of per capita agricultural and food production fell in 1982 to only 65 percent of the 1969-71 base period level, down 7 percent from 1981. These numbers underestimate food availability from domestic supplies, since cocoa beans are included in the food index even though most are exported. Without cocoa, the 1982 index of food production is above the level of the base period; however, per capita availabilities are still less than during 1969-71.

The 1982 grain harvest was poor because of lack of incentives for farmers, input shortages, and a late start of the rainy season. Production of corn—the most important grain—was down 8 percent to 300,000 tons, and neither of the two main growing areas—Brong-Ahafo and the Upper region—produced its normal surplus. Area was down and many farmers planted only enough for their own consumption. Lack of consumer goods was also a disincentive to farmers. In some cases the Government attempted to enforce price controls for corn and other food items. The quantity of grain available for sale in urban areas has fallen, and continued deterioration of trucks and roads makes it increasingly difficult to distribute what rural surplus is available. Many urban residents have apparently developed ways of obtaining minimal quantities of grain outside of normal marketing channels. They are returning to their villages to farm part time and are planting previously uncultivated land in and around the cities.

Grain Import Needs Up 75 Percent

The FAO estimates that Ghana's grain imports were 200,000 tons in 1982—120,000 tons of wheat, 40,000 of rice, and 40,000 of corn. Canada has been a major supplier of wheat, shipping about 50,000 tons annually in recent years. The United States supplied 56,000 tons of wheat in 1981, but only 6,000 in 1982. The United States is a major supplier of Ghana's rice, shipping 17,000 tons in 1982. While the United States exported only 10,000 tons of corn to Ghana in 1982, 1983 shipments are likely to be double that level because of a P.L. 480 program which has already supplied 18,000 tons in early 1983. Most U.S. agricultural exports to Ghana are concessional.

Ghana's 1983 grain import needs are expected to increase to 350,000 tons because of the Ghanaians who returned from Nigeria. Even though annual crops were not damaged by the harsh dry season, those crops which have a 1- to 2-year growing cycle, such as plantains and cassava, will produce much less than normal this year. Food shortages are expected to be unusually severe during the next few months. The World Food Program (WFP) and other international organizations are currently supplying emergency food aid to Ghana.

The outlook for cocoa production is unfavorable this year because a 67-percent increase in the producer price is not likely to offset the negative effects of the drought and fires which damaged many of the trees. Export earnings, however, are not likely to decline, since the world price of cocoa has risen to over a $1 a pound. (Margaret B. Missiaen)

Ivory Coast

Economic Growth Lags

The Ivory Coast is experiencing its first major recession since independence. Real GDP growth, which averaged 6.7 percent per year during the last decade, has stagnated during the past 2 years, and only a moderate recovery is expected this year. Per capita income is declining sharply in the face of a population growth rate estimated as high as 5 percent per annum. The major recessionary factors are sluggish export growth associated with weak prices for agricultural exports, and cutbacks in public investment. These cutbacks are an attempt not only to contain balance-of-payments and budgetary deficits but also to meet existing debt-service commitments. Current economic policy is centered on a 3-year stabilization and structural adjustment program. The program was introduced in 1981 with the support of both a $580-million IMF extended facility and a $150-million World Bank structural adjustment loan.

The growth of oil production has been slower than forecast, but the country is now producing about 30,000 barrels a day, enough to meet its own needs. However, the refinery cannot use local oil exclusively and must import to provide the right blend to suit its installations. Petroleum imports will also be needed to use refining capacity, which is being expanded to 80,000 barrels a day. This will allow a substantial expansion of exports of petroleum products, mainly to Mali and Upper Volta.

Agricultural Output Declines Again

Unfavorable weather reduced the 1982 harvests and worsened the prospects for 1983. The main cash crops—coffee and cocoa—were damaged by drought and erratic rainfall. The per capita agricultural production index fell by 6 percent to 108 in 1982 (1969-71=100), the lowest level since 1977. However, this was still well above the indices for most other African countries. Coffee production, which reached a record 365,000 tons in 1980, has fallen 38 percent to 225,000 tons. A reduced harvest was expected in 1981 because it was an off-year in the production cycle, but the lower 1982 harvest was caused by inadequate rainfall. For cocoa, the record harvest in 1981 was followed by a decline of almost 20 percent, to 370,000 tons in 1982. World prices for both coffee and cocoa have recovered somewhat from the lows reached in 1981 and 1982, respectively. These price increases, however, have not been enough to offset the production declines.

The 1982 grain harvest declined slightly from the previous year. Lower rice and sorghum production more than offset the small increases in corn and millet output. Rice is the principal grain grown in the country and is becoming the major staple in the diet of the urban Ivorian population. However, area and production have both declined from the peak of 1979.

Ivory Coast: Paddy rice, area, production, and yield

	Area	Production	Yield
	1,000 ha	*1,000 tons*	*Kg./ha*
1979	448	534	1,192
1980	461	511	1,108
1981	452	450	996
1982	425 est.	425	1,000

A policy aimed at self-sufficiency in rice led to the establishment in the early 1970's of a state enterprise, SODERIZ, to encourage production and provide marketing channels. In 1977 SODERIZ was abolished. Since then effective marketing of domestic rice production has broken down, and imports have increased rapidly. Production of other staple foods, root crops, and plantains, however, increased by 4 percent to 5.3 million tons in 1982.

Agricultural Products Dominate Trade

Coffee and cocoa have averaged more than 50 percent of the value of total exports in spite of low world prices in recent years. Earnings from coffee and cocoa exports have fallen dramatically during the last 3 years, from $1.4 billion in 1980 to $940 million in 1982. Low world prices and devaluation of the French franc have contributed to this drop. The volume of cocoa exports peaked at 438,000 tons in 1981 and then plunged to about 250,000 tons in 1982. Because of quotas imposed by the International Coffee Organization (ICO), the volume of coffee exports has remained fairly constant in recent years at about 230,000 tons. Other agricultural exports are cocoa butter and paste, pineapples, oil palm products, and cotton lint.

Ivory Coast: Selected agricultural exports

	1981		1982[1]	
	1,000 tons	*Million dollars*	*1,000 tons*	*Million dollars*
Cocoa beans	438	735	250	450
Coffee, green	231	446	230	490
Cocoa butter and paste	54	121	52	112
Cotton lint	39	66	35	50
Pineapple, fresh and canned	170	73	110	42

[1]Estimate

The Ivory Coast's major agricultural imports are grains and dairy products. Rice imports in 1982 amounted to 363,000 tons, up almost 20 percent from 1981. Thailand and Burma, with 128,000 tons and 73,000 tons respectively, were the major suppliers.

Debt-Service Costs Increasing

The Ivorian balance of payments is characterized by deficits on the current account and surpluses on the capital account. While cocoa and coffee receipts were riding high in the seventies boom years, this imbalance could be handled, since there was enough foreign exchange to service the foreign investments. Since 1979, however, net capital inflows have not increased enough to finance expanding current account deficits, and the overall balance has been negative for the last 4 years. Even though the trade balance remains positive—exports of $2.4 billion versus imports of $2.3 billion in 1982—transfers and expenditures on services give a current account balance of minus $1.2 billion. Interest and principal payments on the international debt now amount to more than 30 percent of export receipts, up from 14 percent in 1978. The devaluation of the French franc has increased the cost of the 43 percent of the debt which is in U.S. dollars. Foreign exchange holdings are down to $2 million.

Outlook Improves

The effects of the early 1983 drought and the fires that damaged many of the Ivory Coast's agricultural areas will not be as serious as first anticipated. Even though the wet season began a few weeks late, rainfall has been plentiful since April and annual crops are off to a good start. The damage to the 1983/84 coffee and cocoa crops is more difficult to assess. The brush fires caused less destruction to coffee than to cocoa. The 1983/84 coffee crop is expected to be about the same as this year's. Under normal circumstances, some increase would have been expected as new trees began bearing. But damage to cocoa trees was concentrated in new plantings. The result is that as old cocoa plot productivity decreases, the damage to the younger trees will be felt. Medium-term productivity losses could range up to 20 percent. Lower cocoa crops throughout West Africa caused world cocoa prices to rise from 70 cents a pound in December to 98 cents a pound at the end of May. This increase will help offset the lower volume of cocoa exports this year.

The Ivory Coast's food imports are expected to increase significantly this year. Domestic food availability will be lower because drought reduced the cassava and plantain crops. Increased rice and wheat imports will be necessary to avoid food shortages. Rice imports could be as high as 400,000 tons, while wheat imports are expected to surpass 300,000. Pakistan and Thailand will be the major rice suppliers, while wheat will come from the EC. As a result, U.S. sales of agricultural products are not expected to increase. (Margaret B. Missiaen)

Liberia

Budget Problems Persist

The current military Government celebrated its third year in office this April. Liberia's economic condition has not appreciably improved during this period, nor has it markedly deteriorated, thanks in part to adherence to the IMF's policy recommendations. Sluggish world demand for both rubber and iron ore, Liberia's major exports, has played havoc with foreign exchange earnings, destabilizing the Government's financial position. A trade deficit, the first in some years, and balance-of-payments problems, along with a huge debt accumulated by the previous Government, have prompted the Government to reduce its budget and made continued foreign economic assistance necessary. Economic assistance from the United States has totaled over $75 million since the new Government took control, and further U.S. economic and military assistance is expected this year.

Conditions for the IMF's standby arrangement (totaling $60 million) have brought some measure of financial stability. The Government's spending for salaries has been reduced by 20 percent; salaries for military and government workers were raised by over 160 percent soon after the new Government took control. The Government has also met its scheduled debt payments. Much of the uncertainty apparent in the business community last year has dissipated, but many businesses have found it difficult to finance their imports because of restrictions imposed on banks.

The climate for economic growth and investment continues to be poor. GDP dropped in 1981 by 5 percent and likely fell by at least that in 1982. Per capita GDP declined even more sharply, as population continues to grow at around 3 percent annually. Inflation was estimated at 10 percent in 1981 and higher in 1982. In 1982, a U.S. Presidential Task Force—part of the Cancun Initiative—visited the country to investigate possibilities for private U.S. investment, particularly in the agricultural sector. Investments have yet to be made, but the Government remains hopeful and maintains its policy of open foreign investment.

Agriculture Shows No Improvement

Recently, efforts have been made to increase investment in the agricultural sector. Some of the large commercial rice farms that provided a good portion of the locally marketed rice during the Tolbert years have stopped producing. The Government is trying to revitalize one of them, but has had little success so far. Despite efforts to improve rice output in bottomlands, estimates show a decline in national rice production. Imports are necessary to satisfy urban demand. Efforts to increase investment in and production of coffee and cocoa are underway as well, and the Government reports that area planted to each has increased. However, these plantings will not make any change in production for several years.

Trade Deficit Appears

Total Liberian exports fell from $600.4 million in 1980 to $531.4 million in 1981 and appear to have fallen again in 1982. Imports fell from $533 million in 1980 to $477.4 million in 1981. Preliminary trade data indicate that a trade deficit occurred in 1982, and another deficit is likely in 1983. Coffee exports fell in 1981 but rebounded in 1982. Now, with a higher quota as set by International Coffee Agreement and an increase in world price, earnings are expected to rise. In 1982, cocoa exports were up with slightly improved prices and shipments. They are expected to be about the same this year. As the largest supplier, the United States provides 27.1 percent of Liberia's imports and takes 13.8 percent of its exports—principally rubber and iron ore.

U.S. Trade Declines

In 1982, U.S. agricultural exports to Liberia declined from $43.6 million to $35.9 million, with decreases in all products. Rice remains the leading U.S. export at $29 million, and 45,000 tons of the 84,000 tons shipped were part of a P.L. 480 program. Imports of U.S. rice should continue at this level in 1983.

U.S. agricultural imports from Liberia declined by almost 50 percent to $38 million, the drop brought on principally by lower rubber purchases. This in turn has forced a reduction in rubber output from 76,000 tons to 65,000. Usually the United States takes well over 60 percent of rubber exports.

Agricultural Investment Funds Tight

The 4-year, $615-million development plan enacted last year allocated $203 million to agriculture. Among the programs undertaken, expenditures for coffee and cocoa are the only ones which have shown results. It is hoped that production improvements will decrease the country's dependence on exports of rubber and iron ore. Of this year's $110-million development budget, the Government's contribution has declined from 69 to 52 percent. Foreign donors have been asked to make up the remainder, as recurrent expenditures take up most of the Government's allocation. For the time being, the economy appears stable. But, until the world economy improves, Liberia's economic position will likely not improve much. (Michael A. Cullen)

Nigeria

Economy Slows As Petroleum Earnings Drop

Nigeria's GDP declined more than 10 percent in 1982. The world oil glut has severely hurt Nigeria, which earns 94 percent of its foreign exchange from petroleum exports. The country's oil production fell only 10 percent from 1981 to 1982, to 1.3 million barrels per day, but earnings plunged almost 25 percent. The average price declined by $3.40 to $35.13 a barrel, dropping export earnings from $17 billion to $14 billion. An even larger decrease in export earnings in 1981 was offset by drawing down $6.5 billion in foreign exchange reserves. Reserves continued to fall during first-quarter 1982, reducing foreign exchange holdings to $800 million—less than 1 month of imports. In April 1982, the Government introduced an austerity program aimed at bringing imports in line with the lower level of exports. The immediate goal was to reduce imports from an annual rate of more than $20 billion to $16 billion. The measures, which included tariffs and import licensing requirements, also saw a freeze on new capital projects. The approval for import licenses was limited to $1.3 billion a month, and trade in agricultural commodities was hurt by these austerity measures.

In January 1983, to help reduce the trade deficit, the Government expanded the list of items requiring import licenses. The deficit was estimated at more than $3 billion for 1982. The aim is to hold 1983 imports to $11 billion. Nigeria's 1983 oil revenue is unlikely to exceed $10 billion if average daily production is 1 million barrels and if the price established in February, $30 per barrel, holds for the rest of the year. Production, which fell to 675,000 barrels a day in February, rose to over 1 million in April. Nevertheless, lagging demand kept average production for the first 4 months of the year at only 900,000 barrels a day—well below Nigeria's OPEC quota of 1.3 million barrels. At the end of 1982, foreign exchange reserves stood at $1.6 billion.

1982 Grain Harvest Improved

Total grain production in 1982 was about 10 million tons, up 5 percent from 1981. The Government reported a record harvest for all major grains, including rice, corn, millet, and sorghum. This was due to adequate rains in the north, where most of the grain is grown, and increased area under irrigation by the River Basins Development Authorities. The good harvest, coupled with a continued high level of imports, led to record availabilities of more than 12 million tons in 1982.

Rice has been the success story of Nigerian agriculture. Production has doubled in the last 6 years and tripled in the last 11 years, reaching 1.4 million tons of paddy in 1982. However, demand has grown even faster, causing imports to rise dramatically.

Part of the reason for this increased production has been a minimum guaranteed producer price. While actual prices have been consistently above the support level, the latter has contributed to the expansion of output by reducing price uncertainty. Despite considerable inflationary pressure, the guaranteed price has been maintained in real terms; a 16-percent support price increase for paddy rice in 1982 compares favorably with the inflation rate of 17 percent. Nigeria's minimum price of $594 per ton of paddy for 1982/83 is among the highest in the world, and far above the average in other West African countries. In 1982, U.S. farmers received about $185 for each ton of rice produced. The 1982/83 price for milled rice in Nigeria remained at $885 per ton. In early 1983, retail prices for locally produced rice ranged from $1,100 to $1,200 per ton, while imported parboiled rice sold for about $1,850 a ton.

Nigeria: Rice availability, selected years

	Avg. 1972-74	Avg. 1977-79	1981	1982	1983
	1,000 tons				
Milled production[1]	320	456	725	775	915
Imports	6	481	663	651	600
Total availability	326	937	1,383	1,426	1,515
Per capita availability (kg.)	5.3	13.0	17.4	17.3	17.8

[1]Production added to imports of following year to arrive at calendar year availability.

Nigeria also harvested a record corn crop in 1982, with estimates as high as 2 million tons. This was in response to the mid-1982 introduction of the Special Maize Program, which raised the guaranteed price by more than 50 percent to $483 per ton. The Grains Board expected to purchase between 150,000 and 200,000 tons of corn during the 1982/83 season. Because of inadequate storage capacity, the board was forced to sell corn at $356 a ton to feed companies and absorb the loss of $127 per ton. Imported corn costs about $300 a ton.

Root crops—cassava, yams, and cocoyams—are the other staple foods in the diet of most Nigerians, especially in rural areas. Good crops of yams and cocoyams were harvested in 1982. Cassava production, however, has not recovered from losses from an infestation of mealybugs and green spider mites.

Agricultural Trade Deficit Continues

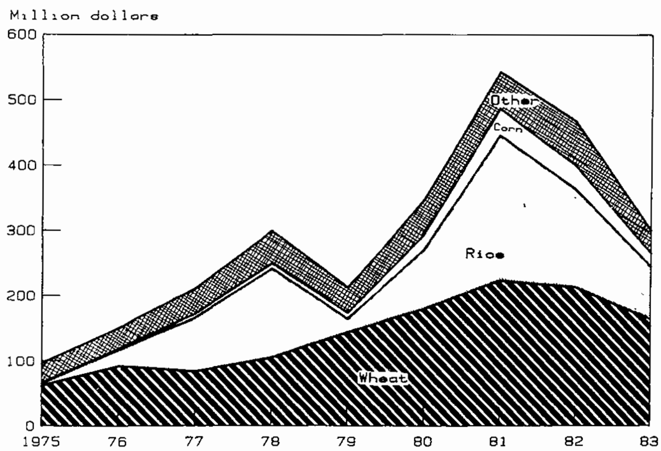
Nigeria's agricultural imports were estimated at $3 billion in 1982, slightly below the 1981 level. During the last 10 years, agricultural imports have increased at a compounded annual rate of 28 percent, about the same rate of increase as total imports. Agricultural items as a share of the total increased from 13 to 15 percent during the decade. Even though the value of food imports declined in 1982 because of lower prices, the volume remained about the same.

Imports of wheat, rice, and corn remained at 2.5 million tons, while the cost declined 22 percent to $525 million. A small increase in the volume of sugar imports was more than offset by a 25-percent drop in the price. A sharp jump in the volume of vegetable oil imports—from 260,000 tons in 1981 to 360,000 in 1982—resulted in only a 20-percent increase in the value.

Trade in agricultural commodities has been affected by the austerity measures. These restrictions are making for scarcities of many agricultural items—such as wheat flour, sugar, vegetable oil, and cotton—and are forcing up prices. The restrictions include a ban on a few imports, among them frozen poultry; the United States was the major supplier. Most agricultural items now require a license for import and a prior deposit of 50 percent for letters of credit of less than 180 days. Delays at each step of the clearance process have made it more cumbersome to obtain letters of credit and import licenses, and to process foreign exchange payments.

Nigeria's most valuable nonpetroleum export is cocoa. Export earnings from this crop fell below $200 million in 1981 because of a poor harvest and low world prices. There was some recovery in 1982, following increased output in 1981/82. However, the 1982/83 crop fell by about 10 percent. But, higher world prices should increase export earnings. Other agricultural exports are palm kernels and hides and skins.

U.S. Agricultural Exports to Nigeria,1975-83



U.S. agricultural exports to Nigeria have declined sharply because of import restrictions, lower prices, and increased competition from other suppliers. Exports fell from a record $544 million in 1981 to $468 million in 1982. They could be as low as $300 million in 1983.

However, the United States should be able to hold onto its share of Nigeria's wheat market, especially if credit guarantees can be arranged. In recent years, the United States has supplied 80-90 percent of Nigeria's wheat—mostly Hard Red Winter wheat. A change in suppliers would require the mills to convert to processing different types of wheat. Without credits from exporters, however, Nigeria's total wheat imports are likely to decline from 1.5 million tons in 1982 to 1.2 million tons in 1983. The United States will probably supply about 1 million of this.

The U.S. share of Nigeria's rice imports is likely to fall well below 1982's 50 percent. In spite of a preference for U.S. rice, Nigeria has been importing Thai rice, which is significantly cheaper and lower quality. U.S. 1983 sales could be less than half of the 1982 level of 343,000 tons.

Corn shipments to Nigeria are expected to drop sharply in the wake of the licensing requirement introduced in January 1983. The poultry industry may be forced to substitute local corn for imported even though the former is more expensive. If the Grains Board is to supply the local feed industry, storage capacity will have to be expanded significantly.

Outlook for 1983 Gloomy

Given the unfavorable outlook for the petroleum market, the Nigerian Government is trying to find a solution to its short-run economic problems. Politics is important in these decisions, since national elections are scheduled for August 1983. A presidential task force has been set up to study the import problem and has decided to lift the ban on imports of some raw materials. Manufacturers have cut back on production because of difficulties in getting import licenses and paying foreign suppliers of raw materials. With unemployment and prices rising, the task force must decide how to allocate foreign exchange expenditures to keep the domestic industry operating. The bans on imports of milk, sugar, and vegetable oil have been lifted.

Nigeria is now negotiating loans to help solve its short-term debt crisis. The country's long-term debt of about $10 billion is small compared with its exports. Arrears on the trade account amount to $3 to $5 billion. As a consequence, foreign banks have stopped confirming Nigerian letters of credit. Negotiators are now discussing debt rescheduling with the foreign banks. Terms are also being negotiated for a $3 billion IMF loan. This agreement will probably not be finalized until after the election. If petroleum production continues to increase as predicted, Nigeria's financial problems should become much more manageable. (Margaret B. Missiaen)

EAST AFRICA

Horn of Africa[1]

Stabilization Programs Effective

Economic conditions in the Horn of Africa were mixed in 1982. Ethiopia's GDP grew 1 percent in real terms to $4.56 billion, Somalia's 9 percent to $1.4 billion, and Djibouti's 3 percent to $389 million. A drought-induced decline in Ethiopian farm output contrasted with gains in Somalia's crop and livestock sectors. Both countries pursued economic stabilization programs under IMF advice. Ethiopia's tight monetary policy, wage controls, and reduction in gasoline subsidies kept the lid on deficits in the Government budget and the balance of payments. In Somalia, the 41-percent devaluation of the shilling, unification of the dual exchange rate, and increases in producer prices and interest rates had positive results. The Ogaden border war and the civil war in Eritrea continued. Large shares of government spending were devoted to the military in both Ethiopia and Somalia; Ethiopia's share was estimated at 10 percent. As a result of drought and war, there were over 1 million refugees and displaced persons in the Horn in 1982.

Ethiopia's trade deficit rose marginally to $260 million. Oil purchases pushed up imports, while coffee exports were off. An increase in foreign aid left a small balance-of-payments deficit, estimated at $10 million.

[1] The Horn includes Djibouti, Ethiopia, and Somalia.

Somalia's trade deficit grew slightly to $343 million, as expanded livestock and banana exports were outweighed by higher imports. With foreign aid and loans offsetting the trade deficit, the balance-of-payments deficit was $37 million. Djibouti had a balance-of-payments surplus because of increased transfer receipts and foreign exchange holdings.

Ethiopia's Crops Off, Somalia's Up

A drought in Ethiopia's northern provinces caused low harvests for the second consecutive year. Total cereal production was 4.02 million tons, down slightly from last year. Corn accounted for 1.1 million tons, teff for 900,000 tons, and barley, wheat, sorghum, and millet made up the remainder. Output of pulses was 492,000 tons, on trend for recent years but off 20 percent from levels in the mid-1970's. Production of green coffee, the main foreign exchange earner, was 191,000 tons, an average crop. Cultivated in the south, coffee was not affected by the dry weather. Official plans to increase coffee production have been thwarted by coffee berry disease and farmers' emphasis on staple food crops. In Somalia, adequate rainfall during both the main and secondary seasons allowed for increased crop output. Favorable weather and price policy changes led to a record 405,000 tons of cereals, up 6 percent from last year. Nearly half the crop was sorghum, with corn and rice making up the rest. Production of bananas, the main cash crop, was an estimated 84,000 tons, up about 40 percent from the previous year.

Ethiopia's livestock sector was hindered by insufficient pasture in 1982. In Somalia, herd sizes have recovered from the drought that reduced range capacity during several periods in the 1970's. In both countries, goats, sheep, and cattle are raised mainly by tribesmen migrating over rangelands.

Agricultural Policy Shifts

In Ethiopia, growth in the military budget constrained spending on the agricultural sector. The Agricultural Marketing Corporation continued to pay low prices to producers, despite the recommendations of financial advisors. Farmers had little incentive to sell to the Government, and avoided cultivating cash crops in favor of subsistence crops. There was a shift away from expanding the state farms, which still accounted for only 2 percent of the farm area and were less productive than expected. Instead, cooperative peasant farming was stressed. By 1982, over 25,000 peasant associations (PA's), with 7 million members, had been established. These were set up to redistribute land, establish credit cooperatives, build schools and clinics, and collect land fees and income taxes. Because of the disruptions caused by drought and war, it is still too early to determine what effect the PA's have had on the rural sector.

Somalia has liberalized its agricultural policies. Producer prices for bananas, corn, sorghum, and sesame were boosted considerably in 1981 and 1982. Banana prices were more than doubled, which created an immediate response among farmers in the irrigated sector. Farmers were no longer forced to sell produce to the Agricultural Development Corporation but could sell all that they wanted on the free market. The authorities reviewed the productivity of public enterprises involved with farm commodities, and may dismantle some of them.

Food Supplies Low in Ethiopia, Adequate in Somalia

Ethiopian food supplies were inadequate in 1982 due to below-trend harvests, low imports, population growth, lack of infrastructure for food distribution, and diversion of food aid to the army. In the northern highlands, people suffered from famine. Grain warehouses in Tigre and Eritrea were empty for much of the year, and teff shortages occurred in Addis Ababa. The problem of meeting the food needs of displaced persons continued as hundreds of thousands of Ethiopians fled from drought and military conflicts to other districts in the country and to neighboring states.

In Somalia, grain supplies were adequate because of increased crop output, expanded imports, and the return of a number of refugees to Ethiopia. The refugee population last year was about 550,000, down from 1 million in earlier years. Per capita grain availabilities were 137 kilograms in 1982, up 50 percent from the late 1970's. Striking gains have been made in Somalia's wheat availabilities because of large food aid receipts. Corn and rice supplies also expanded considerably. In Djibouti, imbalances in food distribution existed, although most of the 32,000 refugees received adequate supplies.

Wheat is Major Farm Import

Ethiopia's 1982 cereal imports were about 255,000 tons, falling below the 500,000 tons needed to maintain nutritionally adequate consumption. The foreign exchange shortage restricted imports. Wheat and flour purchases were 250,000 tons, mainly provided through food aid from Canada, the EC, Australia, and the World Food Program. The United States did not supply any grain, after having shipped some wheat and sorghum in 1981. Other food imports included 9,000 tons of dry milk (worth $10.4 million), 3,000 tons of butter and ghee ($5.9 million), and 1,000 tons of tea ($2.5 million). Farm purchases from the United States in 1982 dropped 70 percent to $3.5 million because of the decline in grain shipments.

Somalia's grain imports were 276,000 tons in 1982, lower than 1981 because of large carryover stocks. Purchases included 180,000 tons of wheat and flour, 71,000 of rice, and 25,000 of corn. The United States supplied 24,000 tons of wheat and flour under P.L. 480; the EC and Canada were the other wheat suppliers. Also under P.L. 480, 13,000 tons of corn were shipped, down from 102,000 the previous year. Rice was supplied by Thailand and the United States. Vegetable oil imports were 15,000 tons, valued at $10 million, mostly U.S. soybean oil under P.L. 480. In addition, $7 million of dried milk, $4 million of butter and ghee, and $4.5 million of tea were imported. U.S. farm sales to Somalia totaled $22 million, half those of 1981, because of the lower P.L. 480 corn allocation.

Ethiopia's farm exports, which have been slumping, were $310 million in 1982. Coffee export volume was off 5 percent to 84,000 tons, while the value was down 8 percent to $241 million. Weak world coffee demand and prices were partly responsible. In 1982, the United States purchased $95 million worth of Ethiopian green coffee. Because of low harvests and war-related distribution problems, other exports were also down. Exports of hides and skins were $30 million, live animals $5 million, pulses $13 million, and oilseed cake $4 million.

Somalia's agricultural exports expanded considerably to $153 million in 1982, with livestock sales comprising 75 percent. Livestock exports were up 24 percent over 1981, because of excellent pasture conditions, improved marketing and shipping, and incentives resulting from the devaluation. Underinvoicing of livestock exports continued because of the low minimum export price set by the Government. Kuwait and Saudi Arabia were the primary markets. Sales of bananas, the second major export, were $12 million, up 65 percent. Over 41,000 tons were shipped, with Italy the principal destination. Also exported were $8 million worth of hides and skins, $3 million of myrrh, and $3 million of fish and fish products.

Outlook Mixed

Because rainfall has been adequate in 1983, Ethiopia's farm output is forecast to expand while Somalia's production is expected to duplicate 1982's high levels. The recent corrective measures will lead to continued improvement in Somalia's economy, but the strains of two wars are likely to restrict growth in Ethiopia. U.S. grain sales to the region could increase if concessional terms are offered. (Susan Buchanan)

Kenya

Total Exports Increase Slightly

In 1982, Kenya's economy grew by about 4.5 percent, slightly above the 1979-81 average. During 1977-81, Kenya's terms of trade worsened regularly, but they improved slightly in 1982 as world coffee and tea prices rose. The volume of coffee exports increased in 1982, probably exceeding 100,000 tons for the first time.

Total exports increased slightly in 1982 to $1.1 billion; they had stagnated after the coffee boom in 1977. Imports declined slightly to $2.1 billion, leaving a $1.0-billion trade deficit, an improvement over 1980 and 1981. Ample corn deliveries in 1981 and 1982 reduced the use of foreign exchange to import food, but currently Government finances are again being strained by payments to farmers and by storage costs. Continued balance-of-payments pressure led to another devaluation in December 1982 by 15 percent, bringing the exchange rate to 12.90 Kenya shillings (ksh) per dollar, compared with the 1982 average of 10.92.

Increased Output Reduces Cereal Imports

Agricultural production increased 2.4 percent in 1982, reflecting a combination of generally good weather and increased producer prices for food. Two good corn and wheat crops in a row have resulted in a sharp reduction in Kenya's cereal imports, and in early 1983 Kenya resumed corn exports. Corn stocks could reach 615,000 tons during 1983, but exports are likely to reduce this relatively high level. Kenya's agricultural performance has been one of the best in Africa, and agricultural production increased an average of 4.5 percent between 1971 and 1982. However, per capita food production has just managed to keep up with Kenya's rapid population growth rate, and in some years (such as 1979 and 1980) growth in food production has been below population growth.

Kenya has recently emphasized increased food production, using higher producer prices to stimulate output. Producer corn prices have generally been above U.S. export prices (see accompanying table). The recent emphasis has resulted in land being shifted from some cash crops (such as sugar and cotton) into food crops. This shift, combined with recently unfavorable growing conditions for coffee and sugar, has led to reduced output. Between 1980 and 1982 the producer price of corn rose 42 percent, compared with 15 percent for cotton and 14 percent for sugar. Cotton and sugar area declined; cotton production fell 38 percent between 1980 and 1982, while sugar production fell 21 percent, reflecting not only price effects but also inadequate transportation and delayed payments to farmers. Domestic sugar consumption continued to rise, exports dropped, and 1982 consumption exceeded production by nearly 15,000 tons, prompting the Government to raise retail prices by 9.6 percent and producer prices by 33.5 percent in January 1983.

The table shows that Kenya's producer corn prices since 1977 have generally been above U.S. export corn prices, after being very low relative to U.S. prices in 1974.

Kenya's currency exchange rates, corn producer prices, and U.S. Gulf Port corn prices, 1965-1983

Years	Exchange rates	U.S. Gulf Port corn prices		Kenya's producer corn prices
	Ksh/U.S.$	*$/bu.*	*Ksh/bu.*	*Ksh/bu.*
1965-73	7.12	1.52	10.79	8.68
1974	7.14	3.36	23.99	11.29
1975	7.34	3.03	22.24	17.73
1976	8.37	2.85	23.85	19.46
1977	8.28	2.42	20.03	22.58
1978	7.73	2.56	19.79	22.58
1979	7.48	2.94	21.88	19.69
1980	7.42	3.19	23.67	25.40
1981	9.05	3.32	30.04	26.80
1982	10.92	2.75	30.04	36.69
1983	[1]12.90	[2]3.18	41.03	44.59

[1]February 1983. [2]March 1983

Sources: U.S. Agricultural attache Nairobi, ERS, FAO, and the IMF.

Coffee and Tea Exports Up

Coffee production declined about 11 percent in 1982 to 89,000 tons. Average export prices in 1981 were the lowest since 1975 and the value of coffee declined from 43.2 percent of domestic exports in 1977 to only 21.5 percent in 1981. In 1981, coffee growers were authorized to interplant coffee with beans as one means to gain self-sufficiency in food. Coffee production in the cooperative sector dropped. Quality also suffered. In early 1983, further interplanting was forbidden.

Coffee exports of 23,800 tons to nonquota markets brought coffee exports to nearly 102,000 tons and reduced stocks from about 60,000 tons on October 1, 1981 to about 45,000 tons on September 30, 1982.

After 2 years of no increase, tea production increased 5.5 percent in 1982, to a near-record 96,000 tons. Plantings under the smallholder tea development program rose. Exports increased slightly to 78,500 tons. Export market demand strengthened in late 1982 and prices rose. Tea export earnings had dropped from 17 percent of exports in 1978 to about 12 percent in 1980 and 1981.

Cashew nuts, pyrethrum natural insecticide, and sisal are export crops that faced weakening export prices in 1982. Producer prices for cashew nuts were increased 45 percent in 1981, and production increased by 60 percent in 1982, to 16,000 tons. But producer prices had to be reduced by 25 percent in 1982, as export prices fell. The 1983 harvest is expected to be about 11,000 tons. Sisal production has dropped since 1980, as export prices declined from $765 per ton to $575 per ton in early 1983.

Grain Output in 1983 To Drop

Total area planted to grain in 1983 is down. The grain harvest is also expected to drop from the relatively good 1982/83 corn, wheat, and rice crops, which totaled 2.6 million tons. Constraints on the 1983 crop include a slow start of the rainy season, delays in payments to farmers by the boards, bottlenecks in fertilizer delivery, restrictions on farm credit, shortages of fuel and spare parts, and reduced purchases of seed. In addition, inputs costs continue to increase rapidly.

It is anticipated that Kenya will retain an export position in corn in 1983 and possibly also in 1984, although domestic consumption is estimated to be growing at 4.6 percent a year. Wheat imports, mainly from the United States, could increase during 1983/84. Large imports of rice during 1982/83—including shipments from the United States, Thailand, and Japan totaling at least 80,000 tons—will add to large grain stocks and reduce 1983/84 import needs to 20,000 tons. Sugar production is expected to recover but increases may not keep up with consumption and exports will likely decline. Tea production should increase again but coffee output may not. Uncertainty about world coffee prices is expected to continue to restrain Kenya's economy during 1983.

In March 1983 the IMF approved a standby arrangement of up to Special Drawing Rights (SDR) 175.95 million to support Kenya's economic and financial adjustment program. One of the conditions was cuts in Government spending; in April 1983, many Government extension services and other activities were curtailed. (Lawrence Witucki)

Sudan

GDP Growth Led by Agriculture

Sudan's GDP in 1982 was $5.15 billion, reflecting a real growth rate of 7 percent. This unexpectedly strong performance resulted from record harvests in 1981/82, primarily cotton, and from an improvement in farm exports. Yet the manufacturing sector stagnated because of the dismantling of several public sector companies and deterioration in the capital stock. Agriculture and industry were both affected by the foreign exchange scarcity, which led to shortages of inputs, spare parts, and fuel. Gasoline was strictly rationed in 1982. A labor shortage, resulting from the loss of workers to Arab states, persisted. Other problems intensified—including the political conflict between the north and the south, military threats from neighboring states, and the inflow of refugees.

The Sudanese pound—at the official rate—was devalued 44 percent in November 1982. This stemmed the flow of remittances into the free currency market, through which "nonessential" goods were being imported in large quantities. Prior to the devaluation, consumer subsidies on bread, sugar, powdered milk, and pharmaceuticals were eliminated. However, afterwards, imported wheat, sugar, and milk were once again subsidized, since consumer prices were not increased to reflect the monetary change.

The trade deficit in 1982 was estimated at $1.34 billion, 5 percent below the year before. Increases in cotton and peanut exports outweighed the expansion in commodity imports. However, a substantial increase in debt repayments contributed to a doubling of the balance-of-payments deficit, which was $518 million in 1982. Sudan's external debt was estimated at $6.8 billion, a result of excessive borrowing in the late 1970's. Under an IMF stabilization program, the Government in 1982 rescheduled a portion of its commercial debt, owed to over 100 foreign banks.

Crop Performance Mixed

Significant gains in production of cotton on the large irrigated schemes—Gezira, Rahad, and New Halfa—have been achieved in the last 2 years. The 1982/83 crop is estimated at 200,000 tons of cotton lint, up 27 percent from the year before. Cost allocation changes and higher farm prices boosted output. The dry weather in 1982 ameliorated pest problems. Acreage increased, and yields reached the highest level since 1975.

Low summer precipitation hurt the sorghum, millet, and oilseeds crops. Heavy autumn rainfall was too late to reverse the damage. Sorghum output was 2.1 million tons, below 1981's record but on trend. Most of the sorghum is rainfed, with some of it mechanized, mainly in Kassala Province. The millet crop, which is entirely rainfed, was only 300,000 tons, down 48 percent. Peanut production was 1 million tons, 10 percent less than 1981's bumper crop yet above levels in the 1970's. Farmers responded to high world peanut prices in 1980/81 with increased plantings, which have been sustained. The dismantling of the export monopoly for oilseeds has bolstered prices paid to producers.

The two crops which the authorities had hopes for as import substitutes—wheat and sugar—have been disappointing. The wheat crop, grown under irrigation in the winter, was marginally higher in 1982 at 169,000 tons. The gains made in wheat production in the mid-1970's have been erased as the Government has diverted wheat area to cotton. Wheat yields have been below expectations, and Sudan is now seldom referred to as "the Arab world's breadbasket." Plans to reach self-sufficiency in sugar through development of the Kenana plantation and refinery, and several other production complexes, have not been achieved. Sugarcane output expanded about 5 percent to 3.5 million tons in 1982/83 but fell far short of the country's needs of 7 million tons.

Development Efforts Focus on Farm Exports

The Government, encouraged by the IMF, has stressed growth in farm exports to ameliorate the country's fiscal crisis. To this end, cotton output has been reemphasized after some official disenchantment with the crop in the late 1970's. Producer prices were increased in 1982, and the authorities began paying producers on the basis of cotton grade and on the date of delivery. This replaced the regime of uniform grading and delayed payments. Through another reform, tenant farmers started purchasing inputs on their own accounts rather than through sharing costs. These corrections have increased incentives to cultivate cotton.

Progress in establishing a number of new estate farms continued. On the Sudanese-Egyptian Integrated Project, covering 1 million acres in Blue Nile Province, more area came under production, mainly planted to grains and oilseeds. The Arab Authority for Agricultural Investment Development (with a number of wealthy Arab countries as members) moved ahead in developing several large farms near Khartoum. Most are mixed crop and livestock projects. The Arab countries, as net importers of food, have shown keen interest in developing Sudan's farm exports. But the country's lack of infrastructure, short supply of skilled managers, and fuel scarcity have hindered these objectives.

Staple Food Imports Rise

Despite its food security efforts, Sudan's reliance on imported staple foods continues to increase. Wheat imports are rising rapidly to meet a 10-percent annual growth in per capita consumption, fueled by the bread subsidy. Wheat and flour imports in 1982 were 560,000 tons, 425,000 from the United States. The P.L. 480 program provided 160,000 tons of wheat and flour, while the U.S. Agency for International Development (AID) provided 175,000 tons through its Commodity Import Program. Purchases from the EC expanded in 1981/82, including 85,000 tons of French wheat and flour and some Italian flour. Sudan's dependence on sugar imports has been rising, in part because of the consumer subsidy. In 1982 the Government purchased about 350,000 tons of refined sugar, mainly from France, West Germany, and Brazil. Domestic sugar prices were raised from 16 piasters per pound to 26 in hopes of cutting the growth in consumption and imports.

Other major farm imports included tea, coffee, rice, dried milk, and tallow. Tea imports, primarily from India and China, were about 10,000 tons, valued at $20 million. About 3,000 tons of unroasted coffee beans worth $8.4 million were purchased from Uganda and Ethiopia. Rice imports were estimated at 25,000 tons, valued at $6.9 million, and supplied by Thailand, the United States, and Italy. The Netherlands, West Germany, and the United States together supplied over 5,000 tons of dried milk. Tallow imports were 22,000 tons, up 20 percent from the previous year and worth $7 million. The United States provided all of the tallow, mainly through the Commodity Import Program.

Cotton Exports Expand

Farm products provide over 90 percent of Sudan's commodity exports. Cotton exports in 1981/82 were 103,400 tons, an increase from the year before but well below the 1975 to 1980 average of nearly 225,000 tons a year. In 1982, stocks were building again, and they exceeded 100,000 tons. For several years European mill owners have been wary of Sudanese cotton because of its sticky residue, caused by white flies. For this and other reasons, the cotton marketing corporation has cut export prices, selling its long staple cotton at a low $1,600 per ton in 1982. Sales in 1982/83 are expected to expand, with China purchasing over 40,000 tons.

In 1982 Sudan exported about 90,000 tons of peanuts valued at $63 million and $25 million worth of peanut meal and oil. The short supply in the world market in 1980 allowed Sudan's peanut sales to swell, and exports have held up since. Sorghum exports were about 225,000 tons, nearly all to Saudi Arabia, which pays Sudan about 150 percent of the prevailing world price.

Concessional Imports To Increase

In 1982, U.S. farm exports to Sudan were $84 million, mostly under concessional terms. Wheat and flour accounted for $69 million and inedible tallow for $11 million. Import demand for these products continues to grow. However, the country's ability to pay has declined. The extent of the public debt, which is dispersed among several public sector agencies, was not fully realized until 1982. The shortage of foreign exchange severely constrains purchasing power. Thus the outlook for U.S. commercial sales is not promising. However, U.S. exports to Sudan are slated to expand in 1983, with increases in concessional sales of wheat, flour, and tallow through P.L. 480 and the Commodity Import Program. (Susan Buchanan)

Tanzania

Agricultural Exports Continue Weak

In 1982, Tanzania's economy was further weakened by the world recession. GDP may have declined by 3.6 percent. Exports have been stagnant for several years and were estimated at $550 million for 1982. Imports have been severely constrained but were still about $1.1 billion, resulting in another large negative trade balance.

The economic malaise may be explained in part by the poor performance of the export crop sector. Export crops require more economic infrastructure than most food crop production does. Constraints on processing and exporting have included poor transportation, and shortages of fuel and imported spare parts. The marketing boards have had financial problems and have been less able to pay farmers.

On the other hand, the economy has done well on some welfare measures. Primary education has grown sharply and the literacy rate has been increasing to one of the highest in Africa. The death rate has dropped nearly 20 percent since 1970, and water has been provided to more villages.

Grain Output Rises, But Food Aid Crucial

Tanzania's agricultural production is estimated to have increased about 1 percent in 1982. Food production was up by 3 percent, but with a population growth of 3.3 percent per year, per capita food production dropped slightly. Official marketings of export crops have steadily declined in volume since 1974/75, and marketings in 1981/82 were 83 percent of the 1970/71 level. Cashew nuts, sisal, and cotton led the decline. But, tobacco, tea, and coffee marketings showed increases.

In 1982, weather was generally satisfactory and estimated grain production increased more than the population. The total harvest is difficult to estimate, since the black market seems to be attracting a larger percentage of production. Official cereal marketings remained low during 1982/83 despite increased food production in 1982. Corn purchases by the National Milling Corporation in 1981/82 were only 94,000 tons, compared to the record 220,400 in 1978/79. The decline is also sharp for other grains, except wheat. For example, officially marketed rice totaled 93,600 tons in 1970/71 and 15,700 in 1981/82.

Coffee Output Receives Increased Emphasis

Since 1980, coffee production has improved. Producer prices were increased in 1980 and again in 1981, reaching 12,200 Tanzanian shillings per ton (Tsh 9.33=$1 in 1982). But, prices dropped 22 percent in 1982, probably in response to the very low world market prices of 1981. New plantings are being financed, as are agricultural chemical imports. Efforts are being made to improve quality. Old trees are being replaced. Prices are being reviewed with the objective of reducing the gap between prices offered to farmers and prices received on the world market. In 1981/82, capital expenditures on coffee came to Tsh 256.1 million, exceeding those spent on cereal production and marketing by 10 percent.

The 1981/82 record coffee crop of 66,600 tons earned Tsh 1.2 billion in foreign exchange and comprised about 27 percent of total exports and 44 percent of agricultural exports. Coffee sales were 63,500 tons, with an average value of Tsh 18,898 per ton. Sales to nonquota markets were valued at about Tsh 190.4 million. Algeria accounted for 99 percent of the nonquota sales and is a major coffee buyer, along with Germany, Holland, Japan, and Italy. The 1982/83 crop is estimated at 55,000 tons. Weather was unfavorable during flowering and development, and the crop was again affected by coffee berry disease.

Cotton production fell again in 1982. Tanzania has one of the largest cotton areas in Africa, but yields are very low (about 110 kilograms of lint per hectare), because production inputs are lacking. Producer prices for 1983/84 have been increased about 28 percent to Tsh 6,000 per ton of lint. This should help increase the use of inputs. However, with inflation of at least 25 percent per annum, the raise is not considered the entire solution. In early 1983, the cotton authority was given more funding, and the president directed that farmers be paid on the spot. While road projects are being initiated to improve cotton marketing, weaknesses in the infrastructure require sustained investment.

Recently, prices for many other crops have also been sharply increased: 50 percent for soybeans, 38 percent for peanuts and sunflowerseed, 33 percent for paddy rice, 25.7 percent for corn, and 25 percent for sorghum and bulrush millet.

Shilling Devalued To Encourage Exports

Tanzania has been ideologically insistent upon following its own policies. Negotiations with the IMF for financial assistance have been drawn out and as of May 1983 were not resolved. An intense policy debate appeared to be going on in the Government in early 1983. However, in early June Tanzania devalued its shilling by 25 percent to 12.18 shillings to the dollar. The Central Bank governor said the devaluation was made because Tanzania's inflation rate, which averaged 23 percent during the past 3 years, was higher than that of its major trading partners, making its goods less competitive.

The major impact of Tanzanian policy on pricing can be illustrated by corn. In 1980/81, the official producer price for corn was Tsh 1.00 per kilogram. Spot checks in some villages, however, found the unofficial price to be nearly five times as much. During that year the official retail price for cornmeal was Tsh 1.25 per kilogram. The large subsidy given to urban consumers who can obtain this cornmeal is one example of the degree to which the terms of trade to agriculture were modified by Government intervention. Official corn prices increased by 16.7 percent during 1982/83, but consumer prices were rising much faster.

Foreign Exchange Shortages To Continue

Tanzania's 1983/84 coffee crop is expected to rebound to 57,000 tons, but delays in the start of the long rains could reduce grain production. As a result, food aid requirements will continue to be substantial. Tanzania's foreign exchange problems are expected to continue during 1983/84, although exports may increase, and the standby arrangement with the IMF is expected to be signed. However, the IMF wants a much larger devaluation than the recent one. Debt service is expected to increase to about 21 percent of exports, but new IMF resources would allow much-needed investments in agriculture and would result in increases in other donor aid flows. (Lawrence Witucki)

CENTRAL AFRICA[1]

Lower World Demand Reduces Export Earnings

Economic growth in Central Africa in 1982 was impeded by insufficient world market demand, as well as by low prices for the region's exports. This was especially true in Zaire—the largest country—where exports of copper, cobalt, diamonds, and coffee did not generate enough foreign exchange to pay for imports and to service the $5 billion foreign debt. At the end of 1982, arrears on the debt totaled more than $800 million. Exports of $1.4 billion were 15 percent less than in 1981. The rising Government deficit fueled double-digit inflation.

A serious drought in the Central African Republic from November 1982 to May 1983 threatened the economic recovery plan begun in 1981. The decline in real GNP which began in 1979 was halted in 1982, but it is likely to resume in 1983, since the drought reduced not only agricultural production but industrial output, transportation, and trade as well. Water shortages and power outages significantly curtailed economic activity. The 1983/84 coffee harvest is expected to be about 5,000 tons, less than one-third the recent norm. About 15 percent of the coffee trees were damaged by fire and are not expected to resume production until 1985/86. Cassava output in 1983 is expected to be down 30 to 40 percent. Plantains, an important staple, are in short supply. Declining export receipts from coffee, tea and cassiterite have required increased foreign aid for Rwanda, and reduced

[1]Central African includes Burundi, the Central African Republic, the Congo, Rwanda, and Zaire.

coffee earnings and rising debt-service costs have held back Burundi's economy.

On the positive side, the economies of Gabon and the Congo continued their rapid growth despite the decline in petroleum prices. The GDP growth rate in the Congo was down 2 percent, but even with the decline it was a healthy 11 percent.

Production in Central Africa Mixed

In Zaire, production of cassava, corn, rice, and other crops was stimulated by reduced food imports and higher producer prices. The shortage of corn in southern Africa forced the millers in Shaba to buy more corn from local farmers, raising prices and stimulating production. Palm oil production has trended down because of low producer prices. Cotton production has increased steadily since 1978, when the cotton mills were given the right to supply production inputs and buy the crops directly from the farmers. However, imports of used clothing in 1982 reduced the demand for cotton cloth and forced some mills to curtail operations. Coffee production has not changed much. In some regions of Zaire, poorly maintained roads hinder crop movement and discourage production, but high prices for coffee in Sudan have encouraged smallholder production in Haute Zaire for smuggling into Sudan.

Coffee production in Rwanda and Burundi was down cyclically after the large 1981 crop. In Rwanda, food production was also down after 1981's sharp increase, which was due to exceptionally favorable weather. High-calorie crops such as cassava, potatoes, and sweet potatoes are being favored in place of cereals and vegetables. Production in Burundi showed little change. Agricultural output also continued to show little growth in Congo, where petroleum development has drawn people out of agriculture, leaving an aging labor force using traditional methods.

The worst drought in recent memory damaged the coffee and tobacco crops and threatened the food supply in the Central African Republic, a country that is usually well watered and close to food self-sufficiency. The drought was so severe that it caused water shortages and power outages in Bangui, the capital.

Policy Emphasizes Coffee Output

Rwanda and Burundi have continued to promote coffee production, even in face of the limits established under Annex I of the International Coffee Agreement (ICA). Both countries negotiated progressive increases in the amount of coffee they will be allowed to ship in the future, but even the increases will not permit them to export their entire production. Burundi is aiming for higher quality coffee and more efficient production. The goal is an average annual production of 30,000 tons from 10 to 20 percent less land. In both Rwanda and Burundi the land is needed for food crops, yet coffee provides a large part of foreign exchange earnings.

Rwanda, the most densely populated country in Africa, is being forced to accommodate 45,000 ethnic Rwandans who fled from Uganda in 1982. The refugees are in camps supported by international relief organizations, but they may have to be absorbed into Rwanda's overcrowded agricultural sector. It is especially difficult to find pasture for the thousands of cattle the refugees have brought with them.

Congo is putting more public resources into agriculture in an attempt to slow the exodus from the rural areas. In the next 20 years, 500 new village service centers are to be established; 150 of these are slated for 1982-86.

Coffee Dominates Agricultural Trade

In 1982 Zaire exported goods valued at $1.4 billion, of which roughly $200 million represented agricultural commodities. Coffee accounted for about two-thirds and was second only to copper in value. Palm oil, palm kernel oil, rubber, cocoa, wheat bran, tea, cinchona bark, and papain made up the rest of Zaire's agricultural exports.

Agricultural imports, mainly wheat corn and meat, were valued at less than $100 million. This 30- to 40-percent decline from 1981 was the result of the tight foreign exchange situation. U.S. agricultural exports to Zaire in 1982 totaled $27 million, almost all wheat.

The limited quantities of coffee that both Rwanda and Burundi can export under Annex 1 of the ICA counteracted the effect of the higher coffee price. Exports (largely coffee) covered only about half the cost of imports. To further restrict imports would likely strangle production and development in both countries. Food imports represent only 10 to 15 percent of total imports. The negative balance of payments in both countries was financed mainly by grants and loans.

Outlook Depends on Export Demand

The short-term outlook for Central Africa depends largely on world demand for minerals, petroleum, and coffee. Zaire has not yet found the correct formula for achieving the agricultural production that is possible. In Rwanda and Burundi, population growth will require ever-increasing agricultural production from the same area. Any decline in production could bring hunger for a large part of the population.

The Lubumbashi region of Zaire is faced with a 50,000-ton deficit in its corn supply for the balance of 1983. The drought in southern Africa has drastically reduced the supply of corn that customarily is shipped in from Zambia, Zimbabwe, and South Africa. The United States could supply the necessary amount of corn, but the high cost of overland shipping from the distant ports would require concessional terms. (Herbert H. Steiner)

SOUTHERN AFRICA

Madagascar

Rising Debt Service Prompts Policy Shifts

Madagascar's GDP declined 1.8 percent in 1982, compared to a 9.1-percent decline in 1981. Weak demand for exports lowered foreign exchange earnings, while foreign debt obligations continued to increase. The nation's debt-service ratio, which was 14 percent in 1981, has ballooned to an estimated 77 percent this year. To avert a balance-of-payments crisis, Madagascar rescheduled its debt with its commercial creditors. It has also arranged with the IMF to receive the foreign exchange necessary to alleviate the shortage of imported raw materials, energy, and spare parts. Lack of these has been a primary constraint on growth. Recently, Madagascar has devalued the Malagasy Franc (FMG), liberalized price controls and subsidies for many commodities, and channeled more investment into agriculture. A World Bank structural adjustment loan, currently under consideration, will provide funds for improving crop yields, building the transportation infrastructure, and importing capital goods for the food and feed processing, textile, and chemical industries. During the last year, four oil companies—three American and one Italian—have reached oil exploration agreements with Madagascar. Offshore, in the Mozambique Channel, the Tsimiroro deposit is estimated to have 4.8 billion barrels of reserves.

Record Rice Imports Focus Attention on Marketing Deficiencies

Agricultural production grew by 2.5 percent in 1982. The cyclones which struck the island in January and February 1982 and the consequent flooding displaced thousands of families in the densely populated Antananarivo and Toamasina provinces. The storms also damaged the fragile transportation system. Foreign and international relief agencies quickly responded to the disaster, covering food shortages in the urban areas. Initial estimates of crop damage were overly pessimistic, and 1982 production of rice, the mainstay of the Malagasy diet, was 1.3 million tons, down only 1 percent from 1981.

Madagascar was a rice exporter in the 1960's. But since the mid-1970's production has stagnated at about 1.3 million tons. Erosion and input shortages have contributed to declining yields, and population growth has lowered per capita domestic availability. However, the country's distribution and marketing system appears to be the immediate cause of Madagascar's increasing rice imports. Low producer prices have discouraged sales to SINPA, the major marketing agency; deteriorating roads have made it costly to transfer rice from surplus to deficit regions; and consumer price subsidies have elicited an enormous demand from urban consumers. In spite of a slight increase in real producer prices, marketed tonnage dropped from 156,579 in 1979 to 100,500 in 1982; imports made up the shortfall. In 1982, Madagascar imported a record 357,643 tons of rice, up 85 percent from the previous year. These imports absorbed more than one-fifth of total foreign exchange earnings. In accordance with the terms of the IMF agreement, subsidies to rice consumers were abolished, and prices were raised 87 percent, allowing retailers a margin above import costs. Producer prices were increased and are now allowed to vary with regional cost differentials; previously there was a uniform procurement price. Prices for wheat, soybeans, and cotton have also been raised. Madagascar and the International Rice Research Institute are considering establishing a network of research stations to increase rice yields.

Natural Vanilla Market Revives

Madagascar is the world's largest producer of vanilla. Competition from synthetic substitutes crowded out sales in the mid-1970's. But recently demand has again shifted to natural beans, particularly as an ingredient in natural style vanilla ice cream. Since 1979 real producer prices have been raised constantly and vanilla production has been revived, reaching 4,480 tons in 1982 and yielding 16 percent of foreign exchange earnings.

Coffee is Madagascar's primary export crop, providing more than a quarter of foreign exchange earnings. Output was 83,550 tons in 1982; however, exports were only 46,433 tons, off 18 percent from 1981. Lower coffee prices further depressed earnings. Clove production declined 5 percent in 1982 to 10,500 tons. Cloves are a cyclical crop, and 1983 should mark the next trough in the 4-year cycle. Indonesia purchases the bulk of the crop for use in cigarette production.

Seventy-five percent of the 357,643 tons of rice imported in 1982 was commercially purchased; of this, Thailand supplied 200,000 tons and Burma and Pakistan supplied the remainder. Japan and the United States supplied the bulk of concessional and donated rice; U.S. exports were 37,423 tons. Madagascar imported 80,000 tons of wheat in 1982, mainly from France.

Madagascar is a nation with considerable natural and human resources. Price liberalization and investment in agriculture and transportation should improve agricultural production significantly. The rice deficit will probably persist for the next few years, with 1983 imports ranging between 200,000 and 300,000 tons. (David W. Skully)

South Africa

1983 Drought Decimates Crops

South Africa's economy weakened in 1982. Real GDP dropped 1 percent, compared to 4.8-percent real growth in 1981 and 7.3 percent in 1980. The agricultural sector suffered the most serious decline, 7.2 percent, as a result of drought. Factory output declined 2.3 percent and mining 1.8 percent, with reduced production and sales of platinum, diamonds, silver, copper, and nickel, but an increase in gold and coal.

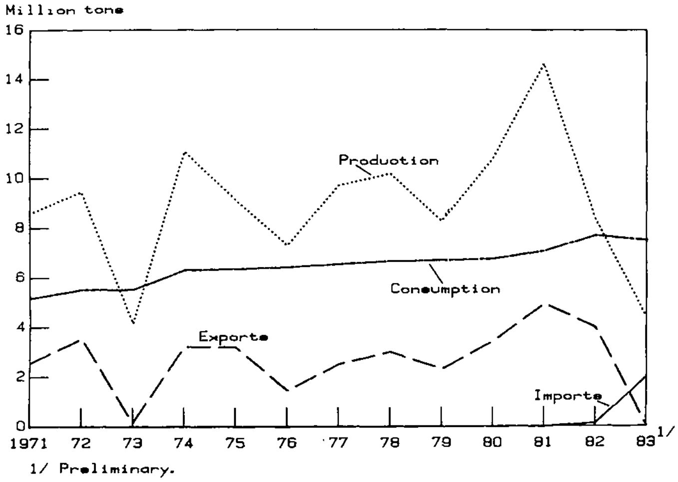
Despite adverse domestic conditions, exports increased about 6 percent to 19.3 billion Rands (R) in 1982, with agriculture's share rising 2.5 percent to a high of R2.1 billion. Nevertheless, imports still exceeded exports and South Africa had a R780-million trade deficit.

Consumer prices rose 14.7 percent, with an 11.2-percent increase in food prices and a 20-percent increase in spending for meat. At the same time, the Rand fell 20 percent against the dollar, hitting a new low of 86 cents in October before strengthening to 92 cents in December.

Corn Output Lowest in 10 Years

In 1983, the worst drought in 50 years lowered grain production 53 percent from 1982's already depressed level. The corn harvest is estimated at just under 4 million tons. This means that South Africa will be a net importer of corn for the first time in 31 years, requiring an unprecedented 2 million tons. Imports of barley are also possible. All summer crops, with the possible exception of soybeans, will be down, and record oilseed imports are expected. Wheat and sugar production, high despite the 1982 drought, will decline in 1983, causing possible wheat imports and a decline in sugar exports. Some sugar imports will also be required. As a result, U.S. agricultural exports to South Africa are expected to increase by 65 percent during fiscal 1983 to about $220 million.

South Africa's Corn Production , Trade, and Utilization



Cattle slaughter is likely to increase, and the drought-related death loss is expected to exceed 700,000 head. Losses in the Black Homelands will be particularly harmful. While the immediate consequences of the drought are apparent, the longer term effects may be even more serious. The substantial loss of animals will have a double effect in the Black Homelands, as the cattle are used not only for food, but also for farm power. The recuperation of South Africa's livestock sector will take years.

Agricultural Output Fluctuates

After being quite stable from 1977 to 1980, South Africa's agricultural production has recently experienced sharp fluctuations. In 1981, output increased by 13.3 percent, mainly because of a record corn harvest. This was followed by a 12-percent drop in 1982. However, wheat and sugar production reached record levels, and horticultural and livestock output increased last year. Unfortunately, drought-induced slaughter was a factor in the increased beef production.

Since 1981, when the record corn and oilseed crops resulted in high net farm income, farm income has deteriorated. In 1982, the gross value of agricultural production increased by only 6.4 percent and net farm income dropped by about 26 percent. Net farm income has also been squeezed by sharp increases in farm input prices, which in 1982 rose by 25 percent. At the same time, overall farm producer prices increased by only 8.5 percent. One exception was net producer corn prices, which increased by 16.6 percent. In the decade ending in 1982, prices of farm inputs increased an average 15.7 percent a year, compared with an average CPI increase of 12.5 percent and an average increase of 12.9 percent per year in producer prices. Producer corn prices through 1982 have increased at an average of 12.8 percent a year.

In 1982 fertilizer consumption dropped by 9 percent—an historically large drop—and in 1983 it fell another 10 percent. Domestic fertilizer prices are relatively high because the industry is protected. An increase of 13.3 percent was allowed by the Government in 1983, with urea—46-percent N—going up to $349.28 per ton. In May 1983, U.S. farmers were paying an average of $234.79 per ton.

Drought Relief Efforts Underway

Government policy toward farmers is being affected by the drought and by the weakened financial status of many farmers, as well as by the cost-price squeeze. In early 1983, over half the farmers were reported in arrears on their loans from cooperatives; farmers' interest payments increased by 65 percent in 1982. In December 1982, the Land Bank interest rate to cooperatives was cut to 14.75 percent and the rate to farmers was reduced to 16.75 percent. Earlier in the year, rates had been increased as part of general monetary policy. In addition, new production credit is currently being subsidized even further, with the farmer paying 13.75 percent. Reducing livestock to prescribed limits is required before financial assistance is granted to livestock enterprises. Rebates are paid on transport of feeds. Feed loans and subsides of 50 percent on feed purchases are available. In the Black Homelands some drought-relief allocations are being made for food, safe water, and feed.

Corn producer prices were raised about 25 percent in May 1983, to the equivalent of about $3.90 a bushel. This was about 26 percent above U.S. corn prices in the Midwest in May and was near the import parity price. South Africa will not be exporting corn during the 1983/84 marketing year, but the price issue will arise again when exports resume.

Exports at Record in 1982

South Africa's agricultural exports reached R2.1 billion in 1982 as corn exports from the record 1981 crop continued high. Corn exports to Taiwan reached new highs, as did sales to Japan, reducing the U.S. share of the Japanese market. Wool exports dropped about 9 percent to R224 million despite increased production. Both deciduous and citrus fruit exports reached record values—R222 million and R174 million, respectively. The value of sugar exports dropped about 27 percent, despite a 20-percent increase in volume to 882,655 tons, raw, including 34,832 tons to the United States. Sugar is South Africa's major agricultural export to the United States. Total agricultural sales to Europe have decreased slightly but they still accounted for about 36 percent of the total during 1981, while sales to Asia are growing rapidly.

Japan's corn imports from the United States and South Africa, 1967-82

Year	From U.S.	U.S. share	From S. Africa	S. Africa's share
	1000 tons	*Percent*	*1000 tons*	*Percent*
1967	1,584	40	707	18
1968	2,542	49	1,342	26
1969	3,439	63	667	12
1970	4,394	73	375	6
1971	2,682	54	683	14
1972	3,398	56	1,175	19
1973	6,539	84	591	8
1974	6,169	78	361	5
1975	5,354	72	918	12
1976	6,237	74	860	10
1977	7,470	82	781	9
1978	8,563	81	1,278	12
1979	9,829	86	842	7
1980	11,674	91	913	7
1981	12,128	89	1,430	11
1982	10,956	81	2,399	18

The value of South Africa's agricultural exports has not changed much since 1980's R2.053 billion. In 1976, when gold prices were a relatively low $124 an ounce, agricultural exports comprised 17.8 percent of total exports. But beginning in 1979, the share of agricultural exports in the total has declined to an average of only about 11 percent. During 1983, the share of nonagricultural exports is likely to increase while that of agriculture could drop to about 8 percent because of the severe drought.

Agricultural imports increased by 44 percent in 1981 to R227.4 million. About 291,000 tons of U.S. wheat worth $47 million were imported, the first substantial wheat imports in 10 years. An additional 103,000 tons were imported in 1982, but by the end of the year South Africa was harvesting a large wheat crop and was again exporting some wheat. The value of rice imports increased by 45 percent in 1981. Volume was estimated at 134,000 tons, with 92.5 percent coming from the United States.

With rice prices lower and volume down to 130,000 tons in 1982, the value of agricultural imports dropped despite the weaker Rand. The value of U.S. agricultural exports to South Africa dropped by about 25 percent mainly because of the large decline in U.S. wheat sales. While U.S. sales of grains and preparations to South Africa decreased by 42 percent to $67.4 million, those of oilseeds and products increased by nearly 150 percent to $25.3 million. (Lawrence Witucki)

Zimbabwe

World Recession, Drought Batter Economy

Zimbabwe's economy slowed its growth considerably in 1982, as real GDP increased by only 2 percent, well below the high rates of the previous 2 years. Furthermore, the outlook for 1983 is for no growth or possibly a decline in GDP. Much of the lower growth stems from the world recession, with weak demand and low prices for Zimbabwe's exports. Strong pressure on Zimbabwe's balance of payments has led to reductions in vital foreign exchange allocations for all sectors. A drought has seriously affected 1983 agricultural production, following some drought-related problems in 1982, and agriculture will be unable to lead recovery as hoped. Furthermore, drought-relief expenditures will be high.

In December 1982, Zimbabwe devalued its currency by 20 percent and adopted a flexible exchange rate policy. In order to stabilize the economy, the country in recent months has adopted quite conservative fiscal and monetary policies. The IMF extended assistance in March 1983 with a standby arrangement worth SDR 300-million and a SDR 56-million facility to compensate for low export earnings.

Stocks Cushion Impact of Poor Corn Crop

The drought that marked the 1982/83 crop year was the worst in memory, accompanied by record high temperatures. The main effects were serious localized food shortages, heavy damage to the cattle herd, and increased deficits of wheat and vegetable oil. Crop production will drop substantially below last year or, in some cases, will increase only slightly despite higher plantings. Distribution of food relief supplies—begun last year in certain areas—will now be expanded and the Government estimates that up to 3 million people will require assistance in 1983/84. Most of this food can be provided from domestic supplies, but logistics could be a problem.

Preliminary estimates indicate that the 1983 corn crop will be down to about 1 million tons, compared to the 1982 harvest of 2.13 million. However, with carryover stocks of slightly over 1 million tons at the beginning of the 1983/84 marketing year, there will be enough to meet increased domestic needs and continue some exports. However, this will draw down stocks to dangerously low levels in the event of another poor crop next year. The wheat crop was a record 212,600 tons in 1982, but it is expected to be only half that in 1983, due to shortages of irrigation water. This implies import needs of above 100,000 tons.

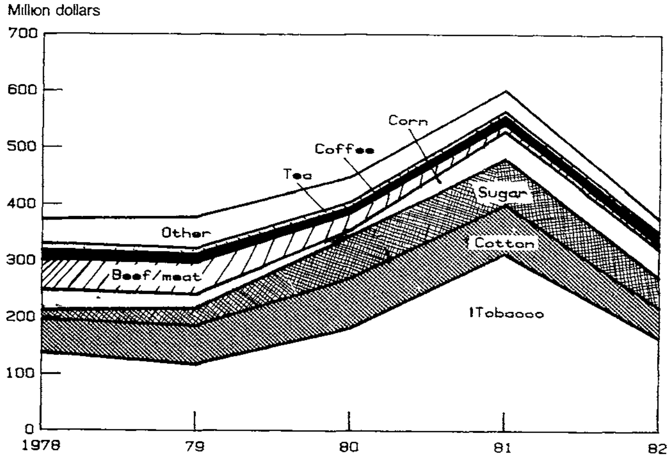
In the southern and western areas, 1983 was the second consecutive year of drought, and availability of water is a critical problem. Particularly in these areas, cattle losses have been severe. In addition, security problems have disrupted some commercial ranching operations. Nationally, it is estimated that 100,000 cattle died in 1982 and as many as 250,000 could die in 1983, even with accelerated slaughtering and cattle rescue operations.

Although seed cotton output could increase to nearly 160,000 tons, up from 155,000 in 1982, this is well below the 220,000 tons expected before the drought. Even though soybean production is also up marginally to an estimated 88,000 for 1983, this is again lower than the outturn anticipated from a 30-percent boost in the producer price. The total vegetable oil deficit could exceed 15,000 tons, as some soybeans are diverted to food relief instead of being crushed. Cottonseed is the main source of vegetable oil, providing over 50 percent of supplies, followed by soybeans.

Outlook Mixed for Tobacco, Other Exports

The lower-valued currency will make Zimbabwe's tobacco and other exports more competitive in 1983. However, transportation is still a concern with freight charges raised in 1983. Also, many exports are sent through longer and more expensive South African routes because of problems in Mozambique's rail and port system.

Zimbabwe Agricultural Exports



1982-First 10 months only

Flue-cured tobacco is Zimbabwe's leading export, valued at $261 million in 1982, with 80,180 tons sold. Slightly over half was sold to EC countries, with Britain the single largest market. The Middle East took 24 percent, with Iraq the largest customer. The 1982 auction prices declined 9 percent to $1.00 per pound, but the total volume sold increased to 89,000 tons, up by one-third. Tobacco is the only major commodity in Zimbabwe which does not have a controlled price. Although the number of growers dropped to 1,166 from 1,257, the 1983 harvest rose to an estimated 92,800 tons and exports could increase by 10,000 tons. The overall quality of the crop is reportedly good, although there was some drought damage to lower leaves.

Zimbabwe's hand-picked cotton, supported by an effective marketing and grading system, finds good outlets in specialized markets producing high-quality yarns. Cotton growing has made considerable progress in the peasant areas and nearly 80,000 smallholders were growing the crop by 1982. Lint exports averaged 53,660 tons in 1980 and 1981, but in the first 10 months of 1982 they stood at 36,755 tons, 11 percent behind the comparable period of 1981, with prices down by 7 percent.

Sugar was affected by low world prices in 1982. The imposition of quotas by the United States, the largest buyer of Zimbabwe's sugar in 1981 and 1982, will limit these sales to 30,000 tons in 1983, one-third the 1982 volume. Zimbabwe appears to have a comparative advantage in sugar, achieving some of the world's highest yields for its irrigated crop. But at present the industry is losing money.

Corn exports will continue in 1983/84 because of previous commitments estimated at 265,000 tons, although actual shipments could be lower. In 1982/83, exports reached 512,000 tons, up from 305,000 the year before. The main destinations in 1982/83 were Mozambique, Tanzania, Zambia, Zaire, and Angola. Despite weak prices, pressure to export has been strong because of the need to maximize foreign exchange earnings and also because of the costly corn stocks that accumulated after the large 1981 and 1982 harvests. Donors, led by the World Food Program, have financed much of the corn sales to neighboring low-income countries. Zimbabwe itself is now donating 25,000 tons each to Mozambique and Tanzania.

Subsidies Among Key Policy Issues

Food subsidies were partially cut in late 1982 as consumer prices were raised for cornmeal, vegetable oil, and wheat. More cuts are likely in 1983. At issue are not only the budgetary costs, now around $200 million a year, but also the distribution effects favoring urban dwellers. After a 30-percent reduction, the subsidy on roller cornmeal is now equivalent to $70 per ton. Retail prices for fresh milk have not been raised in 3 years, and the subsidy is now estimated at 22 cents per liter, over 80 percent of the retail price. Likewise, beef consumers receive a large subsidy, with the Cold Storage Commission losing some $120 per slaughtered carcass. As a result, beef remains cheaper than the poultry and pork substitutes, and beef consumption has soared while exports have dwindled.

For most commodities except corn, producer prices were raised in 1982. With such large corn stocks, the Government wanted to promote other crops, especially oilseeds, and the soybean price increase was announced in advance of planting to maximize the incentive. This situation has since changed with the drought, and the corn price will probably have to be raised to generate needed increases in output. In 1983, the Grain Marketing Board will buy sunflowers for the first time, at guaranteed prices, to stimulate output of this smallholder crop.

Because of the drought, liberal credit policies, including debt rescheduling, may be required since many farmers will not be able to repay loans. Efforts will continue to rescue as many cattle as possible by moving them to feedlots and available pastures. Despite the high mortality rates and greater efforts by the Cold Storage Commission to buy, communal farmers sold fewer cattle than hoped for last year. It appears that many are reluctant to sell because cattle are their only capital. The impact of the cattle loss will be felt heavily next season because of the loss of draft power.

The land settlement program is behind targeted levels, but the pace may quicken with more reliance on the "accelerated" model. Under this approach, settlers are not initially provided with infrastructure and support services. There are some questions about the viability of these settlements, but strong pressure exists to get people on the land. Legislation has been introduced to strengthen Government land procurement powers, but the program so far has been based on purchases of available land rather than on expropriation. (Peter A. Riley)

Other Southern Africa[1]

The drought of 1982/83 crippled agricultural production in most of southern Africa, and grain import requirements will increase substantially. The United States has already raised emergency food aid allocations to the region above previous commitments. Only Angola and Malawi had near-normal weather, but in Angola production continues low because of warfare. Botswana's total cereal harvest is estimated at only 10,000 tons, some 45,000 tons below normal, and imports of about 125,000 tons may be needed. Damage to the cattle herd is also serious. Lesotho was badly affected, and nearly half the population will depend on food assistance until mid-1984. U.S. emergency food aid allocated as of May 1983 totaled $6.7 million. Lesotho's cereal imports may exceed 250,000 tons. Swaziland's corn crop, at 40,000 tons, is 60 percent below normal, and cereal imports required in 1983/84 will exceed 100,000 tons.

Malawi Achieves Corn Surplus

Malawi's agricultural production increased again in 1982, rising an estimated 7 percent. Malawi is one of the few African countries whose agricultural production has continued to grow faster than its population. The 1982 corn harvest reached 1.4 million tons as smallholders responded to a 67-percent increase in the producer corn price. The 1983 corn harvest is reported to exceed that of 1982, and with the stock carryover Malawi is expected to make small exports during 1983/84.

There are some difficulties confronting agriculture, however. Although the 1983 burley tobacco crop rose by 76 percent to a record 48,000 tons, prices have been depressed and a support program may be adopted. Malawi has emerged as a major competitor to the United

[1]Other Southern Africa includes Angola, Botswana, Lesotho, Malawi, Mozambique, Swaziland, and Zambia.

States in the world burley market. Total tobacco production is estimated at a record 72,000 tons. Malawi's sugar exports to the United States—formerly its leading customer—have decreased because of quotas. Despite a good agricultural year, Malawi's export earnings dropped in 1982. Foreign debt had begun to grow rapidly in 1980, with debt-service costs reaching 30 percent of exports in 1981, and a rescheduling was carried out in 1982.

Food Crisis Looms in Mozambique

Severe drought in the southern half of Mozambique crippled agricultural production in 1982/83. With rainfall only 40 to 50 percent of normal, the drought is considered the worst in at least 50 years. In addition to near-total crop losses expected in much of this area, grazing conditions have been poor and livestock losses heavy. Even irrigated production is down because of the low level of rivers. The FAO estimates reductions at 300,000 tons of grain, 80,000 tons of beans and peanuts, and 1 million tons of cassava—losses ranging from one-third to two-thirds of normal output.

In early 1983, the Government appealed for emergency food aid and was met with good response from the international community. However, a food deficit could remain, and there will be shortages before supplies arrive. The United States is providing $10 million worth of commodities to Mozambique in fiscal 1983 under P.L. 480, Title II, up $2 million from fiscal 1982.

In recent years, Mozambique has grown more dependent on concessional food supplies. In 1982, about 65 percent of total grain imports of some 306,000 tons were provided under aid arrangements. Production of the main export crops of cashews and sugar has remained stagnant. Citrus and tea have gained recently, with output of the latter reaching a record 23,000 tons in 1982. Added to the chronic difficulties of marketing and distribution that constrain agriculture, has been disruption by a guerilla movement opposed to the Government. Sabotage of ports and railways and destruction of vehicles has intensified. These actions have also reduced Mozambique's transit trade with neighboring countries, lowering essential earnings.

Mozambique Plans To Shift Policies

In May 1983, following the Fourth Congress of the ruling party Frelimo, Mozambique undertook the most wide-ranging Government reshuffle since independence. This was in response to the worsening economic crisis, particularly the troubles in agriculture. Criticism of top-heavy, centralized bureaucracy was strong. The "fight against famine" has now become one of the country's top priorities and will be supported by some changes in agricultural policies.

The 1983 state plan targeted an agricultural growth rate of 7.5 percent, in contrast to more extravagant forecasts of the past. More importantly, the Government has acknowledged that investment in state farms has been overemphasized to the detriment of the small family farmers who account for 90 percent of the population. Plans call for more assistance to peasant farmers and for small-scale projects that are more manageable. The large black market and shortages of consumer goods and agricultural inputs are acknowledged problems. Now plans also include support for private enterprise to improve this critical situation.

Zambia's Economic Crisis Leads to Reforms

The Zambian economy deteriorated further in 1982 as real copper prices plunged to the lowest level since the 1930's, highlighting Zambia's structural problems and vulnerability to world recession. Foreign debt is almost equal to GNP, and increased balance-of-payments pressure is jeopardizing essential imports. Zambia thus began to institute a series of tough reforms in late 1982. Prices of most consumer goods were decontrolled in order to improve supplies, particularly in the rural areas, since retailers can now add transportation costs. In January 1983 the currency was devalued by 20 percent, which should stimulate the depressed mineral sector. Subsidies for cornmeal were cut in 1982 and again in 1983, lessening the traditional bias in favor of urban consumers. The IMF, in turn, provided funds for economic adjustment and compensatory financing to make up for lower export earnings.

Underlying these belt-tightening actions is the need to develop the country's agriculture to generate future growth. In recent years, a number of promising steps have been taken to improve incentives to farmers, particularly raising producer prices. Since 1979, Zambia has maintained the highest corn price in southern Africa, although its costs are also high, and in 1982 the price was raised by over 14 percent. Prices for most other products were raised from 4 to 15 percent. In what could be an important measure, realistic official prices were established for cassava, millet, and sorghum—alternatives to corn which are more appropriate crops for some regions. Another hopeful step for agriculture has been some decentralization of marketing, by increasing the role of cooperatives and reducing the scope of the marketing board.

Poor Weather Limits Zambian Corn Crop

As a result of drought in part of the country, marketed output of corn in 1982 dropped by over one-quarter to 510,000 tons, despite high plantings. The preliminary estimate for 1983 is for only a small increase, leaving a large shortfall, again due to rainfall problems. In 1982/83, Zambia imported an estimated 200,000 tons of corn, some on concessional terms. The United States provides wheat, rice, and vegetable oil under P.L. 480, Title I. It is also supplying emergency aid under Title II that includes corn; through a trilateral arrangement, 31,000 tons of Zimbabwe corn went to Zambia, while the United States sent 20,000 tons of wheat to Zimbabwe.

Zambia has far to go to rebuild and expand its agriculture. Production of tobacco and peanuts—formerly significant exports—has continued its downward slide. However, milk production has started to turn around, with a 16-percent jump in marketings in 1981 and a 39-percent rise in the first 7 months of 1982. Soybeans, sunflowers, and rice have also shown reasonable expansion in recent years. Good rains in 1983/84 could bring Zambia back to self-sufficiency in corn. However, after substantial cuts in fertilizer subsidies in May 1983, the producer price will have to be raised again to keep pace. (Peter A. Riley and Lawrence Witucki)

Table 1.—Total U.S. agricultural exports to Sub-Saharan Africa, by value for selected items, 1981 and 1982

Destination	Total agricultural		Wheat and wheat flour		Corn		Rice		Inedible tallow		Soybean oil	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
	Thousand dollars											
Angola	26,652	16,613	0	339	354	2,514	160	151	233	1,240	201	389
Benin	9,563	15,876	0	1,891	0	0	1,735	6,958	0	0	342	330
Botswana	1,388	2,020	0	0	0	0	0	0	0	0	516	1,288
Burundi	2,416	1,993	154	0	0	0	0	0	0	0	487	693
Cameroon	8,459	7,230	0	0	0	0	734	248	1,460	798	384	474
Chad	0	1,771	0	0	0	0	0	0	0	0	0	275
Congo (Brazzaville)	1,697	4,816	123	28	0	0	492	2,851	0	0	48	16
Djibouti	5,053	4,316	0	0	0	0	3,655	3,590	0	0	421	339
Ethiopia	11,304	3,463	5,960	0	0	0	75	0	0	0	1,330	637
Gambia	1,286	869	0	378	0	0	431	109	0	0	145	68
Ghana	44,227	15,911	9,835	0	11,175	1,404	7,339	5,150	2,991	0	1,809	1,147
Guinea	11,793	7,818	995	0	8	25	8,180	6,645	0	0	943	50
Ivory Coast	19,701	16,406	7,965	86	0	28	3,875	10,154	0	0	240	289
Kenya	33,023	21,766	7,526	10,423	16,017	0	2,210	5,211	324	508	2,059	994
Lesotho	5,854	4,900	502	548	0	0	0	0	0	0	431	810
Liberia	43,233	35,945	3,065	1,120	352	146	34,326	29,669	0	0	150	122
Madagascar	11,494	12,410	0	0	0	0	7,351	10,887	0	442	611	226
Malawi	716	21	0	0	562	0	0	0	0	0	0	0
Mali	384	701	0	0	0	0	163	10	0	0	0	0
Mauritania	6,894	2,736	2,145	733	0	0	1,167	23	0	0	325	171
Mauritius	10,946	10,735	1,408	1,298	0	0	2,319	3,650	0	0	4,504	4,831
Mozambique	6,099	2,760	3,700	810	1,762	0	67	1,401	0	0	0	76
Niger	1,722	5,060	42	0	10	0	40	30	0	0	55	0
Nigeria	544,009	468,117	225,272	214,647	41,288	35,799	222,878	149,839	15,665	14,839	156	0
Rwanda	3,307	1,389	241	35	0	0	661	7	0	0	818	507
Senegal	26,921	12,216	821	60	0	0	10,035	7,494	215	0	596	309
Sierra Leone	6,511	6,046	1,218	1,119	0	0	2,136	2,977	0	0	777	208
Somalia	45,040	22,341	5,584	4,100	18,816	1,856	4,024	5,725	0	0	9,498	7,386
South Africa	173,101	128,079	54,514	16,844	5	17	56,833	48,816	10,484	9,887	3,625	869
Sudan	73,777	83,633	59,302	68,710	20	13	53	1,505	10,856	11,109	479	0
Tanzania	26,539	11,683	0	0	21,244	3,687	0	3,624	0	0	2,101	1,765
Togo	12,634	9,379	5,802	3,870	193	0	1,223	1,359	0	0	325	112
Uganda	4,550	227	0	0	905	0	0	106	0	0	251	0
Upper Volta	13,321	6,678	0	0	0	0	2,893	42	0	0	2,418	1,377
Zaire	35,023	27,129	29,005	22,561	9	0	408	2,193	0	0	920	0
Zambia	11,681	6,866	10,826	3,100	0	0	2	2,004	245	428	0	798
Zimbabwe	863	477	0	0	0	0	0	0	315	0	0	0
Total[1]	1,241,181	980,396	436,005	352,700	112,720	45,489	375,465	312,428	42,788	39,251	36,965	26,556

[1]All U.S. exports (agricultural and nonagricultural) to Sub-Saharan Africa totaled $6.559 billion in 1981 and $5.415 billion in 1982.

Source: Bureau of the Census

Table 2.—Total U.S. agricultural exports to Sub-Saharan Africa, by quantity for selected items, 1981 and 1982

Destination	Wheat and wheat flour 1981	Wheat and wheat flour 1982	Corn 1981	Corn 1982	Rice 1981	Rice 1982	Inedible tallow 1981	Inedible tallow 1982	Soybean oil 1981	Soybean oil 1982
	Metric tons									
Angola	0	1,830	2,065	15,989	376	243	480	2,737	246	520
Benin	0	14,176	0	0	1,811	15,594	0	0	415	447
Botswana	0	0	0	0	0	0	0	0	600	1,688
Burundi	820	0	0	0	0	0	0	0	590	972
Cameroon	0	0	0	0	789	318	3,499	2,020	452	640
Chad	0	0	0	0	0	0	0	0	0	380
Congo (Brazzaville)	632	171	0	0	1,191	8,827	0	0	53	22
Djibouti	0	0	0	0	6,396	8,583	0	0	527	465
Ethiopia	38,619	0	0	0	75	0	0	0	1,656	903
Gambia	0	1,934	0	0	1,015	400	0	0	184	91
Ghana	51,203	0	56,611	9,621	14,502	17,455	6,667	0	2,195	1,438
Guinea	5,506	0	46	167	17,925	19,683	0	0	1,365	69
Ivory Coast	41,536	3,326	0	144	5,752	29,649	0	0	310	386
Kenya	44,052	68,915	111,084	0	4,686	15,324	600	1,143	2,469	1,492
Lesotho	3,209	3,406	0	0	0	0	0	0	499	1,135
Liberia	17,377	6,321	1,891	1,000	90,113	84,800	0	0	159	201
Madagascar	0	0	0	0	18,210	37,634	0	999	818	309
Malawi	0	0	3,190	0	0	0	0	0	0	0
Mali	0	0	0	0	500	18	0	0	0	0
Mauritania	10,372	5,000	0	0	4,809	35	0	0	410	230
Mauritius	7,764	7,878	0	0	4,687	11,965	0	0	8,336	10,452
Mozambique	20,000	5,000	10,000	0	190	4,990	0	0	0	105
Niger	248	0	32	0	54	34	0	0	70	0
Nigeria	1,202,962	1,285,178	282,274	288,985	402,079	343,309	32,587	32,901	169	0
Rwanda	1,271	186	0	0	3,176	7	0	0	987	710
Senegal	4,415	353	0	0	19,364	25,076	500	0	699	442
Sierra Leone	6,751	6,499	0	0	4,872	10,215	0	0	935	284
Somalia	27,747	23,802	104,340	12,998	8,552	19,141	0	0	12,779	11,280
South Africa	292,832	102,983	46	88	112,152	120,277	22,990	22,468	5,407	1,546
Sudan	337,318	425,316	68	68	209	4,949	18,380	21,692	585	0
Tanzania	0	0	136,511	30,889	0	12,889	0	0	4,066	2,951
Togo	32,472	24,040	1,102	0	1,801	2,206	0	0	385	150
Uganda	0	0	5,018	0	0	370	0	0	300	0
Upper Volta	0	0	0	0	5,983	52	0	0	3,142	1,930
Zaire	152,386	131,503	45	0	1,050	6,087	0	0	1,087	0
Zambia	58,278	20,291	0	0	3	6,444	557	1,181	0	1,663
Zimbabwe	0	0	0	0	0	0	662	0	0	0
Total	2,357,770	2,138,108	714,323	359,949	732,322	806,574	86,922	85,141	51,895	42,901

Source: Bureau of the Census

Table 3.—U.S. agricultural imports from Sub-Saharan Africa, by value for selected items, 1981 and 1982

Source	Total agricultural 1981	Total agricultural 1982	Coffee 1981	Coffee 1982	Sugar 1981	Sugar 1982	Cocoa beans 1981	Cocoa beans 1982	Rubber, crude 1981	Rubber, crude 1982	Cocoa cake, cocoa butter 1981	Cocoa cake, cocoa butter 1982
						$1000						
Angola	2,978	7,635	2,978	7,635	0	0	0	0	0	0	0	0
Benin	503	1,305	0	1,305	0	0	407	0	0	0	0	0
Botswana	20	35	11	0	0	0	0	0	0	0	0	0
Burundi	27,805	41,294	27,805	41,279	0	0	0	0	0	0	0	0
Cameroon	55,871	37,812	32,867	30,939	3,561	0	13,338	1,022	0	0	2,459	340
Comoros	3,896	5,596	0	44	0	0	0	0	0	0	0	0
Congo (Brazzaville)	0	0	0	0	0	0	0	0	0	0	0	0
Ethiopia	81,941	101,794	79,224	95,499	0	0	0	0	0	0	0	0
Gambia	7	20	0	0	0	0	0	0	0	0	0	0
Ghana	37,198	25,329	220	0	0	0	32,382	25,213	0	0	3,209	41
Guinea	2,108	1,137	1,845	1,136	0	0	224	0	0	0	0	0
Ivory Coast	329,231	265,755	80,345	131,165	0	0	199,031	97,324	828	0	40,959	33,392
Kenya	47,332	64,963	25,187	30,862	0	0	0	0	0	0	0	0
Lesotho	24	68	0	0	0	0	0	0	0	0	0	0
Liberia	71,499	37,996	4,292	4,129	0	0	2,007	897	65,026	32,814	0	0
Madagascar	66,100	56,886	33,807	18,428	7,824	0	0	28	0	0	0	0
Malawi	48,728	12,474	0	38	36,387	9,137	0	0	0	0	0	0
Mali	12	101	0	0	0	0	0	0	0	0	0	0
Mauritania	0	0	0	0	0	0	0	0	0	0	0	0
Mauritius	942	8,851	0	0	6	7,421	0	0	0	0	0	0
Mozambique	81,806	47,450	0	0	32,823	6,653	0	0	0	0	0	0
Niger	3	678	0	0	0	0	0	678	0	0	0	0
Nigeria	50,973	16,884	0	0	0	0	29,829	11,795	150	189	12,750	1,813
Rwanda	39,148	32,905	38,212	31,222	0	0	0	0	0	0	0	0
Senegal	409	27	0	0	0	0	0	0	0	0	399	0
Sierra Leone	9,949	15,656	4,903	15,308	0	0	4,749	0	0	0	0	0
Somalia	0	766	0	0	0	0	0	0	0	0	0	0
South Africa	51,125	63,215	67	1,301	0	8,816	0	0	93	55	66	0
Sudan	43,744	4,427	0	0	0	0	0	0	0	0	0	0
Swaziland	63,018	27,243	0	0	63,015	27,243	0	0	0	0	0	0
Tanzania	16,933	24,828	3,808	7,214	0	0	0	0	0	0	0	0
Togo	1,712	9,765	0	9,765	0	0	1,712	0	0	0	0	0
Uganda	100,973	155,428	100,878	155,396	0	0	0	0	0	0	0	0
Upper Volta	31	0	0	0	0	0	0	0	0	0	0	0
Zaire	33,874	13,275	32,641	12,007	0	0	0	0	264	0	0	0
Zambia	62	54	0	0	0	0	0	0	0	0	0	0
Zimbabwe	38,330	36,082	1,147	3,361	35,414	32,122	0	0	0	0	0	0
Total[1]	1,308,285	1,117,734	470,237	598,033	179,030	91,392	283,679	136,957	66,361	33,058	59,842	35,586

[1]All U.S. imports (agricultural and nonagricultural) from Sub-Saharan Africa totaled $16.235 billion in 1981 and $13.913 billion in 1982.

Source: Bureau of the Census

Table 4.—U.S. agricultural imports from Sub-Saharan Africa, by quantity for selected items, 1981 and 1982

Source	Coffee		Sugar		Cocoa beans		Rubber, crude		Cocoa cake, cocoa butter	
	1981	1982	1981	1982	1981	1982	1981	1982	1981	1982
					Metric tons					
Angola	1,266	3,796	0	0	0	0	0	0	0	0
Benin	0	701	0	0	263	0	0	0	0	0
Botswana	10	0	0	0	0	0	0	0	0	0
Burundi	12,339	15,665	0	0	0	0	0	0	0	0
Cameroon	13,781	13,985	4,958	0	6,632	501	0	0	3,042	302
Comoros	0	15	0	0	0	0	0	0	0	0
Congo (Brazzaville)	0	0	0	0	0	0	0	0	0	0
Ethiopia	32,818	34,690	0	0	0	0	0	0	0	0
Gambia	0	0	0	0	0	0	0	0	0	0
Ghana	102	0	0	0	14,899	13,249	0	0	2,897	100
Guinea	745	502	0	0	100	0	0	0	0	0
Ivory Coast	36,120	59,852	0	0	107,137	54,494	604	0	21,001	17,350
Kenya	10,984	11,936	0	0	0	0	0	0	0	0
Lesotho	0	0	0	0	0	0	0	0	0	0
Liberia	1,886	1,984	0	0	1,067	457	51,348	34,054	0	0
Madagascar	14,746	8,387	10,899	0	0	20	0	0	0	0
Malawi	0	15	67,984	25,532	0	0	0	0	0	0
Mali	0	0	0	0	0	0	0	0	0	0
Mauritania	0	0	0	0	0	0	0	0	0	0
Mauritius	0	0	5	17,681	0	0	0	0	0	0
Mozambique	0	0	46,056	19,890	0	0	0	0	0	0
Niger	0	0	0	0	0	400	0	0	0	0
Nigeria	0	0	0	0	17,441	7,098	200	260	6,054	2,281
Rwanda	16,051	10,810	0	0	0	0	0	0	0	0
Senegal	0	0	0	0	0	0	0	0	379	0
Sierre Leone	2,052	7,366	0	0	2,238	0	0	0	0	0
Somalia	0	0	0	0	0	0	0	0	0	0
South Africa	30	583	0	33,094	0	0	65	68	15	0
Sudan	0	0	0	0	0	0		0	0	0
Swaziland	0	0	151,757	74,313	0	0	0	0	0	0
Tanzania	1,736	2,812	0	0	0	0	0	0	0	0
Togo	0	5,402	0	0	898	0	0	0	0	0
Uganda	51,785	73,736	0	0	0	0	0	0	0	0
Upper Volta	0	0	0	0	0	0	0	0	0	0
Zaire	13,651	5,791	0	0	0	0	248	0	0	0
Zambia	0	0	0	0	0	0	0	0	0	0
Zimbabwe	514	1,301	85,178	92,129	0	0	0	0	0	0
Total	210,616	259,729	366,837	262,639	150,675	75,819	52,465	34,382	33,388	20,033

Source: Bureau of the Census

Table 5.—Indices of agricultural and food production in Sub-Saharan Africa, total and per capita, by country, 1978-1982

Country	1978	1979	1980	1981	1982	1978	1979	1980	1981	1982
	Total agricultural production					*Per capita agricultural production*				
					(1969-71=100)					
Angola	58	57	63	56	60	50	48	52	45	48
Benin	127	132	119	123	132	101	103	90	90	95
Burundi	110	113	113	124	124	94	94	93	99	97
Cameroon	116	122	125	125	135	96	99	98	95	101
Ethiopia	95	93	95	92	92	78	75	76	72	70
Ghana	90	93	94	95	91	72	73	71	70	65
Guinea	129	129	129	134	147	106	103	100	102	108
Ivory Coast	149	154	177	170	165	113	112	124	115	108
Kenya	147	145	154	165	169	113	107	107	110	108
Liberia	127	133	133	139	144	96	97	94	95	95
Madagascar	102	114	116	111	1125	84	91	91	86	85
Malawi	141	144	142	148	159	110	108	104	106	111
Mali	133	130	101	110	105	109	103	78	83	76
Mozambique	88	87	88	91	93	73	71	69	70	70
Niger	125	135	142	112	100	100	106	108	83	72
Nigeria	110	111	116	119	122	85	84	85	84	83
Rwanda	135	143	147	151	150	106	110	110	109	105
Senegal	131	93	86	112	106	105	72	65	83	76
Sierra Leone	118	119	117	117	121	97	95	91	89	90
Rep. So. Africa	133	129	135	153	135	108	102	105	116	100
Sudan	116	103	95	95	118	91	79	71	68	81
Tanzania	122	121	123	123	120	96	92	91	88	80
Togo	92	104	102	110	112	74	81	77	81	80
Uganda	93	88	87	89	97	73	67	65	65	69
Upper Volta	113	117	99	121	121	95	95	79	94	91
Zaire	113	117	120	124	128	90	90	90	91	91
Zambia	114	106	114	128	120	88	80	83	90	82
Zimbabwe	123	117	122	141	133	93	86	87	97	87
Africa, Sub-Sahara	114	113	116	121	121	91	88	88	89	86
Sub-Sahara less Rep. So. Africa	111	111	113	116	119	89	86	85	85	84
	Total food production					*Per capita food production*				
Angola	84	87	91	83	87	73	73	75	67	70
Benin	130	135	122	126	134	104	105	93	92	97
Burundi	110	112	114	121	123	94	94	93	96	96
Cameroon	114	120	120	124	129	94	97	94	95	97
Ethiopia	93	91	93	90	90	77	74	74	70	68
Ghana	90	93	94	95	91	72	73	71	70	65
Guinea	124	126	123	126	136	102	101	96	96	101
Ivory Coast	161	172	187	191	188	121	125	131	130	123
Kenya	137	134	141	153	160	105	99	98	102	102
Liberia	137	144	144	152	160	104	105	102	104	106
Madagascar	101	110	113	108	107	83	89	89	83	81
Malawi	129	126	129	137	146	100	95	95	98	102
Mali	123	115	92	101	95	100	91	71	76	69
Mozambique	90	90	91	94	96	75	73	72	72	72
Niger	125	136	143	112	100	101	106	108	83	72
Nigeria	110	112	117	120	123	85	84	85	85	84
Rwanda	133	141	145	149	148	105	109	108	108	103
Senegal	130	93	86	112	105	104	72	65	82	76
Sierra Leone	116	118	117	116	120	95	95	91	88	90
Rep. So. Africa	136	131	139	160	139	111	104	108	122	103
Sudan	124	120	113	115	140	98	92	84	82	96
Tanzania	134	132	130	134	133	105	101	96	96	88
Togo	94	104	102	108	111	75	81	77	80	79
Uganda	111	107	105	108	111	88	82	79	79	79
Upper Volta	111	113	96	119	120	93	92	77	92	90
Zaire	115	119	122	126	130	91	92	92	93	92
Zambia	116	106	113	131	122	89	80	82	92	83
Zimbabwe	114	99	105	138	125	87	73	75	95	82
Africa, Sub-Sahara	115	115	118	124	123	92	90	89	91	88
Sub-Sahara less Rep. So. Africa	112	112	115	118	121	90	87	87	86	86

Table 6.—Production of selected agricultural commodities in Sub-Saharan Africa, by country, average 1969-71, annual 1980-82

Country and year[1]	Wheat	Corn	Sorghum and millet	Rice, paddy	Cassava	Other root crops[2]	Citrus fruit	Bananas and plantains	Sugar, raw	Peanuts in shell	Cotton-seed	To-bac-co	Cof-fee	Cocoa beans	Cotton
							1,000 metric tons								
Angola															
1969-71	16	467	66	38	1,597	182	81	225	74	26	48	4	200	—	28
1980	7	360	57	20	1,850	170	50	205	40	25	12	2	35	—	6
1981	5	258	50	16	1,850	162	48	200	35	22	10	2	24	—	5
1982	6	290	55	17	1,900	170	50	210	35	24	12	2	32	—	6
Benin															
1969-71	—	201	57	4	533	573	—	—	—	50	24	—	1	—	12
1980	—	271	63	9	583	690	—	—	—	63	11	—	1	—	6
1981	—	275	61	8	600	732	—	—	—	65	14	—	1	—	7
1982	—	300	68	10	650	780	—	—	—	68	16	—	2	—	8
Burundi															
1969-71	7	128	92	8	843	895	—	1,400	—	17	6	—	20	—	3
1980	4	150	168	10	950	1,005	—	1,500	—	38	4	—	20	—	2
1981	5	160	180	12	1,000	1,040	—	1,600	—	40	5	—	41	—	3
1982	5	165	180	12	1,000	1,040	—	1,650	—	42	5	—	30	—	3
Cameroon															
1969-71	—	327	343	16	890	995	—	1,083	7	202	39	4	72	115	17
1980	—	411	441	44	625	1,274	—	1,066	61	157	85	2	113	120	31
1981	—	425	350	50	1,050	1,200	—	1,098	61	184	85	3	91	119	30
1982	—	430	400	52	1,000	1,355	—	1,110	61	180	85	3	125	122	32
Ethiopia															
1969-71	841	940	1,326	—	—	214	—	50	110	24	27	—	172	—	13
1980	469	1,144	882	—	—	283	—	73	164	28	40	—	198	—	20
1981	445	1,086	870	—	—	279	—	72	165	27	39	—	190	—	19
1982	449	1,097	838	—	—	280	—	73	165	28	40	—	191	—	20
Ghana															
1969-71	—	377	216	71	1,600	2,368	107	2,399	—	59	—	—	5	423	—
1980	—	370	235	97	2,250	2,126	167	1,970	—	92	1	—	2	258	1
1981	—	325	237	120	2,277	2,168	179	2,025	—	103	2	—	2	225	1
1982	—	300	200	90	2,250	2,125	170	2,020	—	95	2	—	2	190	1
Guinea															
1969-71	—	165	72	364	482	92	—	84	—	41	—	—	17	—	—
1980	—	180	70	350	480	74	—	102	—	53	—	—	37	—	—
1981	—	190	70	330	485	75	—	103	—	65	—	—	44	—	—
1982	—	200	75	400	500	77	—	105	—	70	—	—	54	—	—
Ivory Coast															
1969-71	—	257	45	335	546	1,746	—	832	—	42	24	3	261	193	14
1980	—	283	81	511	1,153	2,448	—	1,398	137	53	81	2	362	412	56
1981	—	285	72	475	1,200	2,498	—	1,450	166	58	87	2	252	456	61
1982	—	300	81	510	1,250	2,532	—	1,460	190	60	87	1	234	370	61
Kenya															
1969-71	223	1,400	342	28	—	203	—	—	128	10	11	—	58	—	5
1980	185	1,750	350	40	—	350	—	—	421	8	26	—	92	—	13
1981	210	2,200	350	41	—	365	—	—	387	8	28	—	100	—	14
1982	200	2,400	350	42	—	383	—	—	347	8	30	—	89	—	15
Liberia															
1969-71	—	11	—	140	235	26	—	84	—	2	—	—	4	2	—
1980	—	9	—	240	188	37	—	103	—	3	—	—	9	5	—
1981	—	9	—	260	200	40	—	105	—	3	—	—	11	5	—
1982	—	10	—	270	205	41	—	108	—	3	—	—	10	5	—
Madagascar															
1969-71	—	120	—	1,867	1,228	453	—	258	99	42	11	5	58	—	6
1980	—	138	—	2,223	1,450	552	—	270	109	34	23	5	79	—	13
1981	—	128	—	1,998	1,475	540	—	295	105	30	27	4	79	—	13
1982	—	111	—	2,020	1,500	560	—	211	97	32	28	4	79	—	14
Malawi															
1969-71	—	1,051	—	12	144	—	—	—	31	165	14	21	—	—	7
1980	—	1,165	—	48	90	—	—	—	140	177	16	56	—	—	8
1981	—	1,245	—	48	90	—	—	—	167	170	18	51	—	—	9
1982	—	1,415	—	44	90	—	—	—	167	170	18	59	—	—	9

Continued—

Table 6.—Production of selected agricultural commodities in Sub-Saharan Africa, by country, average 1969-71, annual 1980-82

Country and year[1]	Wheat	Corn	Sorghum and millet	Rice, paddy	Cassava	Other root crops[2]	Citrus fruit	Bananas and plantains	Sugar, raw	Peanuts in shell	Cotton-seed	To-bac-co	Cof-fee	Cocoa beans	Cotton
							1,000 metric tons								
Mali															
1969-71	—	69	678	173	155	68	—	—	—	147	37	—	—	—	19
1980	—	60	740	165	40	38	—	—	—	92	82	—	—	—	40
1981	—	65	850	190	45	40	—	—	—	80	84	—	—	—	41
1982	—	60	805	168	45	40	—	—	—	80	82	—	—	—	40
Mozambique															
1969-71	9	435	232	113	2,549	80	—	93	280	140	84	—	—	—	42
1980	2	300	190	70	2,800	105	—	65	170	90	30	—	—	—	15
1981	3	350	225	62	2,850	110	—	68	170	90	32	—	—	—	16
1982	3	350	220	70	2,900	115	—	70	178	92	32	—	—	—	16
Niger															
1969-71	—	2	1,237	34	143	—	—	—	—	257	7	—	—	—	3
1980	—	8	1,750	32	215	—	—	—	—	101	3	—	—	—	1
1981	—	7	1,274	25	220	—	—	—	—	85	4	—	—	—	3
1982	—	8	1,100	22	220	—	—	—	—	70	4	—	—	—	3
Nigeria															
1969-71	—	1,259	6,424	425	9,473	15,192	—	1,280	37	995	114	13	4	271	55
1980	—	1,720	6,930	1,090	11,000	17,210	—	1,430	42	560	48	18	3	155	27
1981	—	1,750	6,930	1,165	11,157	17,684	—	1,430	50	610	40	13	3	181	21
1982	—	1,775	7,065	1,278	11,500	17,750	—	1,450	65	610	50	15	3	165	28
Rwanda															
1969-71	—	54	143	—	333	513	—	1,656	—	7	—	—	14	—	—
1980	—	84	173	—	472	1,061	—	2,151	—	16	—	—	30	—	—
1981	—	85	179	—	494	1,070	—	2,195	—	17	—	—	30	—	—
1982	—	85	169	—	500	1,070	—	2,200	—	17	—	—	30	—	—
Senegal															
1969-71	—	42	544	118	165	20	—	—	—	755	10	—	—	—	5
1980	—	53	553	60	120	8	—	—	35	489	22	—	—	—	7
1981	—	50	736	101	120	12	—	—	40	790	22	—	—	—	8
1982	—	51	500	80	120	12	—	—	40	875	22	—	—	—	10
Sierra Leone															
1969-71	—	11	16	444	493	63	104	174	—	20	—	—	6	5	—
1980	—	15	20	513	630	80	130	208	—	10	—	—	9	9	—
1981	—	15	20	510	635	82	135	210	—	10	—	—	11	10	—
1982	—	16	22	525	640	84	135	210	—	15	—	—	10	10	—
Rep. So. Africa															
1969-71	1,461	6,691	376	—	—	635	520	59	1,629	346	36	35	—	—	18
1980	1,470	10,794	695	—	—	732	564	108	1,709	348	119	36	—	—	65
1981	2,340	14,645	545	—	—	930	598	112	2,108	309	103	29	—	—	58
1982	2,400	8,434	280	—	—	1,025	550	114	2,271	114	65	36	—	—	36
Sudan															
1969-71	134	33	1,929	—	133	—	7	—	—	342	442	—	—	—	235
1980	231	45	2,119	—	122	—	37	—	—	852	215	—	—	—	114
1981	180	30	2,559	—	120	—	38	—	—	707	187	—	—	—	98
1982	175	20	3,829	—	120	—	39	—	—	1,110	322	—	—	—	140
Tanzania															
1969-71	61	626	256	173	2,075	345	22	539	91	29	135	12	51	—	66
1980	68	800	380	215	4,600	472	25	780	120	54	108	17	67	—	54
1981	77	1,200	360	200	4,650	470	27	790	120	56	90	16	61	—	45
1982	85	900	373	203	4,700	490	29	800	115	58	86	12	54	—	43
Togo															
1969-71	—	102	130	19	430	453	—	—	—	18	5	—	12	27	3
1980	—	138	138	15	407	506	—	—	—	33	16	—	10	15	8
1981	—	161	143	17	426	515	—	—	—	35	18	—	14	16	9
1982	—	145	134	20	411	567	—	—	—	35	18	—	12	16	9
Uganda															
1969-71	—	336	958	—	1,250	988	—	300	147	215	164	3	184	—	82
1980	—	286	909	—	1,400	670	—	360	10	220	17	2	123	—	8
1981	—	342	980	—	1,420	680	—	365	12	150	12	1	128	—	6
1982	—	380	1,012	—	1,470	700	—	370	15	150	19	2	174	—	9

Continued—

Table 6.—Production of selected agricultural commodities in Sub-Saharan Africa, by country, average 1969-71, annual 1980-82

Country and year[1]	Wheat	Corn	Sorghum and millet	Rice, paddy	Cassava	Other root crops[2]	Citrus fruit	Bananas and plantains	Sugar, raw	Peanuts in shell	Cotton-seed	To-bac-co	Cof-fee	Cocoa beans	Cotton
							1,000 metric tons								
Upper Volta															
1969-71	—	63	842	37	30	62	—	—	—	68	25	—	—	—	13
1980	—	57	900	9	35	60	—	—	—	70	63	—	—	—	23
1981	—	132	1,100	45	39	67	—	—	—	77	60	—	—	—	22
1982	—	130	1,105	46	41	69	—	—	—	75	55	—	—	—	20
Zaire															
1969-71	3	378	36	156	9,293	397	—	1,483	41	187	34	—	73	5	19
1980	6	562	30	246	12,784	336	—	1,765	48	340	29	—	74	4	11
1981	5	639	50	250	13,172	344	—	1,800	48	347	21	—	80	5	10
1982	5	681	50	255	13,542	350	—	1,820	56	358	30	—	84	5	11
Zambia															
1969-71	—	786	128	—	144	4	—	—	37	24	6	6	—	—	3
1980	10	735	95	2	175	3	—	—	111	16	15	5	—	—	8
1981	12	1,000	100	5	178	3	—	—	102	23	12	3	—	—	6
1982	14	800	97	5	180	3	—	—	110	15	12	3	—	—	6
Zimbabwe															
1969-71	49	1,475	358	—	46	22	—	—	224	134	84	59	1	—	44
1980	163	1,598	254	—	60	23	—	—	358	83	119	109	6	—	64
1981	201	2,997	306	—	50	23	—	—	388	130	128	70	5	—	70
1982	213	2,130	271	—	50	22	—	—	421	115	96	93	5	—	56
Total Sub-Sahara															
1969-71	2,805	17,803	16,847	4,575	34,811	26,590	840	12,002	2,935	4,363	1,386	165	1,215	1,041	713
1980	2,615	23,486	18,223	6,009	44,479	30,313	973	13,554	3,675	4,105	1,185	254	1,270	978	601
1981	3,483	30,054	18,597	5,928	45,803	31,129	1,025	13,918	4,124	4,291	1,128	194	1,167	1,017	575
1982	3,555	22,983	19,279	6,139	46,784	31,640	973	13,981	4,333	4,569	1,216	230	1,220	883	596

[1]Data for 1982 are preliminary. [2]Other root crops may include yams, cocoyams, sweet potatoes, and white potatoes.

— = None, negligible, or not identified in ERS data base.

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