COUNTRY REPORT

Senegal
The Gambia
Mauritania

1st quarter 1999

The Economist Intelligence Unit
15 Regent Street, London SW1Y 4LR
United Kingdom

The Economist Intelligence Unit

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Electronic delivery

EIU Electronic Publishing
New York: Lou Celi or Lisa Hennessey Tel: (1.212) 554 0600 Fax: (1.212) 586 0248
London: Jeremy Eagle Tel: (44.171) 830 1183 Fax: (44.171) 830 1023

This publication is available on the following electronic and other media:

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World Microfilms Publications (UK)
Tel: (44.171) 266 2202

ISSN 1350-7079

Symbols for tables

"n/a" means not available; "–" means not applicable

Printed and distributed by Redhouse Press Ltd, Unit 151, Dartford Trade Park, Dartford, Kent DA1 1QB, UK

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March 3rd 1999

Summary

1st quarter 1999

Senegal

Outlook for 1999-2000: Prospects for peace in the troubled southern area of Casamance are likely to improve. Opposition parties will fail to field a common candidate against President Abdou Diouf in the 2000 election. Unity will continue to elude the ruling PS. Militancy in the public sector will mount as the government pushes through its privatisation programme. Real GDP growth will hover around 6% per year over the forecast period. A booming demand for imports could widen the trade deficit.

The political scene: Peace talks have resumed in Casamance. President Diouf has agreed to confer face to face with the separatist MFDC leader, Father Diamacoune. Some 120 Casamançais prisoners have been released. MFDC factions have remained divided. Senegalese troops have started to withdraw from Guinea-Bissau. Landmines have claimed more victims. The Senate election has been boycotted by the main opposition parties, with the PS sweeping all the seats. The mayor of Dakar has turned down the position of Senate president. New breaches have appeared in the PS leadership, most notably the party’s youth movement. Efforts to improve co-ordination between opposition parties have remained deadlocked. Spiritual leaders have expressed their desire to run for the presidency. Female circumcision has become illegal. Trade union leaders have been released, amid new calls for strikes.

The economy: The transition to privatisation of seven public enterprises has made progress. The parliament has dissolved the industrial zone and voted through the 1999 budget. The IMF has released new structural funds under the 1998-2000 ESAF. The regional central bank has lowered reserve requirements and cut interest rates to 5.25%. Cereals production has reached 1.2m tonnes, but cotton harvests have dwindled, despite government price subsidies. New institutional funds have been pledged to combat desertification. Money has been injected into the ailing tuna industry. Imposing a fishing moratorium has been envisaged. The West African union, Ecowas, has sought to harmonise mining codes in the region. Senegal’s trade deficit has continued to grow.

The Gambia

Outlook for 1999-2000: The government will heighten its efforts to root out financial malpractice in the public sector. Opposition parties will remain vociferous in their criticisms of President Yahyah Jammeh, at the risk of further harassment. Serious structural weaknesses will continue to hinder the groundnuts sector. Spurred on by the resumption of aid, GDP could grow by 4% this year, though government forecasts are more optimistic.

The political scene: A major cabinet reshuffle, allegedly prompted by new evidence of corruption, has taken place. President Jammeh has promoted the army leadership. Charges of destruction of public property against opposition leaders and the imam in Brikama have been dropped. The opposition has held numerous rallies without interference by the government. Some 150 Gambian troops have been sent to troubled Guinea-Bissau. The Gambia has denied any involvement in the Casamance conflict in Senegal and has offered to mediate.

President Jammeh has again broken the UN embargo against Libya. He has received a visit from Nigeria's military ruler, General Abdulsalami Abubakar, and has put himself forward as a potential mediator in Sierra Leone. President Jammeh has objected to the campaign against female genital mutilation. Rumours that he has remarried have been confirmed.

The economy: The government has announced a 20% increase in public spending for 1999. Salaries for lower-ranked civil servants have been raised by 5%. Taxes have been downgraded in line with an Ecowas harmonisation programme. The government may run into excessive debt. Dubious growth figures have been released for 1998 and 1999. The government has taken over the privately owned groundnut-processing plant. A Sahelian meeting has taken place in Banjul. Australian companies has invested in oil exploration. The Central Bank has offered for sale its majority share in Trust Bank.

Mauritania

Outlook for 1999-2000: The government may try to improve its democratic credentials, but official harassment and muzzling of the press are unlikely to stop. Mauritania is unlikely to qualify for multilateral debt relief before 2000. Real GDP will grow by roughly 5% per year.

The political scene: The ruling PRDS has won the municipal elections by a landslide. Elections have been re-run in Nouakchott following irregularities. Opposition leaders from the FPO alliance have boycotted the contest and commended high rates of abstention among the electorate. There have been new allegations of Israeli nuclear waste dumping in the desert. UFD leaders have been rounded up and held in poor conditions, prompting protests. A Mauritanian anti-slavery activist has won a human rights award in London. Several military officers have been dismissed. President Ould Taya has paid a visit to France, amid hostile demonstrations at his country's embassy in Paris.

The economy: A $258m budget has been passed by parliament, with one-third of investment earmarked for infrastructure. There have been new talks with the Bretton Woods institutions on Mauritania's eligibility for HIPC debt relief. Relatively good harvests are expected for 1998/99, but predators have continued to damage crops. The Canadian diamond company Rex has claimed a new discovery. Japan has donated wind-powered electricity generators. The EU, Germany, an Arab development fund and France have pledged new aid.

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Senegal

Political structure

Official name	République du Sénégal	
Form of state	Unitary republic	
Legal system	Based on the Napoleonic Code and the 1963 constitution	
National legislature	National Assembly, with 140 members elected by universal suffrage on a mixed first-past-the-post (70 seats) and proportional representation (70 seats) system; all serve a five-year term. A second chamber of parliament, the Senate, was established in 1998, with 48 seats selected by an electoral college and 12 seats allocated by the president	
Head of state	President, elected by universal suffrage, serves a seven-year term and may stand for re-election	
National elections	February 1993 (presidential), May 1998 (legislative); next elections due in February 2000 (presidential), May 2003 (legislative)	
National government	The president and his Council of Ministers; last major reshuffle July 1998	
Main political parties	Parti socialiste (PS) is the ruling party; Parti démocratique sénégalais (PDS—the main opposition party); Parti de l'indépendance et du travail (PIT); Ligue démocratique-Mouvement pour le parti du travail (LD-MPT); And-jëff/Parti africain pour la démocratie et le socialisme (AJ/PADS); Convention des démocrates et des patriotes (CDP-Garab Gi); Parti libéral sénégalais (PLS); Union pour le renouveau démocratique (URD)	
	President	Abdou Diouf
	Prime minister	Mamadou Lamine Loum
Ministers of state	Agriculture	Robert Sagna
	Presidential affairs	Ousmane Tanor Dieng
Key ministers	Armed forces	Cheikh Hamidou Kane
	Commerce & crafts	Khalifa Ababacar Sall
	Communications	Aïssata Tall Sall
	Economy, finance & planning	Mouhamed El Moustapha Diagne
	Education	André Sonkho
	Energy, mines & industry	Magued Diouf
	Environment & protection of nature	Souty Touré
	Foreign affairs & Senegalese abroad	Jacques Baudin
	Fisheries & marine transport	Alassane Dialy Ndiaye
	Interior	Lamine Cissé
	Justice & keeper of seals	Serigne Diop
	Labour & employment	Marie Louise Correa
	Public health	Assane Diop
	Tourism & air transport	Tidiane Sylla
	Urban planning & housing	Abdourahmane Sow
Governor of the BCEAO	Charles Konan Banny	

Economic structure

Latest available figures

Economic indicators	1994	1995	1996	1997	1998[a]
GDP at market prices (CFAfrbn)	2,005	2,215	2,421	2,607	2,822
Real GDP growth (%)	2.0	4.8	5.6	5.5	5.7
Consumer price inflation (av; %)	32.3	7.8	2.8	1.7	2.0
Population (m)	8.3	8.5	8.7	8.9	9.2
Exports fob ($ m)	819	993	986	933	976
Imports fob ($ m)	1,022	1,243	1,268	1,196	1,260
Current-account balance ($ m)	3	–58	–64[a]	–71	–110
Reserves excl gold ($ m)	179.6	271.8	288.3	386.5	402.0[b]
Total external debt ($ m)	3,650	3,824	3,663	3,818[a]	3,557
External debt-service ratio (%)	16.3	15.6	16.1[a]	18.8[a]	14.8
Groundnut production[c] ('000 tonnes)	718	791	650	551	720
Exchange rate (av; CFAfr:$)	555.2	499.2	511.6	583.7	590.0[d]

February 26th 1999 CFAfr597.5:$1

Origins of gross domestic product 1997	% of total
Primary sector	19.0
Secondary sector	19.8
Tertiary sector	61.2
GDP at factor cost	100.0

Components of gross domestic product 1997	% of total
Private consumption	76.6
Government consumption	10.2
Gross domestic investment	18.7
Exports of goods & services	32.6
Imports of goods & services	–38.1
GDP at market prices	100.0

Principal exports 1996	$ m
Fish & fish products	248.0
Chemicals (ICS plant)	130.0
Groundnuts & products	85.4
Phosphates	36.3

Principal imports 1996	$ m
Intermediate goods	407.6
Food products	387.8
Capital goods	189.0
Petroleum products	187.9

Main destinations of exports 1997[e]	% of total
India	25.6
Mali	9.4
France	8.4
Côte d'Ivoire	4.6
Benin	4.1

Main origins of imports 1997[e]	% of total
France	30.6
Nigeria	7.3
US	4.8
Spain	4.5
India	3.9

[a] EIU estimates. [b] November actual. [c] Unshelled; crop years beginning October 1st. [d] Actual. [e] Derived from partners' trade returns, subject to a wide margin of error.

Outlook for 1999-2000

Peace could be on the horizon in Casamance

The prospects for peace in the troubled southern province of Casamance are brightening following the January meeting between President Abdou Diouf and the political leader of the separatist Mouvement des forces démocratiques de Casamance (MFDC), Father Augustine Diamacoune Senghor. The lynchpin of the peace process will be to win over the leader of the hardline Southern Front MFDC faction, Salif Sadio, who has consistently boycotted previous MFDC meetings. If the peace accord between the combatants in Guinea-Bissau holds, MFDC units will be cut off from their bases across the border. This will slow the flow of weapons to the region, which may in turn encourage otherwise recalcitrant military leaders to negotiate with the Senegalese government. In fact, unruly military units could find themselves increasingly isolated politically, both from neighbouring countries and from significant portions of the Casamançais population, as the fear of war spreading in the subregion brings new calls for peace.

A three-way race appears likely in the 2000 presidential election

After the clean sweep of the Senate election by the ruling Parti socialiste (PS) in January, all eyes are now upon the presidential election, scheduled for February 2000. With over 30 political parties, a number of candidates are likely to enter the fray. However, in practice the election will probably be a three-way race between President Diouf and the two leaders of the largest opposition parties, Abdoulaye Wade of the Parti démocratique sénégalais (PDS) and Djibo Ka of the Union et le renouveau démocratique (URD). In this scenario, President Diouf's re-election seems almost assured, though the opposition parties may hope to present a more serious challenge if the contest goes to a run-off between the two leading candidates. What is clear is that Senegal has been perpetually in election mode for the last five years, and this has diverted attention and resources from important economic and political issues. With four elections having been held since 1993, the debate between the ruling party and the opposition has been either about the results of the last poll or reforming the electoral code for the next. This pattern is unlikely to change in 1999 as the parties debate changes to the electoral code and the role of the national electoral organisation (ONEL).

Party politics will remain eventful

Meanwhile, the PS will remain edgy over the possibility of further rifts within its leadership. Its landslide victory in the Senate election has failed to dampen calls for reforms within the party structures, which are thought to be too rigid and autocratic. Following a public condemnation by the PS spokesman, Abdourahim Agne, of the lack of debate within the party, disgruntled members have sent anonymous letters to the independent press, saying that they were dissatisfied with the direction the party had taken under the stewardship of its secretary-general, Ousmane Tanor Dieng. Internal dissension has also been seen in the party's youth movement, with the police breaking up a fight in January between the official Mouvement de jeunesse socialiste (MJS) and a pro-Dieng youth group, the Cercle des jeunes cadres du parti socialiste (Cejecas).

Meanwhile, in addition to co-ordination problems between the opposition parties, the PDS could face a major internal challenge, with some members demanding that a party congress be held to elect a new leadership that is more credible and competent. The first signs of internal dissent have also become evident at the URD, less than one year after its formal launch. Political realignment and repositioning will probably accelerate with the approach of the presidential election, as party leaders struggle to position themselves by throwing their weight behind whoever they believe to be the best candidate.

There is a rocky road ahead for labour relations

Despite a new mood of militancy in the public sector, the government looks bent on moving ahead with its privatisation programme. However, it may prove difficult to repeat the successful privatisation of the Société nationale des télécommunications du Sénégal (Sonatel), in terms of the response both of its unionised employees and investors in other sectors. Indeed, the struggle that has been associated with the privatisation of the Société nationale d'électricité (Senelec) is more likely to become the norm, as the remaining state enterprises on offer present similar obstacles: they are typically in arrears to both the social security fund, Caisse de sécurité sociale (CSS), and the retirement fund, Fond national de retraite (FNR), as well as owing their workers several months' back pay. As state enterprises reduce their number of employees to improve their prospects for competitive bidding, they awaken the fears of unionised workers who are angered by the government's decision to dissolve rather than privatise companies such as the Société des transports du Cap-Vert (Sotrac), Dakar's public transportation system. Although the government claims that this is necessary because no one would purchase a heavily indebted company with a large payroll and decrepit infrastructure, the unions see the decision to dissolve state enterprises as an attempt to circumvent labour laws that protect their members' job security and seniority towards retirement.

Real GDP growth could approach 7% a year

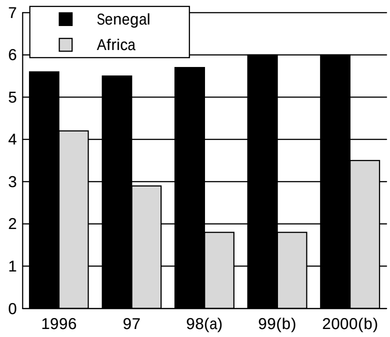
According to an IMF mission to Senegal in late December, real GDP growth could reach 6.6% in 1999. The government is banking on an even more optimistic 7% rate for this year, reflecting in part the expected increase in agricultural output resulting from the return of rains. The EIU has also upgraded its forecasts, albeit more cautiously, to 6% in 1999. Spurred on by substantial donor assistance, Senegal's economy has turned a corner since the 50% devaluation of 1994, but for recovery to be sustained, an increase in private investment is necessary. Inflation is also forecast to remain under control, at around 2% a year. As far as the exchange rate is concerned, the CFA franc, now pegged to the single European currency, the euro, at a fixed rate of CFAfr655.96:€1, will continue to appreciate against the currencies of Senegal's main competitors in Asia and Latin America. In fact, Senegal's trade balance could further deteriorate over the next two years, as imports, fuelled by a rising demand for machinery, gather momentum, while new outlets for traditional export products, fisheries, groundnuts and phosphates, remain limited. India, Mali and France will remain Senegal's main export markets.

Senegal: forecast summary
($ m unless otherwise indicated)

	1997[a]	1998[b]	1999[c]	2000[c]
Real GDP (% change)	5.5	5.7	6.0	6.0
Consumer price inflation (%)	1.7	2.0	2.0	2.0
Merchandise exports fob	933	976	1,089	1,226
Merchandise imports fob	1,196	1,260	1,370	1,563
Current-account balance	–71	–110	–106	–118
Average exchange rate (CFAfr:$)	583.7	590.0[a]	583.6	555.1

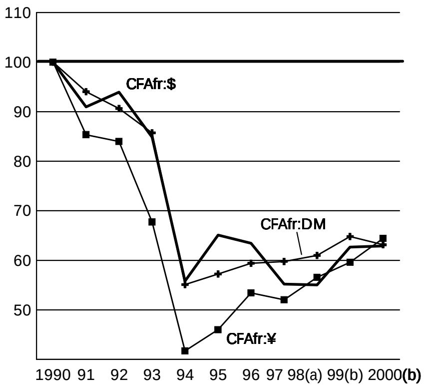
[a] Actual. [b] EIU estimates. [c] EIU forecasts.

Senegal: gross domestic product
% change, year on year



(a) EIU estimates. (b) EIU forecasts. (c) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *International Financial Statistics.*

Senegal: CFA franc real exchange rate (c)
1990=100



Review

The political scene

Peace prospects in Casamance improve—

After several months of renewed fighting in the southern province of Casamance, the new year raised hopes that the government might be moving towards a serious effort to bring the dispute to the conference table and find a permanent solution to the 17-year conflict. For the first time since the separatist Mouvement des forces démocratiques de Casamance (MFDC) launched its armed rebellion in the early 1980s, President Abdou Diouf met the MFDC political leader, Father Augustine Diamacoune Senghor, face to face, on January 22nd. Their 90-minute meeting took place in Ziguinchor, the capital of Casamance, with the leader of the moderate MFDC faction Northern Front, Sidy Badji, at Father Diamacoune's side. Also present were the agriculture minister and mayor of Ziguinchor, Robert Sagna, the local archbishop, Monsignor Maixent Coly, General Boubacar Wane, who deals with the Casamançais question for the government, and the French ambassador, André Lewin, who took an active role in the mediation process before retiring at the end of January. President Diouf and Father Diamacoune also conferred alone for 20 minutes. Although few details emerged from their encounter, a Paris-based journal, *Jeune Afrique*, later reported that Father Diamacoune had produced a 20-page document on the Casamançais issue.

—as the government shows renewed commitment—

After the meeting, President Diouf issued a direct appeal for peace to the MFDC's fragmented leadership, saying: "Casamance is sick... we are all sick because this beautiful and rich region has so much to give." He then referred to a united Senegal, insisting that the region's integrity would not be brought into question. He nonetheless suggested that the path to lasting peace might come through greater regional autonomy, referring to the overall process of administrative and political decentralisation launched since the local elections of November 1996 (4th quarter 1996, page 10). Often accused of neglecting Casamance, President Diouf seized the occasion to reiterate the government's proposal to improve social welfare programmes and infrastructural investment in the region. While in Ziguinchor, the president visited the overhauled power station of Boutoute and inaugurated the regional headquarters of the Franco-Senegalese Alliance française. It was his first visit to the province since 1996.

—by releasing prisoners

The unfolding peace process was subsequently reinforced on February 12th, when 123 MFDC militants were released from prisons in Dakar, Ziguinchor and Kolda. Held without trial for as long as three years, most of them had had no serious charges brought against them. Over the last couple of years, the government has often been accused of violating human rights when dealing with Casamance. While conducting systematic sweeps of known MFDC bases with artillery and infantry, the army has been responsible for numerous cases of arbitrary arrest, summary execution and torture, according to the human rights organisation Amnesty International (2nd quarter 1998, page 14). The authorities have consistently dismissed such allegations as a pack of lies. The last amnesty granted to MFDC sympathisers was in 1995, after Father Diamacoune unilaterally announced a ceasefire.

Divisions among the separatists could hamper negotiations—

Behind the scenes, the Diouf administration seems to have been revising its negotiating strategy, aiming to identify a limited number of "Messieurs Casamançais" who could represent the various factions of the MFDC rather than rely on Father Diamacoune as the sole intermediary. The state of "neither peace nor war" that has prevailed in Casamance since a first peace accord was signed in 1991 underscores the many cultural and ideological rifts that exist within the separatist movement. Father Diamacoune has seen his authority over the armed insurgents erode, and it is the hardline Southern Front, led by Salif Sadio, that appears to have been most active in the recent clashes. Hopes that the establishment of a co-ordination committee, Comité de pilotage provisoire (CPP), could help to restore a common stance between the northern and southern fronts of the movement and the expatriate group based in Paris faded after a meeting with Mr Sadio scheduled for November 1998 failed to take place.

—as the unsettled situation in Guinea-Bissau causes concern—

Much still depends on the shaky peace accord signed in November in neighbouring Guinea-Bissau, where Casamançais rebels are said to be operating alongside the rebel army. Casamance has been relatively peaceful since the accord and the Senegalese government hopes that the West African buffer force which is to be deployed along its border with Guinea-Bissau will deprive the MFDC of its military bases, and slow the flow of arms to the separatists. As part of the accord, the Senegalese army has now begun to withdraw its 2,500 troops sent to Guinea-Bissau to support the president, João Bernardo Vieira as Togolese, Gambian and Nigérien soldiers arrive under the auspices of the monitoring group Ecomog, the military peacekeeping force of the Economic Community of West African States (Ecowas). A first contingent of 200 Senegalese soldiers was sent back to Casamance in January to reinforce security in the region during the president's visit. It was reported that some 900 Senegalese soldiers had left Guinea-Bissau by the end of February.

—and landmines continue to find victims

Meanwhile, the government still faces the long and exacting task of disarming the region and defusing landmines at an estimated cost of $300 each. According to the Senegalese human rights organisation Rencontre africaine pour la défense des droits de l'homme (RADDHO), antipersonnel mines killed or injured 500 people in the region in 1997-98 and rendered 80% of the land unexploitable, resulting in 220 "phantom" villages and as many as 120,000 refugees. The mining of the road between the regional capital, Ziguinchor, and the Guinea-Bissau border has also been an obstacle to the peace process, thwarting a planned meeting between Father Diamacoune and the southern factions of the MFDC in November last year. Since the resumption of hostilities in 1997, fragmented MFDC units have been accused of increasing banditry against the civilian population. The highway robbery of some 27 French tourists en route to a sheltered beach hotel in Cap Skirring in February suggests that even tourists may no longer be safe in what was once the region of Senegal most visited by them.

The PS wins the Senate election by a landslide—

Elections to the new Senate on January 24th provoked little interest among a largely apathetic population. Much to everybody's surprise, the PS took all 45 Senate seats, with more than 90% of the vote. Nevertheless, the party's strong showing was a foregone conclusion. The bill for the creation of a second parliamentary chamber was pushed through by the PS-dominated National Assembly in February 1998 largely to increase the ruling party's representation (1st quarter 1998, page 13), while the voting rules adopted last October assured that the majority of the electoral college would be PS politicians. For this reason, most opposition parties including the two largest, Abdoulaye Wade's Parti démocratique sénégalais (PDS) and Djibo Ka's Union pour le renouveau démocratique (URD), boycotted the election. Only And Fippu, a leftist coalition umbrella between And-jëff/Parti africain pour la démocratie et le socialisme (AJ/PADS) and the Parti de l'indépendance et du travail (PIT) fielded a list of candidates, as did the Parti libéral sénégalais (PLS), a party that recently split from the PDS. Three other independent candidates, close to the PS, were elected by the Senegalese abroad. The president directly appointed another 12 members on February 15th, with the nomination of two non-PS members, Majhemout Diop of the Marxist Parti africain de l'indépendance (PAI) and Marcel Bassène of the PLS, rendering a semblance of political pluralism.

Senegal: Senate election

Party	No. of votes	% of vote	No. of seats
PS	9,840	91.3	45
And Fippu	610	5.7	0
PLS	325	3.0	0

Source: local press.

—but finding a Senate president is difficult

Apparently reflecting scepticism within the ranks of the PS, fewer than 11,000 of the 13,000 municipal, regional and rural councillors of the Senate electoral college cast ballots on voting day. Selecting a president for the chamber also proved embarrassing for the ruling party. According to the constitution, the presidency of the Senate is the third highest public office (after that of head of state and president of the National Assembly). Although theoretically powerful, influential PS leaders seemed to drag their feet in filling the position, obviously preferring to hold on to better-established, albeit regional, offices.

The mayor of Dakar, Mamadou Diop, pulled out after he was told that he could not hold two positions simultaneously and would have to relinquish his strategic post in the capital. This meant that the Senate's inaugural session on February 18th took place without nominating a president. After another rebuff by the mayor of Ziguinchor, the agriculture minister Robert Sagna, the ruling party fell back on the president of the regional council, Abdoulaye Diack, who accepted the offer.

Dissension within the PS leadership remains unresolved—

Many Senegalese observers deemed the creation of a second chamber of parliament superfluous and in large part a means by which the PS might arrange patronage positions for its disgruntled leaders. But despite its landslide win in the Senate race, the PS leadership has been besieged by criticism from seemingly all directions. Since Djibo Ka left the PS to form the URD in 1998, the ruling party's spokesman, Abdourahim Agne, who publicly criticised the lack of debate within the party in November (4th quarter 1998, page 13), seems to have set himself up as the new initiator for the formation of a reformist movement within the party. Meanwhile, the Senegalese press has been filled with anonymous criticisms of the leadership of the secretary-general of the PS, Ousmane Tanor Dieng. These PS members—derisively referred to as the "cagoulards" because they prefer to remain anonymous for fear of losing their positions—have been calling for the same reforms that Mr Ka pursued without success in 1995, when his Renouveau movement was calling for a less hierarchical leadership structure.

—leading to violent confrontation in the party's youth movement

Discord among PS national leaders has been mirrored by tension in the party's youth movement. In November, a pro-Dieng association, the Cercle des jeunes cadres du parti socialiste (Cejecas), was created. At the end of January a turf war ensued when the president of the official PS youth movement, the Mouvement de jeunesse socialiste (MJS), Pape Babacar Mbaye, prohibited Cejecas from meeting at PS headquarters, on the basis that it was "not a structure of the socialist youth movement and therefore not of the party". When Cejecas nevertheless met in a room made available under a directive from Mr Dieng, members of the MJS threw smoke bombs into the room. The police broke up the fight that ensued and arrested four members of the MJS, including Mr Mbaye.

Meanwhile, the prospects for a unified opposition remain dim—

The opposition parties have had no better luck in achieving political unity. In November Senegal's former Marxist parties, the PIT, the Ligue démocratique Mouvement pour le parti du travail (LD-MPT) and And-jëff, explored the possibility of creating a coalition of the left. The leftist parties sought to present an alternative to the current PS regime, which they consider corrupt and mismanaged, other than the liberal platform offered by the PDS, their collaborator in the Alliance des forces du changement pour l'alternance (AFCA). In January And-jëff teamed up with the PIT to form the And Fippu coalition in the Senate race, while the PDS and LD-MPT were among the opposition parties that boycotted the elections. By February all the members of AFCA had thrown their support behind the candidacy of the PDS leader, Mr Wade, for the presidential election due in 2000. Although AFCA is pursuing a common programme with the Bloc républicain pour le changement (BRC), a separate opposition alliance led by Mr Ka, there is little hope for agreement on a single candidate ahead of the presidential election. Optimists sought a Wade-Ka ticket, although it was never clear how these two characteristically antagonistic politicians would share power in a highly concentrated presidential system. It is unlikely that Mr Ka will subjugate his presidential ambitions to those of Mr Wade, who is senior in years and in the battle to oust the PS, or that other opposition leaders will embrace an outsider such as Mr Ka, who only recently left the ruling party. A third probable candidate is the leader of the Convention des démocrates et des patriotes-Garab Gi (CDP-Garab Gi), Iba Der Thiam, who maintains that creating a single candidate to defeat the PS "is not a panacea" in that an alliance between liberals and neo-Marxists would not be based on a united opposition but on conquering and dividing the spoils.

—and there may be candidates from new segments of society

Evidence that some *marabouts* (spiritual figureheads) have been taking a more direct role in politics could presage drastic changes on Senegal's political scene. In January the leader of the Islamic Movement of the Moustarchidines, Moustafa Sy, created his own political party; the Tidian *marabout* has pledged to take part in the presidential race in 2000. Moudou Kara Mbacke, a leader of the powerful Mouride brotherhood, is also contemplating entering the race. The "*marabout* of the young", as Mr Moudou Kara is referred to, has been involved in a number of politically sensitive issues and is reportedly considering whether to enter the presidential race. Regardless of who runs in 2000, Ahmed Khalifa Niasse, known as the "ayatollah of Kaolack", predicts that a confrontation between politicians and *marabouts* is "inevitable". Although it is difficult to imagine Senegal led by religious leaders, dissatisfaction with the PS, perpetual wrangling within the opposition and a general frustration with the political class could open the door to such a possibility.

Senegal prohibits female excision

On January 14th Senegal became the first African nation to pass a law against excision, often referred to as female circumcision. According to the UN children's fund (Unicef), 700,000 girls and women in Senegal have undergone this procedure. The law, which makes it illegal to excise a girl and carries a penalty of six months to five years in prison, gave rise to a wave of hostile reaction from various deputies and religious leaders. While some argued that "excision is the corollary to circumcision, which means it is almost compulsory for a Muslim woman", others referred to article 19 of the constitution, which grants citizens the right to practise their own religion. As with protection for women under the Family Code, which was passed in 1972 but widely ignored, it remains to implement the new law. A women's rights activist, Aya Ndiaye, warned that making excision illegal was only a first step and that to be effective, the law must be accompanied by a grassroots information campaign, especially in rural areas, where female genital mutilation is common practice.

The electricity union leader is released without charge—

In December Mademba Sock, the leader of the Syndicat unique des travailleurs de l'électricité (Sutelec), and another union member were sentenced to six months in prison for threatening public order during a strike in July 1998. Charges of sabotaging the state-owned power utility, the Société nationale de l'électricité (Senelec), were dismissed for insufficient evidence and their 23 co-defendants were found not guilty. After his release in mid-January, Mr Sock indicated that he wished to become a "Senegalese Lech Walesa", a reference to the Polish union leader who became head of state after being freed from prison. For now, Mr Sock's focus is on the civil suit against Sutelec in which Senelec is demanding CFAfr1bn ($1.7m) for the alleged sabotage that caused blackouts during the 1998 strike.

—while the union reconsiders its links with the ruling party—

After 3,000 workers were laid off in three days during November, Madia Diop, the leader of the Confédération nationale des travailleurs du Sénégal (CNTS), accused the PS government of being part of a "conspiracy against the workers" for favouring "an avalanche of dissolved and privatised companies". After the president's New Year speech, Mr Diop complained that lowering taxes on salaries by 3% was insufficient and that talk of an unemployment fund was "electoral rhetoric intended to raise hopes before the next presidential election in 2000". Although many labour leaders have said this and worse, Mr Diop's words were more worrying for the ruling party, since the CNTS is the union affiliate of the PS. Opposition leaders repeated their calls for the CNTS to claim its "political independence" and in December members of the union held a sit-in to protest at the "partisan" attitude of the CNTS leadership. For the time being, President Diouf has been able to calm the waters by promising to assist laid-off workers during a meeting with the leaders of the major labour unions in mid-January.

—and strikes continue elsewhere

On December 30th members of another labour organisation, the Union nationale des commerçants et industriels du Sénégal (Unacois), began a strike that was to last six weeks, effectively blocking all imports other than rice. Unacois also refused to pay municipal taxes until relations with customs officials were improved, the General Code of Customs was revised and the tax on imported goods was lowered. Currently, there is a 30% tax on imported goods valued at less than CFAfr121,000 ($205m) and 15% on anything over this amount. To date Unacois has incurred CFAfr8bn in penalties for its actions, which the union has no intention of paying. The state, which hopes to get CFAfr166bn in customs taxes and CFAfr124.8bn in value-added tax (VAT) in 1999, has refused to cave in to the union's demands.

Economic policy

Privatisation continues to gain momentum

During the first wave of privatisation in Senegal (1986-91), 24 state enterprises were sold, generating CFAfr12.2bn ($20m) in revenue, according to a Dakar daily opposition newspaper, *Sud Quotidien*. It is only over the last few years, however, that the process has begun to accelerate, generating another CFAfr95bn ($160m) by 1997. Currently, there are a number of state enterprises in various stages of privatisation, including seven of Senegal's largest firms, as follows.

- Air Sénégal, the national airline. After rejecting an offer in early 1998 by the French airline Air Toulouse to manage rather than purchase Air Sénégal, the government is once again seeking to sell the carrier, offering a 51% controlling interest in exchange for capital investment. To make the offer more attractive, the number of airline employees has been reduced from 129 to 93, making Air Sénégal eligible for a CFAfr300m investment programme financed by the World Bank.

- Société nationale d'électricité (Senelec), the state electricity company. In mid-December the Agence française de développement (AFD) granted nearly CFAfr20bn to pay off Senelec's debt, paving the way for its privatisation early this year. This may tip the scales toward Electricité de France-International, which is competing with four other prospective purchasers. In the interim, Senelec has signed agreements with General Electric to construct a 55-mw electric generator at a cost of CFAfr25bn and with Schlumberger Industries to create a joint Senegalese affiliate, Société industrielle de matériels électriques en Afrique (Simlec). Initially, Simlec will manufacture 18,000 electricity meters for the Senegalese market, with the prospect of exporting within West Africa in the future.

- Société nationale des chemins de fer du Sénégal (SNCFS), the state railway company. The World Bank recently pledged Senegal CFAfr2.5bn to finance the voluntary departure of 314 SNCFS employees. This reduction must occur prior to December 1999, when SNCFS is scheduled to be replaced by the Société d'exploitation du traffic international Dakar-Bamako (SETI). According to SNCFS officials, the voluntary departures are necessary owing to the decline in the number of travellers using the railways.

- Société nationale de tomate industrielle (SNTI), a tomato paste company. Under the management of Société alimentaire du Sénégal (Socas), SNTI was re-opened in January after being closed for three years. Socas intends to purchase SNTI, although there is still the matter of its CFAfr3m debt to the social security fund and another CFAfr15m to the IPRES retirement fund, not to mention the back pay owed to SNTI employees.

- Société nationale de commercialisation des oléagineux du Sénégal (Sonacos), the state groundnut-processing company. The state intends to sell at least 51% of Sonacos, which, even though Senegal's groundnut production has been in decline for the last decade, has been experiencing astonishing success, earning CFAfr98bn in 1997. Its strong performance is attributed in large measure to the diversification of its products, including vegetable oil, soap, butter, and animal feed, as well as the positive impact on profitability of the 50% devaluation of the CFA franc in 1994. As a result, earnings for non-oil products rose from CFAfr460m in 1994 to CFAfr4bn in 1998.

● Société nationale des télécommunications du Sénégal (Sonatel), Senegal's telecommunications parastatal. This was partially privatised in 1997. The state currently holds 34% of the stock, France cables et radio (an affiliate of France Télécom) holds 33.3%, and Sonatel employees own 10%, with the remainder in the hands of individual stockholders. When Sonatel's stock was first sold on the regional stockmarket, based in the Côte d'Ivoire capital, Abidjan, there was a flurry of interest among investors, which has encouraged the Senegalese state as it prepares fully to privatise the parastatal this year. In December Sonatel lowered its rates for international calls for a second time in a year. The rates for calls to the US and France were reduced by 25% and 11% respectively.

● Sotrac, the state bus company. At the end of November the government decided to dissolve rather than sell Sotrac, releasing any newly formed transport company from its legal obligations to retain Sotrac employees. When it became unclear whether they would even receive their back pay, the Syndicat unique des travailleurs de la Sotrac (SUTS) labour union called for a strike that stopped bus services in Dakar over the New Year holiday. In January the government announced the creation of a new transport company, Dakar-Bus, in conjunction with several French and Senegalese counterparts, including Réseau autonome des transports Parisien (RATP). Capital for the new company is estimated at CFAfr1bn, including 100 buses and the serviceable Sotrac bus. Dakar-Bus will service Dakar and the suburbs of Parcelles Assainies and Pikine, but not the suburbs of Guèdiawaye, Dagoudane and Rufisque, which are considered "unprofitable" zones. These areas will be serviced by another company, bids for which were to be called for in February.

The National Assembly dissolves the industrial zone

The Zone franche industrielle de Dakar, created in 1974 to promote industrial investment through tax breaks, was dissolved by the National Assembly in January owing to lack of interest. During its 25 years of existence, the zone attracted only 12 enterprises, worth a total of CFAfr80bn ($135m). To encourage a more significant level of foreign investment, the president, Abdou Diouf, inaugurated a new Conseil supérieur de l'industrie with the goal of defining an industrial strategy that will permit Senegal to become an "emerging country" by 2020. Created in collaboration with the UN Industrial Development Organisation (UNIDO), the council is headed by the president himself and composed of various ministers and representatives of local organisations and the private sector.

The 1999 budget is passed by parliament—

In December the National Assembly approved the 1999 budget, which reduced the deficit by CFAfr16.7bn to CFAfr36.8bn ($61m). This was mostly made possible by a 22% reduction in debt-service payments after the debt-restructuring agreement with the Paris Club of official bilateral creditors in June 1998 (3rd quarter 1998, page 20). Total receipts rose by a modest 2.3%, despite an enlargement of the value-added tax (VAT) base to recently privatised enterprises such as Sonatel. The National Assembly nevertheless voted to lower taxes on salaries by 3% in an attempt to defuse tensions with the unions.

Senegal: 1999 budget
(CFAfr m)

	1999 budget	1998 outturn	% change
General budget			
Receipts	490,100	479,200	2.3
Expenses	376,100	338,000	11.3
Salaries	170,000	166,000	2.4
Other ordinary expenses	125,600	101,000	24.4
Capital expenses	80,500	71,000	13.4
Balance	114,000	141,200	–19.3
Special accounts of the Treasury			
Resources	37,700	37,600	0.3
Expenses	188,500	232,300	–18.9
of which:			
National Retirement Fund	21,000	21,000	0.0
internal debt	26,100	34,800	–25.0
external debt	126,900	162,200	–21.8
Balance	–150,800	–194,700	–22.6
Investment budget			
Resources	230,600	239,100	–3.6
Expenses	230,600	239,100	–3.6
Balance	0	0	0.0
Overall balance	–36,800	–53,500	–31,200

Source: Ministère de l'economie et des finances.

Meanwhile, Senegal will continue to rely on contributions from foreign donors for its investment budget. More than one-third of the CFAfr311bn budgeted for investment in 1999 is expected to come from grants (CFAfr135bn) or loans (CFAfr95.4bn) from foreign donors.

Senegal: budget allocations to main ministries
(CFAfr m)

Ministry	1999 budget	1998 outturn	% change
Agriculture	5,600	5,800	–3.5
Armed forces	40,900	40,200	1.7
Commerce & crafts	877	819	7.1
Communications	557	409	36.2
Economy, finance & planning	12,000	11,200	7.1
Education	92,000	88,000	4.5
Energy, mines & industry	329	299	10.0
Environment	1,725	1,724	0.0
Fisheries & marine transport	686	655	4.7
Foreign affairs	14,500	13,800	5.1
Interior	26,400	26,300	0.4
Justice	5,900	2,100	180.9
Labour	444	347	28.0
Public health	20,600	18,000	14.4
Tourism & air transport	367	358	2.5
Urban planning & housing	716	683	4.8

Source: Ministère de l'economie et des finances, *Projet de loi de finances pour 1999.*

—with some ministries benefiting from important increases

Under the new budget, half of Senegal's 24 ministries received funding that will merely pay the salaries of their functionaries, according to the opposition newspaper *Sud Quotidien*. Meanwhile, CFAfr1bn was budgeted for the new Senate. Although the justice ministry received a CFAfr3.8bn increase in its budget, this is earmarked primarily for prisons rather than the new Observatoire national des élections (Onel), the national electoral organisation, for which no funding was allocated. The education ministry, which accounts for a quarter of budgetary expenses, also received a dramatic CFAfr4bn increase, while the only ministry to have its budget reduced was agriculture, a reflection of the increased privatisation of the sector (see Agriculture).

The economy

Senegal: latest economic indicators, 1998

(% change unless otherwise indicated)

Real GDP growth	5.7
Inflation	2.0
Money supply (% of GDP)	4.2
Budget (excl grants)	–2.1
Balance of payments (excl grants)	–4.4

Source: Union économique et monétaire de l'Afrique de l'ouest.

The IMF has released a new loan

The IMF announced in December that Senegal would benefit from a draft of SDR17.4m ($25m), as part of its enhanced structural adjustment facility (ESAF), evidence that Senegal remains in the IMF's good books. In January the assistant director of the IMF, Alassane Ouatara, visited Dakar for the second time in less than six months. During his visit, Mr Ouatara stated that he was satisfied with Senegal's macroeconomic results, ensuring that the government will continue to have the Fund's support. In its latest report on Senegal, the IMF declared that it has made significant progress in its structural adjustment programme, reducing fiscal disequilibrium, reinvigorating the private sector and containing inflation. In 1998 real GDP growth reached 5.7%, exceeding both the predicted growth rate of 5.3% and the average growth rate over the previous three years, also 5.3%. According to the Direction de la prévision et de la statistique, annual average inflation was 2% in 1998, the lowest rate among the eight member countries of the Union économique et monétaire de l'Afrique de l'ouest (UEMOA).

The BCEAO relaxes its lending policy—

Reflecting lower than expected inflationary pressures, the West African Central Bank, Banque centrale des états de l'Afrique de l'ouest (BCEAO), lowered its reserve rates for Senegalese and Ivorian banks to 1.5% in December. The BCEAO had increased the rate sixfold in August 1998 in an attempt to limit inflation by reducing the available credit. A 9% reserve rate has been maintained for Benin, Burkina Faso and Mali, all of which continue to have inflationary tendencies. UEMOA's overall money supply increased by 6% in 1998, against an average inflation rate of 3.9%. Credit to the economy trailed behind economic growth, estimated at 5.4% in real terms, increasing in nominal terms to CFAfr2.37trn ($4.63bn) from CFAfr2.25trn in 1997. Pooled international reserves in 1998 were equivalent to a healthy 6.8 months of import cover.

Senegal is the zone's second largest economy after Côte d'Ivoire, contributing 17% of its GDP.

—after the CFA franc becomes linked to the euro

The regional Central Bank had raised the two rates at the end of August 1998, primarily to stop capital flight from the region as a result of anxiety over a possible devaluation with the advent of the EU's new currency, the euro. On January 1st 1999 the CFA franc became directly tied to the euro at a fixed exchange rate of CFAfr655.96:€1, reflecting the French franc's peg to the CFA franc. The bank lowered its interest rates the same month, as fears over the creation of the euro calmed. The repurchase rate fell by half a point from 5.75% to 5.25%, while the discount rate was lowered from 6.25% to 5.75%. Although rumours of a second devaluation have not completely disappeared, assurances to the contrary have come from every concerned party in Africa and Europe.

Agriculture

Cereal production in 1998 rebounds but cotton is sharply down—

After poor rains lowered Senegal's cereal production to 800,000 tonnes in 1997, the cereal harvest in 1998 was estimated to have reached 1.2m tonnes, surpassing the average level of production in the 1990s and covering as much as 53% of national cereal requirements for the 1998/99 marketing year (September-August). However, Senegal produced only 15,000 tonnes of cotton, just one-third of the amount that had been predicted and 21% less than the average level of production. Although this may be attributed in part to "white flies" that ravaged 10% of Senegal's cotton fields, the agriculture minister, Robert Sagna, maintained that it was due to insufficient water, despite a relatively good rainy season. Mr Sagna noted that eastern Senegal, where most of the country's cotton is grown, is not well suited to the crop. For this reason, the state cotton co-operative, Sodefitex, has signed a contract with Compagnie sucrière sénégalaise, an industrial sugar company in the northern river valley, to undertake the cultivation of irrigated cotton.

—and domestic cotton prices could be deregulated

Despite low cotton prices on the world market, the number of producers in Senegal has increased over the last few years from 58,000 to 85,000, primarily because the producer price has been protected by the state. The cost of the inflated price is passed on to Senegal's textile industry, which is obliged to pay Sodefitex a higher price for Senegalese cotton than that available on the international market. As this has deprived Senegal's textile industry of the competitive edge it gained with the 1994 devaluation, there is now talk of permitting the price of cotton to be set by the world market in preparation for the "rehabilitation or privatisation" of Sodefitex.

There is hope for improving groundnut production—

More favourable rains permitted Senegal's groundnut crop to recover from the poor harvest of 1997, with farmers producing 720,000 tonnes in 1998. The prospect for the continued growth of groundnut production is dependent on the development of varieties more resistant to the vagaries of a Sahelian climate. The UN Common Fund for Commodities, which developed improved banana varieties in Nigeria and Uganda last year, has now turned its attention to developing genetically modified groundnut seeds. The $4.5m project, which is funded in part by the French government and being executed by the

International Crops Research Institute for Semi-Arid Tropics, may be the best hope for Senegal's 1m groundnut producers.

—amid increased access to credit and organisational restructuring

In November 1998 Senegal received CFAfr8bn ($13m) from the African Development Bank to finance its Projet de modernisation et d'intensification agricole. The purpose of the project is to assure food security by improving farmer's access to agricultural technologies and credit. Meanwhile, the agricultural extension agency, Société de développement agricole (Sodeva), is scheduled to be liquidated in 1999. The fate of the agricultural research agency, Institut sénégalais de recherche agricole (ISRA), is yet to be determined as the government is still negotiating with the World Bank to fund a reorganised ISRA. For the time being, the 1999 budget has reserved funding for both Sodeva (CFAfr631m) and ISRA (CFAfr1bn).

Natural resource management is receiving increased attention—

In the north, the Senegal River Valley is the site of a $12m land reclamation project funded by the Fonds mondial de l'environnement, the UN Development and Environmental Programmes (UNDP and UNEP), and the World Bank. In the central region of Kaolack, charcoal production has been prohibited by the state water and forestry service, Eaux et forêts, in order to protect the region's devastated forest reserves. After decades of overproduction, the Kaolack region produces less than 4% of the 750m kg of charcoal consumed in Senegal, according to the regional inspector of Eaux et forêts. Therefore, it seems unlikely that this regional restriction will have a significant impact on deforestation. In addition to Dakar being the largest consumer of charcoal, the capital city has a seemingly insatiable demand for water. Due to the failure to gain international funding for the Canal du Cayor project, which envisaged transporting water from the interior of the country to Dakar via a large canal, the government has embraced a new hydrology project. This involves the construction of boreholes that can generate an additional 60,000 cubic metres of water per day, approximately 60% of Dakar's daily consumption.

—and the fight against desertification continues

In January, the UN International Fund for Agricultural Development (IFAD) pledged to contribute CFAfr5bn to the ongoing reforestation programme in Diourbel, north-east of Dakar, after pockets of famine developed last year in the eastern part of the country. Japan has also announced a grant of CFAfr3.7bn for the development of tree seedling projects in Linguère and Kafrine as well as further east, in Tambacounda and Kedougou. Some 500,000 seedlings are expected to be produced for the afforestation of desert-threatened areas.

Fishing

The government gives the failing tuna industry CFAfr3bn—

In December, the Ministry of Fisheries and Marine Transport announced a CFAfr3bn ($5m) bail-out, to be distributed evenly among Senegal's three main tuna-processing plants, which were forced to shut down in October for nearly a month, laying off almost 3,000 workers after cheaper imports from Thailand flooded European markets, their main outlets. This assistance is in addition to another CFAfr2.3bn that the companies recently received in subsidies. The fishing industry, Senegal's largest source of foreign exchange and second most important source of employment, has faced intensified competition from

Asian countries whose currencies have been devalued recently. As a result, tuna from Thailand is 10% cheaper on the European market, where 90% of Senegal's fish is sold, despite the fact that Senegal, unlike Thailand, is exempt from the 24% import tax under an agreement between the EU and the ACP (Africa-Caribbean-Pacific) countries.

—while taking measures to prevent further overfishing—

Although the tuna industry's problems may be attributed in part to Senegal's lack of competitiveness, production dropped by 26% between 1993 and 1997 primarily as a result of the overfishing of its waters. In October two private Senegalese newspapers, *Le Matin* and *Sud Quotidien*, reported a secret accord between Senegal and Russia. *Sud Quotidien* published documents showing that since 1995 the catch by Russian boats has been more than four times greater than that of the total combined catch for EU countries and Japan, which have signed accords with the Senegalese government. While the ministry has profusely denied the allegations, it has taken measures to curtail overfishing, adopting a new fishing code in December that permits it to prohibit fishing when a species is endangered. The overfishing of conch, which is not only an important part of Senegalese cuisine but an increasingly popular delicacy in Asia, may lead to the first moratorium as early as March of this year. In the last ten years, conch yields have dropped from 20,000 tonnes in 1989 to 5,000 tonnes in 1998.

—and investing in the infrastructure for the fishing sector

As the CFAfr3.6bn extension of Dakar's central fish market nears completion, the fisheries minister, Alassane Dialy Ndiaye, announced a plan to invest an additional CFAfr50bn in the fishing industry, targeting small-scale fishing, which provides two-thirds of the fish consumed in Senegal. With partial funding already secured under a fishing accord with the EU, the monies will be used to develop infrastructure such as fishing docks and refrigeration facilities.

Mining

The UEMOA countries agree to develop a common mining code

The Union économique et monétaire de l'Afrique de l'ouest (UEMOA) plan to develop a regional mining code has made further progress, with the signing of a new agreement in January between the mining ministers of Benin, Burkina Faso, Côte d'Ivoire, Mali, Niger, Senegal, and Togo. The UEMOA member states hope that a common code will facilitate investments for their respective mining sectors, strengthen their institutional capacity, and serve as a step toward the long-term goal of regional unification, thereby strengthening their hand as an economic bloc similar to the EU. Although it is expected to take at least two years to develop a common code, the move will be welcomed by mining companies that typically set up their infrastructure on a regional basis.

Infrastructure

Senegal's automobile industry shifts from new to used cars

The Senegalese market for new cars declined by almost 70% in volume terms between 1970 and 1997, according to *Sud Quotidien*. Based on statistics from Dakar's Chamber of Commerce, the newspaper reported that the number of new cars purchased annually dropped from an average of 6,000 in the 1970s to 2,000 in 1997. As a result, Dakar's 11 new car dealerships have become increasingly interested in used-car sales, which were previously the domain of the informal sector. The remaining market for new cars is concentrated in Dakar among diplomats, international organisations and non-governmental organisations that do not have to pay the exorbitant 25% import tax. Among the 17 makes of cars sold in Senegal, three French manufacturers dominate the market; however, two German carmakers, BMW and Mercedes, are interested in expanding in West Africa. To this end, BMW plans to establish a dealership, while Mercedes hopes to build a truck assembly plant in Senegal.

The Senegalese railway system receives new funds

According to officials of the state-owned railway company Société nationale des chemins de fer du Sénégal (SNCFS), CFAfr18bn ($30m) is urgently needed to renovate the 185 km of track between Tambacounda and Kidira in eastern Senegal. The World Bank is willing to provide just CFAfr4bn. Since it was constructed 75 years ago, the Tambacounda-Kidira line has never been renovated. Over the last ten months, the tracks have been closed down three times following accidents, with the longest closure lasting for three weeks. SNCFS officials argue that it is more costly not to repair the tracks as each train that fails to run represents an estimated CFAfr15m in lost revenue. With an average of 12 trains using the line per week, it will not take long for the cost of lost revenue to far outweigh the additional costs for completing the renovations.

Foreign trade, aid and payments

Senegal's trade deficit continues to grow

In 1998 Senegal's foreign trade deficit reached CFAfr167.7bn ($280m), a 6.5% increase over 1997. The minister of the economy, finance and planning, Mouhamed El Moustapha Diagne, attributed the trade deficit in large part to imports required for investment in the economy, such as equipment and machinery. However, rice imports remained a significant contributor to the deficit in 1998, with CFAfr73.8bn spent on shipping 475,900 tonnes of rice to the country. Although petroleum imports rose from 771,000 tonnes to 1m tonnes, the oil import bill remained under control, at CFAfr103.6bn, as a consequence of prolonged low world prices. Taken together, import growth, at 6.5%, outpaced export growth by 0.7 of a percentage point, with total exports increasing by 5.8% from CFAfr544.3bn in 1997 to CFAfr575.7 bn in 1998.

Senegal: trade patterns, 1998
(CFAfr bn)

Exports fob	575.7	Imports fob	734.4
of which:		of which[a]:	
groundnuts	32.5	rice	73.8
phosphates	15.3	wheat	27.0
fresh fish	98.8	other food	81.0
canned fish	71.9	refined petrol	75.1
cotton	14.5	crude petrol	28.1
fertilisers	23.9	beverages & tobacco	8.1
phosphoric acid	52.7	other consumption goods	119.4
petroleum products	10.6	intermediary goods	254.4
		capital goods	140.1

[a] Subcomponents presented on cif basis; totals do not sum.

Source: *La lettre de Dakar*.

France remained unshakeably the main source of imports for Senegal, accounting for 32% of all purchases from abroad. Mali was the largest purchaser of Senegalese products in 1998, with a market share of 11.7%, followed closely by France (10.2%) and India (9.8%)

The government expects 1m tourists by 2010

The Ministry of Tourism and Air Transport expects a 10% increase in tourists in 1999 over the 450,000 who visited Senegal last year, and 1m visitors by 2010. Although violence in Casamance has jeopardised tourism in Senegal's popular southern region, where volume has dropped by 10%, increased activity in other regions has helped offset this loss in revenue. In 1997 some 410,000 tourists visited Senegal, bringing in CFAfr80bn ($135m) (4th quarter 1998, page 19).

Senegal becomes the largest recipient of French loans in Africa—

The Mission de coopération française (MCF) in Dakar announced that in 1997 Senegal was the largest recipient of French official loans in Sub-Saharan Africa, receiving a total of CFAfr45.1bn from the Caisse française de développement, now known as Agence française de développement. French private investment also increased in 1997 to CFAfr7.5bn, from CFAfr1.4bn in 1996, according to the Paris-based fortnightly publication *Marchés tropicaux et méditerranéens*. Nevertheless, French private investment in Senegal—and Africa in general—is still limited in comparison with Latin American and Asian countries.

—despite France's changing aid priorities

The 1997 figures also indicated a general trend toward lower levels of French government assistance, as total aid to Senegal slipped from CFAfr175bn in 1995 to CFAfr117bn in 1996 and CFAfr94.9bn in 1997. Thus, while some critics maintain that "recolonisation" is occurring as a result of French companies purchasing privatised Senegalese enterprises, Senegal and the other former French colonies are more concerned with losing ground to Africa's regional power-houses such as Nigeria and South Africa, which the French government and businesses have been courting. France's invitation to all African countries to attend a Franco-African summit in January was a clear indication that aid is no longer a "family affair". Senegal's efforts at "economic diplomacy", notably with the US, have not yet compensated for declining French assistance.

The Gambia

Political structure

Official name	The Republic of The Gambia
Form of state	Unitary republic
Legal system	Based on English common law and the 1996 constitution
National legislature	House of Assembly: installed on January 16th 1997 following its suspension after the military coup of July 1994; 49 members, 45 elected by universal suffrage, four nominated by the president; all serve a five-year term
National elections	September 1996 (presidential), January 1997 (legislative); next elections due September 2001 (presidential) and January 2002 (legislative)
Head of state	President, elected by universal suffrage for a five-year term
National government	The president and cabinet; last reshuffle January 1999
Main political parties	The ban on political activity was lifted in August 1996, but three pre-coup parties (the People's Progressive Party, the Gambia People's Party and the National Convention Party) remain proscribed. The ruling party is the Alliance for Patriotic Reorientation and Construction (APRC); the United Democratic Party (UDP) and the National Reconciliation Party (NRP) are the main opposition parties

	President & minister for defence	Yahyah Jammeh
	Vice-president & minister for health, social welfare & women's affairs	Isatou Njie Saidy
Key ministers	Agriculture	Fa Sainey Dumbya
	Civil service	Mustapha Wadda
	Culture & tourism	Susan Waffa-Ogoo
	Education	Thérèse Ndong Jatta
	External affairs	Lamine Sedat Jobe
	Finance & economic affairs	Famara Jatta
	Interior	Ousmane Badjie
	Justice & attorney general	Fatou Bensouda
	Local government & lands	Lamin Kaba Bajo
	Presidential affairs, national assembly, civil service, fisheries & natural resources	Edward Singhateh
	Public works, communications & information	Sarjo Jallow
	Trade, industry & employment	Musa Sillah
	Youth & sports & religious affairs	Yankuba Touray
Central Bank governor	Clarke Bajo	

Economic structure

Latest available figures

Economic indicators	1994	1995	1996	1997	1998[a]
GDP at market prices[b] (D m)	3,411	3,439	3,725	3,922	n/a
Real GDP growth[c] (%)	1.3	–3.4	5.3	5.4	4.8
Consumer price inflation (%)	1.7	7.0	1.1	2.8	3.0
Population (m)	1.08	1.11	1.14	1.17	1.20
Exports fob[b] ($ m)	125.0	123.0	118.8	119.6	n/a
Imports fob[b] ($ m)	181.6	162.5	217.1	207.1	n/a
Current-account balance[b] ($ m)	8.2	–8.2	–47.7	–23.6	n/a
Reserves excl gold ($ m)	98.0	106.2	102.1	96.0	106.4[d]
Total external debt ($ m)	424.7	424.9	451.9	421.9[c]	n/a
External debt-service ratio (%)	14.1	14.7	12.7	n/a	n/a
Groundnut production[b] ('000 tonnes)	65.4	79.7	78.8	68.1	n/a
Charter tourists[b] ('000)	90.0	42.9	72.1	75.9	n/a
Exchange rate (av; D:$)	9.58	9.55	9.78	10.20	10.60[d]

February 26th 1999 D11.05:$1

Origins of gross domestic product 1997[b]	% of total
Agriculture	23
Industry	13
Services	64
GDP at factor cost	100

Components of gross domestic product 1997[b]	% of total
Private consumption	77
Government consumption	17
Gross domestic investment	20
Exports of goods & services	46
Imports of goods & services	–60
GDP at market prices	100

Principal exports 1997[b]	$ m
Groundnuts (shelled)	5.6
Fish & fish preparations	2.6

Principal imports 1997[b]	$ m
Food	57.2
Manufactures	47.8
Machinery & transport equipment	37.2
Minerals & fuel	28.3

Main destinations of exports 1997[e]	% of total
Belgium-Luxembourg	78.0
Japan	4.5
UK	3.2
France	1.9
China (incl Hong Kong)	1.9
Spain	1.9

Main origins of imports 1997[e]	% of total
China (incl Hong Kong)	25.1
UK	10.4
Netherlands	7.4
Côte d'Ivoire	7.0
France	5.8
Senegal	4.0

[a] EIU estimates, calendar year. [b] Fiscal years ending June 30th. [c] Fiscal years ending June 30th, except for 1997, 1998 calendar years. [d] Actual. [e] Derived from partners' trade returns, subject to a wide margin of error.

Outlook for 1999-2000

The government will impose greater discipline—

Having largely overcome the international hostility which followed his 1994 coup, President Yahyah Jammeh appears set to pursue urgently needed reforms of the public administration. The dismissal of four top ministers in January has underscored his determination to tackle poor governance and sent strong signals to corrupt senior public officials. Transparency and accountability will remain a priority. Numerous reports undertaken by the auditor-general at government departments, public enterprises and schools have already been disclosed in the local press. Nevertheless, increasing transparency will not be an easy task. Improper accounting procedures, misuse of revenue and unauthorised bank accounts are deep-rooted practice in The Gambia, often dating back to Sir Dawda Jawara's rule (1962-94). Shadowy financial relations between the government and a number of public enterprises also need to be clarified and regularised.

—in its quest for good governance

Capacity constraints in the civil service are another problem. Valuable expertise in the public sector has been lost since President Jammeh's coup in 1994, as pro-Dawda civil servants fled the country or were peremptorily sacked. Although many have returned, there is still a serious shortage of well-qualified and highly motivated personnel. Besides civil service reforms, more resources are needed for the preparation of economic statistics, notably the national accounts and the balance of payments. The IMF, the World Bank and the British government have already committed sizeable resources for institutional capacity building. But if corruption, mismanagement and broken pledges continue unabated, donors could start questioning the resumption of their co-operation with The Gambia.

Opposition politics will remain in the background

Despite this rhetorical commitment to reform, President Jammeh is unlikely to hurry towards the kind of truly competitive, democratic political system that might more easily allow a challenge to his own position. However, some of the basic political freedoms that opposition parties had secured during Sir Dawda's rule may be re-established in an effort further to convince sceptical donors. The main opposition United Democratic Party (UDP) and National Reconciliation Party (NRP) have been holding rallies freely since the unlawful imprisonment of some of the UDP hierarchy caused controversy in May 1998 and harassment of the independent press seems to have diminished recently. The dismissal in January of the unpopular interior minister, Momodou Bojang, also came as a great relief to the opposition and minority groups. Nevertheless, hopes that President Jammeh may further soften his stance towards the opposition and the press and create a genuinely free political environment are likely to be disappointed, especially in the run-up to the presidential election scheduled to take place in 2001.

While the president enjoys significant support in rural areas, where most of the population live, there is no guarantee that he would be re-elected for a second presidential term, should the contest be fair and transparent. In fact, there are plenty of issues on which the opposition parties can capitalise. The UDP and NRP leaders, who draw their main support from Banjul and Serrekunda, have already sought to harness widespread discontent, notably over high rates of unemployment and rising prices for imported rice. But they have yet to come forward with an alternative to President Jammeh's long-term policy document "Vision 2020", which the ruling Alliance for Patriotic Reorientation and Construction (APRC) claims to be the key to the country's development.

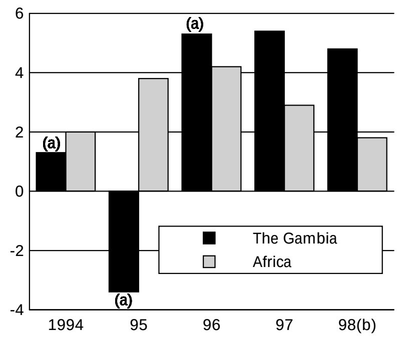
The government banks on overoptimistic growth rates—

In anticipating real GDP growth at 6.5% in 1999, the government has gone far beyond the IMF's prediction of 4%, which the EIU supports. Such a level of growth would require inflows far beyond the levels anticipated. On the expenditure side, the government plans to more than double the amount of funds earmarked for development projects from D290.6m ($26m) in 1998 to D663.9m in 1999, all financed with external financial support. Even if projects in health, education and infrastructure are carefully targeted, they are unlikely to prove particularly effective in tackling social problems, as long as technical, administrative and management weaknesses exist in the public sector. In addition, the private sector, where investment remains very low, at 9.2% of GDP, will continue to encounter considerable difficulties in generating growth in a difficult business environment, in which the National Water and Electricity Company (NAWEC) fails to provide an adequate and regular supply of low-cost electricity and the road infrastructure remains in disarray.

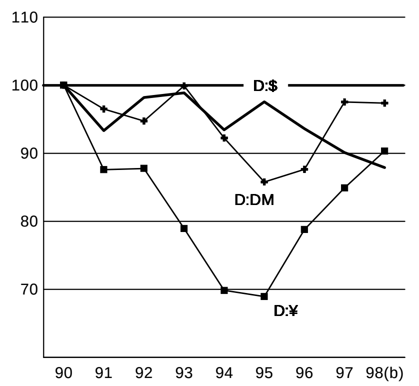
—as the groundnut sector meets new difficulties

On the sectoral front, a good year is forecast for cereal crops throughout the Sahel in 1998/99, thanks to favourable rains, and the government will encourage farmers to take advantage of this to produce larger quantities of rice, sorghum, cassava and maize. However, the groundnut sector, The Gambia's main foreign-exchange earner, is in bad shape. The Gambia Co-operative Union (GCU) is crippled with debts and the privately owned processor Gambian Groundnut Corporation (GGC) has been taken over by the government owing to accusations of money-laundering (see Agriculture). Farmers have complained that they have no incentive to produce for local groundnut markets, where purchase prices hover around D2,500 ($226)/tonne, preferring to sell their produce across the border in Senegal, where markets pay up to D3,200/tonne. With the GGC virtually closed, there are fears that the next groundnut harvest could be smuggled to Senegal, with a dramatic effect on The Gambia's balance of payments. All in all, the government will find it difficult

The Gambia: gross domestic product
% change, year on year



The Gambia: dalasi real exchange rate (c)
1980=100



(a) Fiscal years ending June 30th. (b) EIU estimates. (c) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *International Financial Statistics*.

to meet IMF targets under the 1998-2001 enhanced structural adjustment facility (ESAF), as both fiscal and current-account deficits are forecast to widen.

Review

The political scene

President Jammeh's shake-up of the government—

After months of mounting speculation that top government officials would be given the sack, the president, Lieutenant-Colonel Yahyah Jammeh, announced his first major government reshuffle on January 22nd, dismissing four long-serving ministers. The trade and industry minister, Dominic Mendy, the minister of public works, communications and information, Ebrihima Ceesay, and the agriculture minister, Musa Mbenga, were replaced immediately, while the interior ministry post was left vacant temporarily following the departure of Momodou Bojang (see below). Also on January 22nd, Thérèse Ndong Jatta was appointed education minister, replacing Satang Jow, who had resigned on health grounds a month earlier. Mrs Jow was praised for her effort in making basic education accessible, especially to girls, and for her commitment to the long-standing project of setting up a university in the country.

—raises new hopes—

Described as the biggest bombshell since President Jammeh seized power in 1994, the reshuffle represents an encouraging sign that the Gambian leadership may be slowly moving away from the political past of clientelism. The new ministerial appointees are all relatively unknown and have apparently never been involved in partisan politics. Rumour had it that the shake-up was prompted by the discovery of financial malpractices in many departments. Permanent secretaries at the presidential office and the finance, agriculture, foreign affairs and trade ministries were asked to leave. Such reports appear to be in line with an earlier threat to ministerial under-achievers, issued by the president after the dismissal of the justice minister, Hawa Sisay Sabally, last July (4th quarter 1998, pages 23-24). Addressing the new appointees in February, the president warned that he would not tolerate people who work against the public interest, adding that The Gambia had lost "millions of dalasis because of the behaviour of some people".

—as the army leadership is overhauled

Four days after shaking up the administration, President Jammeh turned his attention to The Gambia's army in an effort to shore up support within his most important political constituency. Three captains were promoted to the rank of major and eight second lieutenants and two warrant officers to lieutenant. The Gambian National Army (GNA) commander, Colonel Baboucar Jatta, was promoted to the new post of chief of staff of the armed forces. Colonel Jatta was among the group of officers that ousted the civilian regime of Sir Dawda Jawara in 1994 (3rd quarter 1994, pages 20-25). His new position puts him in command of all contingents in the army, navy and air force. However, The Gambia's constitution means ultimate control will continue to reside with President Jammeh, who remains the commander-in-chief of the armed forces. The former deputy army commander, Lieutenant Sheriff Samsedeen Sarr, was appointed army commander, and Lieutenant-Colonel Momodou Badji was named commander of the Presidential Guard. According to the London-based International Institute for Strategic Studies, the Gambian armed forces consist of the 800-strong GNA, a small marine unit of 70 men and the Presidential Guard, which numbers 100.

The Brikama mosque affair comes to a head

On the same day, the president announced that the commissioner of operations at the police force, Ousmane Badjie, had been appointed interior minister. Mr Badjie, 32, is a well-travelled officer who has received extensive military training in Senegal, Turkey and Morocco. He succeeds the increasingly unpopular Mr Bojang, who had held office since 1994. Mr Bojang had come under sustained criticism in the local press since 1997, when he was said to have threatened and used strong language against members of a Pakistani sect, the Ahmadiyya, who then fled the country, complaining of persecution. He was subsequently stripped of the religious affairs portfolio (4th quarter 1997, page 25).

Mr Bojang was also criticised for his dealing with the opposition. The Brikama mosque affair of May 1998 could well have precipitated his dismissal. As extensively reported in the local press, the local imam, Karamo Touray, and senior members of the main opposition United Democratic Party (UDP), including the party spokesman, Lamin Waa Juwara, were arrested, detained for several weeks, and allegedly tortured, after being accused of damaging the new precinct of the central mosque in Brikama (4th quarter 1998, page 24). The accusations soon transpired to be a fabrication aimed at stopping the UDP from holding public rallies. Charges against them were dropped on February 24th, a resounding success for the opposition. Meanwhile, the incident seems to have opened old wounds within the Islamic leadership of Brikama, as Karamo Touray struggles to be reinstated as Imam Ratib.

The opposition gathers momentum

The Brikama affair reflected poorly on efforts by the government to project an image of justice and democracy and caused general outrage within the ranks of the opposition and international community. President Jammeh has subsequently sought to adopt a softer approach toward the opposition, allowing the UDP and other parties to hold rallies. The opposition has seized the opportunity and has become more vocal, hurling invective at the government and calling for President Jammeh’s resignation. While addressing party supporters at rallies in the capital, Banjul, and its surroundings, the UDP leader, Oman Darboe, repeatedly denounced the massive amount of red tape, financial malpractice and corruption at ministries and parastatals, while making continued allegations of official harassment and human rights violations. The National Reconciliation Party (NRP) leader, Hamat Bah, went further, accusing the government of diverting $180,000 from Gambia Telecommunications (Gamtel), while lavishly spending money on “purchasing beautiful and expensive cars”. Both parties criticised the 1999 budget (see Economic policy) for its lack of transparency, claiming that some audited reports had yet to be disclosed.

The Gambia commits troops to peacekeeping in Guinea-Bissau—

A small contingent of 120 Gambian soldiers departed from Senegal’s capital, Dakar, on February 8th to join an Economic Community of West African States (Ecowas) peacekeeping force in troubled Guinea-Bissau. They had planned to leave Banjul on February 2nd, but their departure was delayed by renewed fighting in Guinea-Bissau. Benin, Niger and Togo have also committed troops, to replace some 3,000 Senegalese and Guinean soldiers deployed in Guinea-Bissau since June 1998 to prop up the elected—albeit highly unpopular—president, João Bernardo Vieira. France, which is the most influential and interested foreign power in this part of Africa, is the main provider of equipment and logistical support for the Ecowas monitoring group, Ecomog. As of late February, 1,600 Senegalese soldiers remained in the country, while it was feared that the 600-strong Ecowas presence would remain too small to be effective against the rebel army. Addressing the Gambian troops at a ceremony in Banjul, the vice-president, Isatou Njie Saidy, stressed the need to maintain neutrality in the Guinea-Bissau conflict; since it began, in June 1998, there have been persistent rumours that The Gambia might be providing cover support to the rebel leader and former army chief of staff, General Ansumane Mane, who is of Gambian origin, allegations which President Jammeh strongly denies.

—and denies self-interest in Senegal's rebellion

Senegalese newspapers, which have more than once raised suspicions over alleged Gambian involvement in the long-running rebellion in Casamance, the area of southern Senegal that borders The Gambia, prompted a renewed strong denial from Banjul in early December. The Gambian ambassador in Dakar, Antouman Saho, had already denied Senegalese press reports that leaders of the rebel Mouvement des forces démocratiques de Casamance (MFDC) had been allowed to hold meetings inside The Gambia, at Kanilai, President Jammeh's home town. Senegalese newspapers have also alleged that Casamançais rebels were receiving military training across the border. On December 12th Mr Saho returned to the offensive, complaining of "ill-intentioned and irresponsible" Senegalese journalists, following press allegations that fighters from Casamance had been incorporated into the Gambian contingent due to be sent to Guinea-Bissau. Senegalese suspicions partly arise from the fact that Colonel Jammeh is from the Diola tribe, a minority community in The Gambia, but numerous in Casamance, where they form the bastion of support for the MFDC. The former French ambassador to Senegal, André Lewin, a respected African specialist, has offered to mediate between Dakar and the MFDC in a personal capacity. In a television interview on December 14th, just before his retirement, Mr Lewin also urged the Senegalese military and press to drop their suspicions of President Jammeh, and to allow the Gambian leader's long-standing offer of mediation in Casamance to be taken up. Both sides are understood to have accepted President Jammeh's offer, at least in principle (1st quarter 1998, pages 24-25; 3rd quarter 1998, pages 26-27).

President Jammeh offers to mediate in Sierra Leone—

Pursuing his ambition to be seen as the subregion's peace-broker, President Jammeh has also offered his good offices in seeking a resolution of the vicious civil war in Sierra Leone, where the Nigerian-led Ecomog force has been battling rebel forces opposed to the elected president, Ahmed Tejan Kabbah. On December 31st, three weeks after President Kabbah paid a state visit to Banjul, the secretary of state for foreign affairs, Lamine Sedat Jobe, announced that the president had "accepted" an invitation to mediate in the Sierra Leone conflict, allegedly at the request of the two warring sides, and had pledged to send Gambian troops to help solve the conflict. There was, however, no reference to Banjul either from the government or the rebel side in late February, when the Togolese capital, Lomé, and Côte d'Ivoire's capital, Abidjan, were put forward as venues for renewed peace talks. Meanwhile, The Gambia continues to shelter hundreds of Sierra Leoneans, Bissau-Guineans and Casamançais refugees, with the help of the UN High Commission for Refugees (UNHCR) and the Red Cross.

—and pays his second visit to Colonel Qadhafi—

In early December President Jammeh paid a visit to his friend and mentor, the Libyan leader Colonel Muammar Qadhafi, his second visit to Tripoli during 1998, thumbing his nose at the UN's air boycott of the country. While in Tripoli, he and the Libyan leader held talks with the visiting president of the Democratic Republic of Congo (DRC, formerly Zaire), Laurent Kabila. In early January Colonel Qadhafi was reported to have discussed the Sierra Leone situation with President Jammeh by telephone. The latter seized the opportunity to lend his support once more to efforts to secure the end of the UN boycott, giving his personal support to Libya in its dispute with the US and the UK over the Lockerbie affair (4th quarter 1998, page 27). Since President Jammeh seized power in 1994, Libya has become an important donor to The Gambia, though past aid contributions have remained undisclosed.

—via Qatar—

Colonel Jammeh's visit to Libya came at the end of a lengthy overseas trip which had taken him to Niger and Qatar, where he and the Emir, Sheikh Hamad bin Khalifa al-Thani, signed an economic co-operation agreement on November 18th. The president appealed to Qatari business leaders to invest in The Gambia's tourism and agriculture sectors, and called for a strengthening of the Organisation of the Islamic Conference (OIC), to which both belong. He subsequently flew to Taiwan, his second visit there, for talks with the president, Lee Teng-hui. Taiwan has been an important donor since The Gambia opened diplomatic relations in July 1995 (3rd quarter 1995, page 20).

—before welcoming General Abubakar

Three weeks before Nigeria's presidential election, the head of state, General Abdulsalami Abubakar, arrived in Banjul on February 4th, for talks with President Jammeh. General Abubakar's government has been leading West African efforts to find peaceful solutions to the various conflicts troubling the subregion, and the Nigerian forces have led and largely manned the Ecomog interventions in Liberia and Sierra Leone. Currently preoccupied with efforts to repair its own battered economy, Nigeria is unlikely to provide substantial financial help to The Gambia. In addition, adherence to multiparty politics has secured Nigeria the backing of the international community, thus diminishing greatly the importance of a political alliance with the country. Nigeria, all the same, remains a powerful ally for The Gambia, which would otherwise find itself isolated in a subregion dominated by francophone African countries. There is a sizeable Nigerian community in The Gambia, most of them engaged in business ventures. There is also a large corps of Nigerian professionals providing technical assistance, mostly in the health sector, the judiciary and education.

Female circumcision will not be outlawed

On January 19th President Jammeh reacted strongly against Senegal's decision to ban female circumcision, announcing that his government would not outlaw such a traditional practice. He described campaigners against female genital mutilation as the enemies of Islam, warning that they should be ready to face the consequences of their actions, and giving no guarantee for their safety. Addressing a group of Muslim elders, he went on to say that female circumcision was "part of our culture, and we should not allow anyone to dictate to us how we should conduct ourselves", a statement directed at women's rights associations and UN organisations, most notably the UN World Health Organisation (WHO), the UN Children's Fund (Unicef) and the UN Population Fund (UNFPA). His speech was an unequivocal snub to The Gambia's vice-president and secretary of state for health, social welfare and women's affairs, Isatou Njie Saidy, who had spoken out strongly, only three weeks earlier, against circumcision, stating that her department was determined to end "all forms of harmful traditional practices inflicted on women and children".

President Jammeh marries again

Widespread rumours that the president, himself a Muslim convert from Roman Catholicism, was to take a second wife were confirmed in late December. According to a press release by the State House, his 20-year-old bride, Zineb Yahya Souma, is the daughter of a renowned Islamic scholar working at Guinea's embassy in Rabat, Morocco. Her mother is Moroccan.

Economic policy

The government announces a 20% spending increase—

The secretary of state for finance and the economy, Famara Jatta, presented a high-spending budget in January. This follows the conclusion of an agreement with the IMF of an enhanced structural adjustment facility (ESAF) in June 1998 and the resumption of co-operation with traditional donors, such as the UK, that were reported to have pledged as much as $87m at the donor conference in Geneva last year. Optimistic economic forecasts for 1999 were also disclosed, with the government predicting 6.5% real GDP growth and annual inflation no higher than 1.5%.

Total expenditure, including capital spending and net lending, was put at D1.48bn ($134m), a 21% increase on the 1998 budget outturn. Recurrent expenditure, principally made up of public-sector wages, purchase of goods and services, and debt-servicing payments, were projected to remain stable, at D954.3m, a mere 2% increase over 1998. In contrast, the government plans to spend an extra D373m on development projects in 1999, 93% of which is to be financed by grants and external loans. Total fiscal and non-fiscal revenue was projected to increase by almost 14% to D1.11bn, raising the overall fiscal deficit to D368m. Although this represents a D123m increase over the 1998 deficit in absolute terms, the government stresses that the deficit decreases from 5.3% to 2.2% of GDP.

The Gambia: budget details[a]
(D m)

	1998 outturn	1999 budget	% change
Total revenue	979.6	1,114.1	13.7
Direct tax	181.2	200.8	10.8
Indirect tax	557.9	621.9	11.5
Non-tax revenue	141.0	115.5	–18.1
Grants	109.0	151.8	39.3
Total expenditure	1,225.1	1,482.0	21.0
Recurrent expenditure	934.5	954.3	2.1
Personnel emoluments	276.2	297.0	7.5
Other charges	262.9	288.2	9.6
Debt servicing	333.0	327.1	–1.8
Development expenditure	290.6	663.9	128.5
Overall fiscal deficit	–245.5	–367.9	49.9
% of GDP	5.3	2.2	–
Overall fiscal deficit (excl grants)	–354.5	–519.7	46.6
% of GDP	7.2	3.4	–

[a] Subtotals do not sum due to omissions of mining statistics and inconsistencies in the source.

Source: Budget speech, *sessional paper No. 1 of 1999*, January 1999.

—with some pay rises and cheaper tax rates

As part of The Gambia's efforts to bring domestic taxes in line with other members of the Economic Community of West African States (Ecowas), it was announced that all duty rates above 20% (the maximum rate being 90%) would be reduced to that level. Surtaxes would, however, be charged on cigarettes, motor vehicles, alcoholic beverages, soap, wheelbarrows, sugar, confectionery and nails. Tax cuts on fuels were also announced. Sales and duty tax on petrol is to be lowered from D8.50 (74 US cents)/litre to D7.75 and on gasoil from D6.50/litre to D5.50, and is to be abolished on kerosene, reducing the pump price from D3.27/litre to D2.30. While generally a popular move, the opposition National Reconciliation Party (NRP) leader, Hamat Bah, complained that the reduction in oil prices was insufficient as international prices had fallen by as much as 50% last year. He did however, commend the annual D15,000 increase in the payroll tax paid by expatriates in the country.

Mr Jatta also announced that lower-paid civil servants (Grades 1-5) would have their salaries raised by 5%, with no increase planned for those in Grades 6-12. He confirmed the government's commitment to review the civil service salary structure, but acknowledged that, due to tight budgetary constraints and an already high wage bill, only a gradual approach was possible at present. United Democratic Party (UDP) members of parliament described the salary increase as inadequate (it amounts to less than D25 a month in some cases) and protested at the excessive level of taxes that the employed and Gambian farmers bear "to the point of suffering".

Excessive borrowing raises concerns

Debt service is expected to total D327.1m ($28m) in 1999, with interest payments at D221.6m and principal at D105.5m. With external loans budgeted at another D467.1m for 1999, there were fears that the government might continue to overborrow, despite the IMF's recommendations. Following the suspension of aid by most traditional donors in 1994, the government borrowed heavily from the domestic banking and public enterprise sectors to finance its fiscal deficit, which rose from 3.3% of GDP in 1995 to 11.7% of GDP in 1997 (excluding grants). Borrowing soared from D234m in 1995 to D1.03bn in 1997, increasing the servicing of the debt from 17% to 28% of total revenue. Excessive lending to the government (mostly through Treasury bills) eventually crowded out investment in the private sector, with real interest rates as high as 14%. In line with the ESAF, the government plans to reduce its fiscal deficit (excluding grants) to 1.9% in 2000, while preventing any accumulation of domestic and external payment arrears. This should allow for more generous credit lending policies to the private sector, allowing real interest rates to fall, while keeping inflation and the level of foreign reserves under control.

The economy

Official growth figures are released

The government's overoptimistic growth figures for 1998 and 1999 have raised new doubts over the reliability of national economic statistics sources. According to the budget document, The Gambia's real GDP grew by 5.4% in 1998, against 5.1% in 1997. It was said that economic growth in 1998 had stemmed mainly from good performances in crop production (which showed growth of 15%), trade (8.8%), hotels and restaurants (7.9%), construction and mining (7.8%), and communications (6.1%). Production in the agricultural sector, which accounts for 20% of GDP, was meanwhile estimated to have dropped by 25.2%, following a 48.2% fall in the fisheries subsector. To match the government's overall growth figure, industry and services must have grown by an unlikely 12.5%. The IMF had programmed a 3.8% growth figure for 1998.

Agriculture

The GGC is closed down, jeopardising this year's groundnut exports

The sudden decision by the government to take over the groundnut processing and marketing company, the Gambian Groundnut Corporation (GGC), at the beginning of February has sparked tremors in the country, as thousands of tonnes of unshelled groundnuts left over from the 1998/99 harvest (November-February) were at stake. With processing and marketing operations brought to a virtual standstill, the producers' organisation, the Gambia Co-operative Union (GCU), may well have to sell its next groundnut purchases through Senegal, with disastrous implications for The Gambia's 1999 balance of payments.

Although the government claims that the GGC's temporary closure had been prompted by fresh evidence that its Geneva-based parent company, Alimenta, had been engaged in money-laundering, observers believe that the main reason lies in the GGC's apparent refusal to offer farmers the price pledged by the government. The GGC's general manager, Kamal Halem, vehemently denied government allegations of corruption. The Swiss company claims that it has already provided the government with advances over the past two years to finance the subsidies. It was also said that taken together, the government and the GCU owed D30m ($2.6m) to the GGC, leaving no funds for the company to expand its processing capacity. Although the government deplored the moribund state of the GGC's processing plant, which, it said, used to "be a hive of industrial activity, employing hundreds of skilled and unskilled Gambians' labour" during the operation of the Gambia Oilseeds Processing and Marketing

Company (Gopmac), Mr Halem claimed that the mill had ceased operating two years before Alimenta took over in 1993.

Meanwhile, it was announced that as a result of serious budgetary constraints, 27 members of staff of the National Agricultural Research Institute (NARI) had been fired. The institute, which concentrates on improving agricultural productivity by introducing new groundnut and food crop varieties, said it was now entirely dependent on inadequate government subvention following the conclusion of a five-year World Bank project.

Sahel countries co-ordinate action on drought

Ministers from the nine member countries of the permanent inter-state committee on drought control in the Sahel, known by its French acronym of CILSS (Comité inter-Etats de lutte contre la désertification au Sahel), agreed a CFAfr45.5bn ($76m) budget for their new three-year food security plan, when they met in the Gambian capital, Banjul, at the end of November. The meeting was chaired by The Gambia's then agriculture minister, Musa Mbenga. The plan, which has attracted funding totalling $50m from Saudi Arabia, $30m from Kuwait and $20m from the Islamic Development Bank, aims to involve local communities in the Sahel's efforts to achieve food self-sufficiency and to overcome the problems of drought. The plan is to be put to a meeting of CILSS heads of state later this year (the CILSS consists of Burkina Faso, Cape Verde, Chad, The Gambia, Guinea-Bissau, Mali, Mauritania, Niger and Senegal). According to CILSS experts, the outlook for the current growing season is good, with most countries expected to achieve significantly higher output of food crops.

The Gambia: cereal production[a]
('000 tonnes)

1994	1995	1996	1997	1998[b]
91	103	112	113	121

[a] Crop years beginning in November. [b] Forecast.

Sources: CILSS; UN Food and Agriculture Organisation.

Oil and energy

A second Australian oil exploration company moves in

Following a report last May that an Australian company, West Oil, was to evaluate oil potential offshore from The Gambia in a joint venture with a British company, Fusion Investment, the Paris-based newsletter *Africa Energy & Mining (AEM)* has reported that another Australian company, Hardman Resources, is planning a large-scale drilling programme in Gambian waters. Hardman, which had acquired the concession after taking over the London-based Planet Oil, still needed to find a financial partner, *AEM* said. The block in question is said to cover some 1,500 sq km, most of it less than 50 metres in depth, lying between West Oil's concession area and the coast. The report said that seismic data collected in the 1970s and 1980s had identified several prospects during periods when Shell and Elf respectively held the same concession. There are no proven oil deposits in Gambian waters, despite frequent flurries of excitement over oil prospects in the past.

Finance and banking

Trust Bank seeks new shareholders

The Central Bank of The Gambia has offered for sale its majority shareholding in Trust Bank, which took over the collapsed Meridien BIAO Bank in October 1997 (1st quarter 1998, page 29), itself formed out of the Gambian branch of the failed Banque internationale pour l'Afrique occidentale (BIAO). According to a report in the Paris-based fortnightly publication *Marchés tropicaux et méditerranéens (MTM)*, a statement from the Central Bank said that, thanks to two years of rigorous management by Trust Bank, Meridien BIAO had managed to hold on to its place as The Gambia's second banking house, with a turnover of some $20m. The country's largest bank is Standard Chartered Bank Gambia, which is incorporated locally, with branches in Banjul, Bakau, Serrekunda and Basse. It is 75% owned by the parent company, with the remaining 25% held by Gambian shareholders.

New coins come into circulation

The Central Bank announced the introduction of new coinage with effect from December 30th, replacing that depicting the former head of state, Sir Dawda Jawara, who was deposed in 1994. The new coins, of 1 dalasi and 50, 25, 5 and 1 butut (100 butut=1 dalasi), will bear the national coat of arms.

Aid news

The following aid transactions were announced during the review period.

- A disbursement of $829,390 by Taiwan on January 4th, bringing to more than $6m that country's funding of the Essau-Kerewan road project under a 1996 co-operation agreement.
- A $1.4m Anglo-French health project, the first in West Africa since the two UK and France agreed on joint projects three years ago, was announced on December 23rd by Clare Short, the British secretary of state for international development, and Charles Josselin, the French co-operation minister. The project concerns research into detection and treatment of tuberculosis. It is to be managed by the Medical Research Centre in Banjul.
- A Libyan donation of agricultural and medical equipment worth a total $500,000.

Mauritania

Political structure

Official name	République Islamique de Mauritanie
Form of state	Arab and African Islamic republic
Legal system	Strongly influenced by the sharia (Islamic law), based on the 1991 constitution
National legislature	Bicameral National Assembly, consists of an upper house with 56 senators and a lower house with 79 deputies
National elections	October 1996 (legislative); December 1997 (presidential); next elections due in October 2001 (legislative) and December 2003 (presidential)
Head of state	President, elected for a renewable six-year term; currently Maaouya Ould Sid'Ahmed Taya, re-elected in December 1997
National government	The president and his appointed Council of Ministers; last reshuffle November 1998
Main political parties	22 political parties are registered, the foremost of which are: Parti républicain démocratique et social (PRDS, ruling party); Action pour le changement (AC); Rassemblement pour la démocratie et l'unité (RDU); Union des forces démocratiques (UFD—now split into factions); Union pour la démocratie et le progrès (UDP)

	President	Maaouya Ould Sid'Ahmed Taya
	Prime minister	Cheikh El Avia Ould Mohamed Kouna
Key ministers	Civil service, labour, youth & sports	Baba Ould Sidi
	Culture & Islamic affairs	Isselmou Ould Sid'El Moustaph
	Defence	Kaba Ould Elewa
	Education	Sghair Ould M'Bareck
	Equipment & transport	N'Gaïde Lamine Kayou
	Finance	Camara Aly Gueludio
	Fisheries & maritime economy	Mohamed El Moctar Ould Zamel
	Foreign affairs & co-operation	Ahmed Oud Sid'Ahmed
	Information & relations with parliament	Rachid Ould Saleh
	Interior, posts & telecommunications	Dah Ould Abdel Jalil
	Justice	Mohamed Lemine Ould Ahmed
	Mines & industry	Isagh Ould Rajel
	Planning	Sid'El Moctar Ould Naji
	Rural development & environment	Colonel Mohamed Ould Sid'Ahmed Lekhal
	Trade, crafts & tourism	Ahamdi Ould Hamady
	Water & energy	Mohamed Salem Ould Merzoug
Central Bank governor	Mahfoud Ould Mohamed Ali	

Economic structure

Latest available figures

Economic indicators	1994	1995	1996	1997	1998[a]
GDP at market prices (UM bn)	124.9	138.6	150.1[b]	166.5[b]	n/a
Real GDP growth (%)	4.9	4.5	4.8	4.4	4.8
Consumer price inflation (av; %)	3.9	6.6	4.7	4.6	10.0
Population (m)	2.21	2.28	2.35	2.39	2.42
Exports fob ($ m)	398	476	448	425[b]	n/a
Imports fob ($ m)	352	293	433	444[a]	n/a
Current-account balance ($ m)	–70	22	–62	–24[b]	n/a
Reserves excl gold ($ m)	39.7	85.5	141.2	200.8	202.9[c]
Total external debt ($ m)	2,193	2,320	2,363	2,410[b]	n/a
External debt-service ratio (%)	24.3	22.4	21.7	17.5[b]	n/a
Iron-ore exports ('000 tonnes)	10,342	11,514	11,158	11,689	n/a
Fisheries output ('000 tonnes)	306	503	623	587	n/a
Exchange rate (av; UM:$)	123.6	129.8	137.2	151.7	184.5[c]

February 26th 1999 UM206.70:$1

Origins of gross domestic product 1996	% of total
Agriculture & fishing	29.1
Mining	12.3
Manufacturing	3.8
Services	33.5
GDP at factor cost incl others	100.0

Components of gross domestic product 1996	% of total
Private consumption	78.4
Public consumption	9.5
Gross fixed investment	16.3
Exports of goods & services	42.0
Imports of goods & services	–46.2
GDP at market prices	100.0

Principal exports 1996	$ m
Fish & fish products	267.0
Iron ore	216.0
Gold & gypsum	2.0

Principal imports 1996	$ m
Energy & mineral products	129.0
Food & agricultural products	116.0
Machinery & equipment	67.0
Consumer goods	22.0

Main destinations of exports 1997	% of total
Japan	23.9
Italy	17.0
France	14.3
Spain	8.5

Main origins of imports 1997	% of total
France	25.9
Spain	7.7
Germany	6.8
Belgium-Luxembourg	6.7

[a] Official estimates. [b] EIU estimates. [c] Actual.

Outlook for 1999-2000

The PRDS could be magnanimous in victory

The municipal elections of January 1999 will have an important impact on the forthcoming senatorial contest, which is based on an electoral college, made up of local councillors. The ruling Parti républicain démocratique et social (PRDS), which has won control over most local councils, will therefore dominate the composition of the upper chamber of the National Assembly. The PRDS will be aided by the systematic refusal of the “real” opposition to take part in any elections. As widely expected, the opposition alliance, the Front des partis d’opposition (FPO), called upon its supporters to boycott the municipal polls, claiming that the process lacked transparency, and seemingly won a small “victory” in the poor turnout of voters in the major urban centres. Behind a pretence of multipartyism, the ruling party will hence continue to dominate the formal, constitutional political arena. For the first time ever, results were declared null and void in the capital, Nouakchott, owing to alleged irregularities. While the eventual outcome was still the same, giving victory to the PRDS and its allies, this has allowed the ruling party to claim firm adherence to democratic transparency.

Criticism remains unwelcome

The ruling PRDS looks bent on systematically repressing those expressing criticism, or even doubts about the correctness of its policies and actions. The local press frequently falls foul of the all-embracing law forbidding the dissemination of “lies” or “unpatriotic” statements, but newspapers outside the country have taken up the gauntlet. Continuing reports that Mauritania had agreed to accept and bury nuclear waste from an Israeli reactor have not been easily brushed off. Indeed the repetition of such accusations by leaders of the FPO earned them a month of imprisonment. There may be no coincidence that this period of isolation took place at the start of the election campaign. The government may have hoped to downplay their call for a boycott, and undermine their legitimacy in the eyes of their followers. However, official harassment and allegations of torture, corruption and other murky aspects of government will without doubt continue to dominate the thoughts and energies of the radical opposition.

Debt relief may have to wait

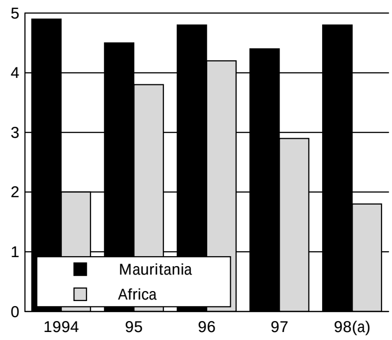
If Mauritania sticks to its promises regarding uncompleted structural reforms, it could be considered for relief on its $2.5bn debt under the heavily indebted poor countries (HIPC) initiative. However, if the government gives the impression that such a deal is imminent and a foregone conclusion, the Bretton Woods institutions will be more lukewarm in their statements. Indeed, there is little chance that Mauritania will benefit from further debt relief during the coming year, given that it has yet to fulfil various remaining prerequisites. Some of these measures could be achieved fairly quickly, notably the start of privatisation processes for the troubled state airline, Air Mauritanie, the post and telecommunications service (OPT) and the electricity supply company (Sonel). Nevertheless, these are sensitive issues, and privatisation is certain to stir up opposition from vested interests within the ruling party. Other matters requiring resolution include acceleration of the introduction of a fully free foreign-exchange system, with convertibility of the ouguiya, and the completion of reforms introduced in the customs regime.

The 1999 budget promises 5% growth

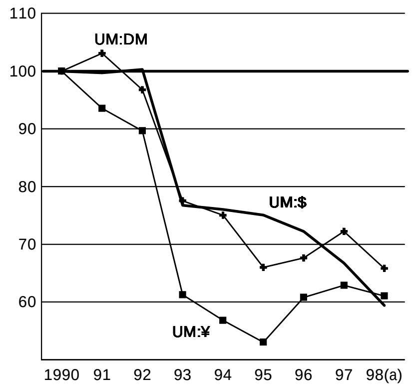
The 1999 budget takes some of these initiatives into account. Like its predecessors, it predicts a balanced budget, but it gives a hint of a lack of severity, with increased allocations to all the main spending ministries (increases averaging 13% over 1998). Furthermore, previous estimates of GDP growth for 1998 and 1999 have been slimmed down (4.8% instead of 5%) to take account of devaluation of the ouguiya (25% in 12 months), creeping inflation (up to 10% at the end of 1998), and the expected fall in receipts from fishing. On a more positive note, earnings from mining are expected at least to stabilise and possibly to climb. Iron-ore prices negotiated in the recent price-setting round were much the same as for 1998, while hopes of additional income from precious metals and stones received a fillip with news of the discovery of commercial-quality reserves.

All in all, Mauritania continues to do just enough to stay on the right side of its major backers. Where there are slippages, politically or economically, they are insufficient to justify more than slight criticism. But such an attitude provides little incentive for the deeper reforms that will be necessary before the country shakes off its mantle of perpetual aid recipient.

Mauritania: gross domestic product
% change, year on year



Mauritania: ouguiya real exchange rate (b)
1990=100



(a) EIU estimates. (b) Nominal exchange rates adjusted for changes in relative consumer prices.
Sources: EIU; IMF, *International Financial Statistics*.

Review

The political scene

The PRDS sweeps the board in municipal elections

In late January 1m Mauritanians were asked to cast their votes in municipal elections, in which 5,648 candidates contested 3,244 seats on 208 councils. Although municipal elections in many countries are normally of only passing importance, this is not the case in Mauritania, where the colour of local government has a significant impact on the local populace, whose day-to-day problems are addressed by mayors and councillors. Candidates were grouped in 37 different lists, according to the proportional representation balloting system, the main ones being those of the ruling Parti républicain démocratique et social (PRDS); the Union des forces démocratiques “Moustapha”, the UFD (B) faction led by Moustapha Ould Bedrédine; the Rassemblement pour la démocratie et l'unité (RDU), headed by Ahmed Ould Sidi Baba; and the Union nationale pour la démocratie et le développement (UNDD), recently created by Tidjane Koita following his exclusion from the opposition Action pour le changement (AC) in 1998 (1st quarter 1998, page 34). The official parties were joined by more than 30 independent lists with no formal party affiliation.

The first round of the elections, on January 29th, produced clear results in 191 municipalities. The PRDS carried 184 of these, with non-affiliated groups winning a further four. The UFD (B), the RDU and the UNDD each took control of one council. After the second ballot, the PRDS won direct control of another eight local councils, with a further six in association with one or other of its allies. The three remaining councils were gained by non-affiliated groups. The only "upset" was the unexpected defeat by the PRDS of the UNDD flag-bearer, Mr Koita, in his home town of Kaédi.

The Nouakchott results are annulled

First-round results of elections to the nine councils in the capital, Nouakchott, and two rural communities in Tagant were scrapped after the interior minister, Dah Ould Abdel Jalil, acknowledged irregularities. The annulment caused a few raised eyebrows as it represented the first ever admission of election fraud by the ruling party. Nevertheless, it would have been difficult to deny irregularities. Various officials were caught red-handed distributing suspect identification documents and the total vote (despite a low turnout) exceeded the number of voting cards that had been officially issued. As the PRDS faced no serious opposition, the party hierarchy decided to prove its desire for a transparent process by sacking offending officials and re-running the ballots. The outcome was no different from the first result, with PRDS-Union pour la démocratie et le progrès (UDP)-RDU lists emerging victorious in every council (the three parties combined to present joint lists to the Nouakchott electorate). Both Tagant rural communities went to the PRDS.

An opposition boycott pushes down participation

The massive victory of the PRDS was a foregone conclusion. Only five formal parties were in competition and all the main opposition parties boycotted the exercise. Leaders of the parties grouped in the Front des partis d'opposition (FPO) called on their supporters to boycott the poll after accusing the government of refusing to involve them in the organisation of the elections. The FPO groups together the Union des forces démocratiques "Daddah", the UFD (A) faction headed by Ahmed Ould Daddah; the AC, led by Messaoud Ould Boulkheir; the pro-Libyan Alliance populaire et progressiste (APP); and the pro-Iraq Arab nationalist party Talia'a. The opposition stance contributed to lower than usual voter participation. In the capital and major southern cities, where the FPO is strongest, turnout ranged from a low of 22% to around 45%. Voter enthusiasm was greater outside the capital, with up to 90% casting ballots in some rural areas. Turnout in the second round was even lower, at just 17% in Nouakchott.

The opposition parties' boycott was predictable (they have boycotted all major elections since 1992) and was confirmed in a letter sent by the FPO to the interior ministry in late November. The front spoke of its "regret at not taking part in the next municipal elections" and accused the ministry of "stubbornly" continuing to run elections unilaterally and rejecting the participation of the political parties. The official reaction was to express the administration's regret at the decision, albeit deploring the opposition parties' lack of strategies and programmes. The PRDS general secretary, Mamadi Ould Alassane, said he could not explain the boycott, and that it was "up to those concerned" to explain.

Post-election analyses differ

After the elections, all parties that participated commended the process. The president, Maaouya Ould Sid'Ahmed Taya, said he considered the exercise "a great victory for the Mauritanian democracy and people against extremism and irresponsibility". The Senate leader, Deng Boubou Farba, added that the scrapping of the Nouakchott vote was proof that democracy was a reality. The UFD (B) echoed this theory, saying that the re-run of ballots was a step in the right direction. On the other hand, the UFD (A) leader, Mr Ould Daddah, argued that the low turnout was direct evidence that the opposition boycott had been massively supported. He went further, saying that the 17-22% participation rate in Nouakchott meant that 80% of the electorate had heeded the opposition's call. He added that the head of state should take note of this clear demonstration of a lack of confidence and resign.

A UFD (A) meeting is broken up

Just prior to the elections police waded into a meeting organised by the opposition UFD (A), the first such gathering following the release from detention of Mr Ould Daddah (see below). He severely criticised the president and the ruling party, saying: "I just can't understand this regime. One has the impression that the government has no solution to propose and is pursuing the policy of an uncompromising stance to overcome the impasse." Security forces used truncheons and tear gas to disperse the gathering.

New claims of nuclear dumping in the desert anger officials—

Denials that Mauritania is becoming a dump for nuclear waste materials from the Israeli reactor at Dimona, 150 km south of Jerusalem, have failed to dispel persistent rumours to the contrary. Officials said that reports published in November by the Moroccan daily newspaper *Al Mounaddama* were groundless, and claimed they were the work of "circles which do not wish Mauritania and its people well". Uncorroborated reports (widely circulated on the Internet) claimed that a mystery aircraft was making regular landings at the northern airstrip of Tidjikja, unloading tracked vehicles that disappeared into the desert (possibly vehicles involved in the search for minerals in Mauritania). Eight years ago the environmental pressure group Greenpeace published reports that Mauritania was negotiating to accept waste materials, but retracted its accusations after further investigation.

—and UFD (A) leaders are subsequently arrested—

Four senior members of the UFD (A)—Ahmed Ould Daddah, Mohameden Ould Babah, Mohameden Ould Icheddou and Ahmed Baba Ould Mahfoud—were arrested in mid-December, on the eve of the Muslim holy month of Ramadan. They were accused of damaging and tarnishing the interests of the country through "unsubstantiated false allegations". Mr Ould Daddah, speaking at an earlier party meeting, had called for an international commission of inquiry to be established to investigate claims that Mauritania was burying toxic waste. His comment was dismissed as "ridiculous" by the information minister, Rachid Ould Saleh, who accused the opposition of seeking "facile political advantage by the propagation of false news distilled by the enemies of

Mauritania". The four detainees were placed under arrest in Boumdeid (700 km east of Nouakchott).

—prompting widespread protests

The arrests provoked a wave of protest and indignation. The FPO demanded their immediate release and warned the authorities of the consequences of what it called an "act of provocation". They described the arrests as kidnapping and sequestration, adding that nobody, not even their lawyers, had been allowed to see the men after their arrest. Lawyers grouped in the Mauritanian Bar Association complained that normal judicial procedures had not been followed. Their representative, Mahfoudh Ould Battah, gave a press conference, where he also claimed that lawyers had been denied access to the men and called on the legal profession to observe a one-day strike to express solidarity with their colleague Mr Ould Icheddou, a human rights defence lawyer and a member of the Bar. Protests by national and international human rights associations were echoed by appeals from the French ruling Parti socialiste, among others.

The detainees are held in poor conditions—

The four detainees sent a letter to the government in early January, denouncing their conditions of detention. They claimed that they were being held in small cells, in an isolated building within the prison, without access to light, clean water, medical or toilet facilities, or contact with family members or lawyers. Commenting on the letter, the head of the Bar Association said that the men, who are well over 60 years old, did not deserve such "arbitrary" treatment. He described the law under which the men were banished as an "unconstitutional vestige of colonialism" that ought to be removed from the statutes.

—as FPO supporters take to the streets

Opposition supporters were more active in their protests. Hundreds of women demonstrated in front of the National Assembly in early January, carrying photographs of the arrested opposition leaders. A witness claimed police waded into the women, wielding truncheons and firing tear gas. Several demonstrators received injuries in the fracas. A subsequent gathering in Mauritania's second city, Nouadhibou, was dispersed when local authorities seized megaphones and banners destined for a protest rally. Heavy-handed attempts to muzzle opposition demonstrations were toned down a few days later when the authorities allowed a protest march to take place in the capital. Several thousand demonstrators shouted slogans calling for the immediate release of the FPO leaders, for the lifting of the trade embargo placed on Iraq, and for the breaking off of diplomatic relations with Israel. No incidents marred the protest, despite a heavy security presence.

The detainees are discreetly released—

The four FPO leaders gained their freedom in mid-January, just before celebrations to mark the end of Ramadan and the start of the municipal election campaign. As at the time of their arrest, no official statement accompanied the event. News of the release ran through the capital and a large number of opposition supporters gathered to greet the men on their arrival. Despite his experience, Mr Ould Daddah maintained and repeated his allegations at political rallies and press conferences shortly after his release. He linked his arrest to the political calendar, claiming it was an attempt to silence his calls for a boycott of the process and his criticism of the regime during the election campaign. He accused the authorities of “open fraud” in the conduct of the elections and called for a commission of inquiry to investigate the “enrichment of those close to the head of state”. He qualified his accusations linked to the nuclear waste issue, claiming that he had never said that Mauritania was receiving the material, but that following various reports he judged it his duty to ask for an official, independent inquiry. “In normal circumstances I would present such a request to the National Assembly”, he said, “but Mauritania is not a normal country.”

—but new charges are formally laid

Following rumours that the FPO leaders had been re-arrested ten days after their release in early February, hundreds of women gathered at the party headquarters, where they discovered the reports to be only partly true. Mr Ould Daddah and his colleagues were summoned to police headquarters to learn they risked facing additional charges of “inciting intolerance and disturbing the peace”. Soon afterwards the FPO leaders qualified the meeting as “an attempt at intimidation”, noting that the authorities had not formally charged them with any offence. Magistrates went a stage further in mid-February, when the men reappeared before them and were formally charged. Opposition supporters accompanied their leaders to the court but were prevented from gaining access by a strong police cordon. Despite a lack of violence (according to the FPO), police used tear gas to disperse the crowd.

A human rights activist wins an award

At a ceremony in London in mid-November Cheikh Saad Bouh Kamara became the first African to receive an award for campaigning against slavery. Mr Kamara, a founding member of the Association mauritanienne des droits de l’homme and one of the men arrested in January 1998 for voicing claims that the practice persisted in Mauritania, was selected from 350 nominations. He called for concerted international efforts to “fight resolutely against slavery in Mauritania”. The French non-governmental organisation SOS-Racisme appealed to the Mauritanian authorities to release from detention the anti-slavery lawyer Mohamed Ould Maloum. According to the organisation, Mr Ould Maloum had his passport seized and was placed in preventive detention in mid-December. Officials denied the claim, saying that nobody had been arrested and refuting the allegation as devoid of all substance.

An army shake-up is in the offing

Several military officers have been relieved of their duties and put under close surveillance, according to unconfirmed reports in late December. All those concerned come from the south and a large majority are negro-Mauritanian. They were suspected of harbouring sympathies for the UFD (A). Opposition sources have warned that this could signal the start of a new campaign against negro-Mauritanian members of the armed forces. In an unrelated announcement, the army published a sizeable list of new postings and changes to the command structure in early December. This was necessary, in part, due to the appointment of Colonel Mohamed Ould Sid’Ahmed Lekhal as rural development minister and his replacement as head of the President’s military staff by Colonel Salem Ould Memou.

A pro-Iraqi demonstration is broken up

The resumption of US and British air strikes against Iraq provoked massive demonstrations in Nouakchott in late December. For three days, students set up barricades outside the US embassy, chanting hostile slogans and demanding that diplomatic relations with Israel be broken off. Police used tear gas to disperse the demonstrators, who responded by throwing stones. Mauritania has long had a love-hate relationship with Iraq. During the 1991 Gulf war support for Iraqi President Saddam Hussein brought economic sanctions against Mauritania, although a crackdown on Ba'ath Party sympathisers occurred in 1995 when pro-Ba'athist ministers were dismissed. Although the government made no official statement regarding the renewed bombing of Iraq. President Ould Taya met a special envoy from Baghdad in early February to show his support.

Demonstrators mar the president's visit to France

President Ould Taya flew to Paris in late November to participate in a meeting of French-speaking heads of state. He was unable to visit the Mauritanian embassy during his trip, as the premises were occupied by demonstrators from various Mauritanian human rights organisations. They took this action in protest at "continued human rights violations in Mauritania against black Mauritanians", citing irregularities in the allocation of voting cards for the municipal elections.

Mauritanians are repatriated from Congo

The sizeable Mauritanian community in Congo (Brazzaville) is now slightly smaller after the departure of some 180 traders fleeing insecurity there. The returnees, who arrived home in mid-January, had been held by Ninja militiamen of former Congolese prime minister Bernard Kolélas. Many of the 3,000 or so Mauritanian traders in the Congo are reported to have lost most of their goods and possessions and one-third of them have asked for additional "mercy flights" to be arranged so they can return home. French reports indicate that 12 Mauritanians have been killed in the disturbances in Congo. Mauritanian traders, who are numerous in West and Central Africa, account for the bulk of private transfers remitted to the country.

Gunmen hold up the Paris-Dakar rally

Several competitors in the annual Paris-Dakar motor rally were held up and robbed during their passage through Mauritania in mid-January. According to press reports, 20 well-armed men set an ambush about 50 km from Tichit and drivers fell "one after another" into the trap. One driver described how he was separated from others by a man armed with a submachinegun who demanded everything he had. Some 50 competitors were held for several hours and the bandits made off with four cars, three trucks, a motorcycle, money and identity documents. The stolen trucks were later found abandoned in the desert. Helicopters spotted the robbers heading for the border with Mali or Algeria and Mauritanian troops gave chase. They arrested several of the raiders, suspected of being Touareg refugees from Mali, at a camp near the Malian frontier. A Mauritanian-Malian commission has been set up to investigate the circumstances surrounding the incident.

Economic policy

The 1999 budget is adopted

The 1999 draft budget was adopted in early January. Presented by the finance minister, Camara Aly Gueludio, the budget (excluding investment) envisages balanced spending and receipts of UM53.4bn ($258m), representing an increase of 13% compared to its predecessor. Four themes dominated the budget presentation. State expenditure, other than wages and salaries, will be maintained at the same level as in 1998. While this may indicate a continuation of economic policy prudence, it also goes against the earlier stated intent of the former prime minister, Mohamed Lemine Ould Guig, to cut administrative spending, and perhaps partly explains his abrupt departure in November (4th quarter 1998, page 35). The state will consume UM28.5bn of the annual budget and, as usual, the ministries with the largest allocations are education (UM6bn), national defence (UM2.4bn), the interior (UM2.3bn) and health (UM1.9bn). The lion's share of income derives from non-fiscal receipts (up by 18% to UM15.6bn) which include repatriated dividends from the state mining company, Société nationale industrielle et minière (SNIM). The calculation of fiscal receipts is slightly changed, with the merger of two taxes, previously distinctly known as custom duties and fiscal duties, in a new, limited import tax system (droit fiscal à l'importation) comprising four basic tariff rates (zero, 5%, 13% and 22%). This, together with lower customs tariffs, implies an overall decline in the fiscal take on international trade in the order of 4%, as part of the ongoing reform programme. To balance this, taxes on goods and services will increase by around 11%, and so overall fiscal revenue is expected to climb by 6%, in part due to the changed tax status of state-owned enterprises.

Investment in infrastructure remains a priority

The investment budget, unlike current spending and receipts, is 80% funded by external receipts. Fixed at UM23bn for 1999, one-third of the consolidated investment budget is dedicated to infrastructure development. Among projects to be backed are water-supply schemes in nine regional capitals, and further work on improving water supply to Nouakchott. No new road projects are envisaged. Agriculture and rural development consumes UM5bn of the budget, primarily for improving access to isolated zones and for the rehabilitation of existing structures. Education is allocated UM3.7bn, with a further UM3bn going to the promotion and preservation of fishing and mining resources. Adding the state and investment budget, the overall deficit (excluding grants) amounts to 10% of GDP. Reviewing previous performance, the finance minister said that GDP had increased by an average of 6.6% each year since 1994, reflecting a 2.2% increase on a per head basis (indicating higher population growth than generally estimated). IMF and EIU growth estimates are, however, up to 2 percentage points lower for the same period.

Mauritania could become eligible for debt relief

President Ould Taya, in his independence day address on November 30th, announced that Mauritania would soon become eligible for additional debt relief under the World Bank-sponsored heavily indebted poor countries (HIPC) initiative. The Bretton Woods institutions met with the administration in mid-December, following a mission in late November, when it was indicated that Mauritania would be admitted to the new debt arrangement after certain structural reforms had been completed. According to various reports, this will not be possible for three years, the estimated time necessary to complete the planned privatisation programme (the postal service, electricity supply and the national airline) and introduce full currency convertibility and further fiscal reforms.

Agriculture

Predators feed on Mauritanian crops

Mauritania, like other countries in the Sahel region, is engaged in a perpetual struggle with nature as it strives to grow enough food to feed its population. Problems abound, including a chronic water shortage and periodic invasions from locusts and marauding birds, to which are added “man-made” difficulties in the form of inadequate infrastructure and storage facilities. The rural development ministry estimates that 30-50% of certain crops are lost to birds and locusts in some seasons, particularly those years when crop yields are at their lowest (as alternative food supplies are also then hit by drought). By the end of 1998 migratory locusts were reported in several areas (Gorgol, Guidimaka and Assaba), although there was no immediate threat of a plague. Anti-locust campaigns have received significant international support and Mauritania has been selected for a global project to combat locusts using ecologically friendly products, a scheme adopted by the organising committee of the Hanover Trade Fair 2000 in Germany. Partly as a consequence, domestic efforts are now largely geared to dissuading birds from devouring the crops, for which the ministry is actively seeking donor support.

Mauritania: cereal supply/demand balance, 1998/99
('000 tonnes; crop seasons November-October)

	Wheat	Rice	Coarse grains	Total
Domestic availability	40	54	83	177
Utilisation	215	154	112	481
Food use	175	139	99	413
Non-food use	25	10	13	48
Exports or re-exports	15	5	n/a	20
Import requirement	175[a]	100	30	305
Anticipated commercial imports	160	90	20	270
Food aid needs	15	10	10	35
Food aid pledges	15	8	2	25
Estimated consumption per head (kg/year)	68	54	39	161

[a] Including 15 000 tonnes for re-export.

Source: UN Food and Agriculture Organisation (FAO).

Although better than in 1997, the weather was not particularly kind to Mauritania in 1998. Cumulative rainfall exceeded that of the previous year, but rains started later than usual, delaying the start of the planting season. As a result, according to the Rome-based UN Food and Agriculture Organisation (FAO), relatively good output is expected. Fodder (for the large livestock population) is estimated to be sufficient to meet animal needs until mid-1999, when herds will have to migrate to greener pastures. In early November the FAO estimated total cereal production at 202,600 tonnes (subsequently revised downwards to 163,500 tonnes), which represents a 7.4% increase compared with the previous year but is still below the longer-term average.

A fisheries survey is to take place

The “rational management” of Mauritania’s fish resources will be assisted by a survey of stocks. Experts from France, the UK and Africa met in Nouadhibou in mid-December to develop a strategy to help Mauritania overcome the difficulties faced by the fishing industry, which accounts for 10% of GDP and almost 30% of the country’s budget receipts.

Mining and energy

Rex finds more diamonds

Rex Diamond Mining Corporation of Canada owns three diamond exploration permits in northern Mauritania (Akchar, El Hammami and Tenoumer), covering a total of 72,000 sq km. In a report on its recent exploration activities, published in mid-January, Rex indicates “obvious” potential for commercial development of a site at Touajil (El Hammami) where surveys revealed an “abundance” of indicators. Several diamonds were found in samples taken from surface and shallow gravel beds, among which were “the first commercial-sized diamonds ever found in Mauritania”. The company is moving a test jig from its South African operations to Mauritania in order to test the economic potential of the gravels, which cover “several million” square metres. In parallel with the Touajil prospect, Rex is pushing ahead with its sampling programme further east in the Tenoumer region, where it plans to complete initial surveys by May 1999.

EU funds mineral development

The EU has granted an Ecu16.7m ($18.4m) subsidy to the state mining company, Société nationale industrielle et minière (SNIM), to fund the installation of a crushing unit at the mineral enrichment plant at Nouadhibou. The aid, provided under the EU’s Sysmin scheme to diversify mining-sector activity, brings the total allocated by the EU to Mauritania for the purposes of improving its mineral-exporting potential to Ecu76m.

A Japanese NGO donates wind-powered generators

Save Africa, a Tokyo-based non-governmental organisation (NGO), has donated and installed wind-powered electricity generators at two hospitals in Mauritania. Medical staff at centres in Chinguetti and Ouadane will now be able to undertake emergency operations at night (these were previously difficult due to the non-availability of power) and communicate with the rest of the world using solar-powered telephones, also provided by Save Africa. The organisation was set up by the motor rally driver Tatsu Kanamori. During a passage through Mauritania, en route for Dakar in 1994, he witnessed desert encroachment and the difficulties of the people living in such areas. Other micro-projects backed by the association include protective walls for wells and roads in regions where other NGOs have yet to provide aid.

Mauritania will attend the Dakar trade fair

The Senegalese minister for trade and handicrafts, Khalifa Ababacar Sall, visited Mauritania in early February. During an audience with President Ould Taya he learnt that Mauritania will send a “strong” delegation to Dakar during April. The Mauritanian trade and crafts minister, Ahamdi Ould Hamady, will head his country’s delegation to the fourth Afro-Arab trade fair, which is sponsored by the Organisation of African Unity (OAU) and the Arab League to promote co-operation between members of the two organisations.

Aid news

- The EU will provide UM4.5bn ($22m) to Mauritania over a three-year period. Announced in mid-November, further details indicate that UM2.7bn will be allocated to economic restructuring and the provision of balance-of-payments support, and UM1.6bn to agriculture projects in Brakna and Tagant, including 188 km of new roads and irrigation of 2,000 ha of land.

- Germany announced a DM14.5m ($9.2m) assistance programme in December for several projects in Mauritania. DM4m has been allocated to consolidating agricultural development, DM3m to improving basic health services, DM5m to building dams in the country's eastern provinces and DM2.5m to improving infrastructure in the provincial capitals.

- The Kuwait-based Arab Fund for Economic & Social Development (AFESD) advanced KD3.5m ($11.6m) in mid-January for the development and repair of small dykes and dams in Mauritania.

- The Agence française de développement (AFD) has granted aid valued at FFr4.2m ($700,000) to assist with management of the Dawling national park, located in southern Mauritania near the mouth of the Senegal River. The aim of the operation is to promote economic activities for those living close to the reserve, notably through the development of rural water supplies. Making the announcement in early February, the AFD hinted that a further FFr10.5m was being considered for allied projects.

Quarterly indicators and trade data

Senegal: quarterly indicators of economic activity

		1996		1997				1998			
		3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr
Prices: Dakar	Monthly av										
Consumer prices:	1990=100	146.3	146.0	145.2	143.6	146.6	146.8	146.3	144.5	149.4	149.0[a]
change year on year	%	2.3	1.2	4.1	2.3	0.5	0.5	0.8	0.6	1.9	n/a
Money & banking	End-Qtr										
M1, seasonally adj:	CFAfr bn	294.7	356.5	350.9	303.6	285.1	354.2	351.7	329.2	321.8	n/a
change year on year	%	3.0	7.7	7.0	4.0	–3.3	–0.6	0.2	8.4	12.9	n/a
Discount rate	% per year	7.00	6.50	6.25	6.25	6.00	6.00	6.00	6.00	6.25	6.25
Foreign trade[b]	Qtrly totals										
Exports fob	CFAfr bn	79.67	85.08	49.92	53.69	57.15	69.17	100.31	97.86	91.49	n/a
Imports cif	"	180.29	167.84	172.34	178.12	175.67	177.31	265.72	255.17	230.29	n/a
Exchange holdings	End-Qtr										
Central bank:											
gold[c]	$ m	8.4	8.2	7.6	7.5	7.0	6.7	6.4	6.5	6.4[d]	n/a
foreign exchange	"	277.6	284.8	347.2	297.7	394.1	383.9	386.0	368.3	408.0	395.4[e]
Exchange rate											
Official rate	CFAfr:$	517.2	523.7	564.4	587.8	593.3	598.8	618.5	611.7	561.6	562.6

Note. Annual figures for most of the series shown above will be found in the Country Profile.
[a] October only. [b] *DOTS* estimate, figures are subject to revision. [c] End-quarter holdings at quarter's average of London daily price less 25%. [d] End-July. [e] End-October.

Source: IMF, *International Financial Statistics.*

The Gambia: quarterly indicators of economic activity

		1996		1997				1998			
		3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr
Prices	Monthly av										
Consumer prices:	1990=100	140.5	141.4	141.7	143.7	145.0	142.3	138.9	143.2	147.0	n/a
change year on year	%	–0.4	1.6	2.0	5.4	3.2	0.6	–2.0	–0.3	1.4	n/a
Money	End-Qtr										
M1, seasonally adj:	D m	476.2	456.2	452.0	541.9	522.8	633.9	565.3	596.3	640.5	n/a
change year on year	%	5.4	–3.5	–8.4	20.6	9.8	38.9	25.1	10.0	22.5	n/a
Foreign trade	Qtrly totals										
Exports fob	D m	28.69	9.47	59.99	55.22	23.23	7.54	n/a	n/a	n/a	n/a
Imports cif	"	583.83	387.36	827.92	695.55	782.52	527.29	n/a	n/a	n/a	n/a
Exchange holdings	End-Qtr										
Monetary authorities:											
foreign exchange	$ m	100.27	99.71	93.25	96.54	81.29	93.92	93.85	91.25	100.03	103.85
Exchange rate											
Market rate	D:$	9.810	9.892	10.015	10.300	10.452	10.530	10.536	10.583	10.679	10.991

Note. Annual figures for most of the series shown above will be found in the Country Profile.

Source: IMF, *International Financial Statistics.*

Mauritania: quarterly indicators of economic activity

		1996		1997				1998			
		3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr	1 Qtr	2 Qtr	3 Qtr	4 Qtr
Prices	Monthly av										
Consumer prices[a]:	1990=100	149.0	150.8	152.2	152.9	155.2	158.1	163.0	163.9[b]	n/a	n/a
change year on year	%	4.7	4.7	4.8	4.7	4.2	4.8	7.1	n/a	n/a	n/a
Money	End-Qtr										
M1, seasonally adj:	UM m	17,571	16,729	16,821	17,058	17,580	18,198	17,777	17,750	17,867	21,913[c]
change year on year	%	–10.7	–10.5	–9.7	–3.4	0.1	8.8	5.7	4.1	1.6	n/a
Foreign trade[d]	Annual totals										
Exports fob	$ m	(551)		(540)				(n/a)			
Imports cif	"	(642)		(613)				(n/a)			
Exchange holdings	End-Qtr										
Foreign exchange	$ m	108.3	139.8	153.6	162.5	225.8	200.4	201.2	195.3	232.7	202.8
Exchange rate											
Market rate	UM:$	138.16	142.45	144.59	149.27	160.22	168.35	177.04	179.11	205.52	205.78

Note. Annual figures for most of the series shown above will be found in the Country Profile.
[a] Mauritanian households. [b] Average for April-May. [c] End-October. [d] *DOTS* estimate.

Sources: IMF, *International Financial Statistics*; *Direction of Trade Statistics*, yearbook.

Senegal: foreign trade

	$ '000					
	Jan-Dec 1990	Jan-Dec 1991	Jan-Dec 1992	Jan-Dec 1993	Jan-Dec 1994	Jan-Dec 1995
Imports						
Dairy products	46,490	41,737	60,605	70,375	39,649	34,430
Cereals & products	180,544	115,011	112,710	126,051	76,631	195,868
Fruit & vegetables & preparations	30,040	24,753	23,127	24,352	11,880	19,458
Beverages, tobacco & manufactures	29,334	15,303	13,060	14,120	10,418	13,251
Mineral fuels	258,680	120,418	103,415	103,893	168,788	122,389
of which:						
crude petroleum	248,628	91,437	79,441	84,129	35,845	88,646
Animal & vegetable oils & fats	33,186	50,056	52,132	63,915	34,461	67,395
Chemicals	157,626	155,127	151,023	134,104	114,688	170,298
Manufactured goods	259,763	168,130	190,318	175,537	132,682	212,593
of which:						
textile yarn, cloth & manufactures	45,534	28,620	34,258	24,320	16,299	35,600
iron & steel	64,911	39,688	49,180	51,948	42,727	58,692
metal manufactures	51,875	34,161	31,904	30,856	18,553	32,174
Machinery incl electric	235,195	177,720	185,730	168,970	114,186	150,521
Transport equipment	109,294	71,311	85,368	83,415	47,647	70,796
of which:						
road vehicles	102,329	66,659	80,890	79,924	42,617	66,927
Total incl others	1,620,419	1,096,951	1,172,453	1,139,203	876,754	1,224,422
Exports fob						
Fish & products	216,041	215,256	186,875	143,623	42,854	9,842
Oilseed cake	35,366	17,451	18,889	11,889	12,515	5,088
Cotton, raw	9,533	20,248	27,409	27,210	19,011	33,522
Phosphates, mineral	56,962	43,926	66,434	51,166	16,716	43,268
Salt	7,820	7,625	10,337	9,193	7,316	5,226
Mineral fuels	96,768	104,390	80,284	87,445	73,014	79,969
Groundnut oil	129,980	69,534	55,040	33,722	73,780	53,842
Chemicals	116,680	95,110	127,506	103,819	109,373	209,730
Machinery & transport equipment	18,470	13,695	21,805	39,328	25,514	13,461
Total incl others	782,600	652,208	683,031	605,102	444,402	530,759

	$ m			
Exports fob	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997
India	67	136	111	101
Mali	41	45	48	37
France	80	59	76	33
Côte d'Ivoire	8	8	15	18
Benin	3	13	17	16
Mauritania	6	n/a	15	14
The Gambia	7	9	13	12
Italy	22	38	28	8
Netherlands	22	8	12	6
Cameroon	4	9	10	5
Taiwan	9	22	3	4
Total incl others	484	530	531	394

	$ m			
Imports cif	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997
France	300	387	379	370
Nigeria	39	78	77	88
US	44	70	67	58
Spain	47	42	56	54
India	3	44	90	47
Belgium-Luxembourg	33	38	37	46
Germany	28	60	90	45
Italy	55	43	46	40
Japan	35	46	40	36
Thailand	33	60	44	35
Netherlands	34	34	42	33
Total incl others	884	1,223	1,308	1,206

Sources: UN, *International Trade Statistics*, yearbook; IMF, *Direction of Trade Statistics*, yearbook.

The Gambia: foreign trade

($ m)

	Jan-Dec 1994	Jan-Dec 1995
Imports cif		
Food	61.19	37.33
Beverages & tobacco	20.53	6.48
Crude materials	2.05	1.82
Mineral fuels	36.87	20.21
Animal & vegetable oils	3.70	3.87
Chemicals	12.28	7.82
Manufactured goods	32.66	20.96
of which:		
textile yarn, cloth & manufactures	14.74	8.62
metals & manufactures	9.31	5.58
Machinery & transport equipment	39.92	28.45
Total incl others	226.64	140.32
Exports fob		
Food	6.10	4.80
of which:		
fish & preparations	2.71	2.53
Groundnuts, green	8.14	9.98
Textile fibres	5.52	1.74
Total incl others	38.41	27.79

Exports fob	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997[a]	Imports cif	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997[a]
Belgium-Luxembourg	n/a	1	1	120	China	11	9	14	46
Japan	n/a	n/a	1	7	Hong Kong	9	5	8	36
UK	8	7	5	5	UK	22	20	39	34
France	3	6	8	3	Netherlands	13	7	17	24
Spain	2	1	n/a	3	Côte d'Ivoire	36	19	21	23
Hong Kong	n/a	1	n/a	3	France	25	11	29	19
US	2	1	n/a	n/a	Belgium-Luxembourg	13	10	10	16
China	2	1	1	n/a	Senegal	3	4	8	13
Netherlands	1	1	1	n/a	Brazil	3	2	15	12
Senegal	6	6	n/a	n/a	US	7	7	18	11
Total incl others	35	28	22	154	Total incl others	209	140	272	326

[a] *DOTS* estimates.

Sources: UN, *International Trade Statistics*, yearbook; IMF, *Direction of Trade Statistics*, yearbook.

Mauritania: foreign trade
(UM m)

Imports fob	Jan-Dec 1991	Jan-Dec 1992	Jan-Dec 1993	Jan-Dec 1994
Food	8,838	13,801	11,358	12,500
Other consumer goods	1,881	2,785	1,603	1,574
Fuels	2,972	3,735	4,212	4,142
Machinery & transport equipment	2,304	3,054	6,429	3,823

Exports fob	Jan-Dec 1991	Jan-Dec 1992	Jan-Dec 1993	Jan-Dec 1994	Jan-Dec 1995
Fish & products	18,044	27,522	26,945	28,073	17,169
Iron ore	17,287	17,377	19,442	22,282	26,353
Gold	n/a	775	1,893	2,605	1,869

	$ m					$ m			
Exports fob[a]	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997	Imports cif[a]	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997
Japan	129	161	172	129	France	137	152	198	159
Italy	69	108	88	92	Spain	30	51	46	47
France	63	73	62	77	Germany	36	32	31	42
Spain	53	65	57	46	Belgium-Luxembourg	44	54	40	41
Belgium-Luxembourg	35	37	36	40	Thailand	13	16	33	30
UK	15	21	20	24	Japan	33	32	15	29
Germany	12	22	20	23	Italy	22	14	24	16
Total incl others	436	557	551	540	Total incl others	561	642	638	613

[a] *DOTS* estimates.

Sources: National statistics; IMF, *Direction of Trade Statistics*, yearbook.

Senegal and Mauritania: French trade
($ '000)

	Senegal				Mauritania			
	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997
Exports fob								
Food, drink & tobacco	63,857	63,944	72,871	97,904	29,759	38,371	60,165	63,785
of which:								
dairy products	21,861	13,998	21,651	23,049	3,470	2,358	6,100	7,394
cereals & preparations	27,130	26,921	16,863	32,437	15,682	22,147	34,815	38,256
sugar & products	1,201	4,954	14,216	17,695	4,064	9,995	12,551	11,703
Mineral fuels	16,434	24,758	48,918	27,769	6,090	7,580	18,361	8,028
Chemicals	63,796	70,853	78,410	77,784[a]	15,547	16,025	11,333	11,542[a]
Rubber manufactures	5,069	5,721	5,263	5,443	4,426	2,914	3,710	2,658
Paper & manufactures	7,038	12,508	11,534	9,014	1,033	1,193	1,596	1,080
Textile fibres, yarn & manufactures, incl clothing	6,382	7,373	11,326	9,210	2,262	1,762	1,774	1,689
Non-metallic mineral manufactures	6,615	8,119	9,357	7,542[b]	1,415	1,271	1,855	1,876[b]
Iron & steel	6,982	8,813	9,019	17,266[c]	1,995	5,994	4,556	4,385[c]
Metal manufactures	9,874	16,718	21,994	4,074[d]	5,761	5,638	4,084	1,629[d]
Machinery incl electric	86,770	117,832	159,996	116,077	37,944	35,185	30,041	27,378
Transport equipment	27,867	41,037	52,996	33,997	23,276	12,473	35,569	13,073
Scientific instruments etc	9,667	11,645	11,249	11,913	3,506	2,013	2,452	1,892
Total incl others	363,374	461,599	542,641	470,397	138,215	138,033	180,216	144,377
Imports cif								
Fish & products	94,836	108,657	97,575	92,285	4,841	7,236	5,933	6,717
Crude fertilisers & minerals	6,392	3,853	4,781	4,388	1	0	6	0
Metalliferous ores & scrap	538	1,738	1,902	0[e]	66,069	71,961	71,045	78,139[e]
Animal & vegetable oils & fats	47,380	46,136	42,516	25,795	0	0	0	0
Total incl others	183,113	194,095	181,390	150,231	72,673	80,723	77,968	86,243

[a] Including crude fertilisers and manufactures of plastics. [b] Including precious metals and jewellery. [c] Including manufactures and scrap. [d] Tools etc and miscellaneous metal manufactures. [e] Ores, slag and ash.

Source: UN, *External Trade Statistics*, series D.

Mauritania: Japan's imports
($ '000)

Imports cif	Jan-Dec 1993	Jan-Dec 1994	Jan-Dec 1995	Jan-Dec 1996	Jan-Dec 1997	Jan-Nov 1997	Jan-Nov 1998
Fish & products	113,569	138,414	176,323	188,500	142,616	141,650	96,889
Total incl others	117,550	140,861	178,749	189,493	143,194	142,224	97,555

Source: Japan Tariff Association, *Japan Exports & Imports*.