

STATEMENT OF H.E. MR. SALIM AHMED SALIM
SECRETARY-GENERAL OF THE OAU
AT THE EIGHTH SUMMIT OF THE PTA AUTHORITY

NAIROBI, KENYA - 30 NOVEMBER, 1989

Your Excellency Mr. Chairman,
Your Excellencies Heads of State
and Government of the PTA,
Honourable Ministers,
Mr. Secretary-General of the PTA,
Ladies and Gentlemen,

It is a great honour and privilege for me to address the august Assembly of Heads of State and Government of the Preferential Trade Area and to participate in your important deliberations at this very crucial stage in the future of the African continent.

It is also my pleasant duty to pay deserving tribute to His Excellency President Daniel Arap Moi, His Government and the people of Kenya for their characteristic warm hospitality. Kenya's commitment and contribution to inter-African understanding and cooperation under the wise and dynamic leadership of President Moi is a matter of record. Thus the holding of this Session in Nairobi, an African capital which has increasingly become a meeting ground and an important centre of efforts at mediation and conciliation, augurs well for the success of this Summit.

Since this is the first Summit of the PTA after the Namibian elections, I wish also, Mr. Chairman, to join you and the other Heads of State in commending the victory of SWAPO and in congratulating, once again, the people of Namibia for demonstrating political maturity during the elections. I wish, on behalf of the OAU, to assure them of our continued support and encouragement in their efforts to build a sovereign and independent Namibia in an atmosphere of peace and harmony.

Your Excellencies,

The decade of the 1980s, which is just coming to an end, was a significant land-mark in the economic history of our continent. It has been characterized as a lost decade for Africa's development with lost hopes and missed opportunities for international solidarity and cooperation.

During this period, the OAU Member States were faced with an unprecedented economic crisis coupled with numerous natural disasters. It has been marked by negative performances of the African economies as reflected to a large extent by the continued deterioration of the international economic climate, more specifically by the collapse of commodity prices and the worsening of Africa's debt burden.

The efforts expected from the international community within the framework of the United Nations Programme of Action for Africa's Economic Recovery and Development (UNPAAERD), adopted in 1985, and aimed at ensuring the stability of commodity prices has not been forthcoming. Furthermore, the debt burden of African countries, which now exceeds 230 Billion Dollars and represents over 44% of the export earnings of Africa, has been worsening. Thus, considering the fall in real value of the net resource flow to African countries, losses in export earnings due to the fall of commodity prices and the obligations linked to debt servicing, Africa has become a net exporter of resources to developed countries at a time when it is badly in need of financial resources.

All these adverse factors have combined to cripple the fragile economies of our states and led some of them into severe economic hardships. Instead of concentrating on long term development programs, most of our countries, if not all of them, have been forced to devote their energies and the limited resources to mitigate the adverse effects of the economic crisis. Unfortunately, the sacrifices made by African States to try to emerge from this crisis has been thwarted by an unfavourable international climate. In particular, these efforts to boost economic recovery and development have been made more difficult by the failure of the international community to honour its commitments in terms of resource flow to Africa.

Mr. Chairman,
Distinguished Heads of State
and Government,

In adopting the Lagos Plan of Action, Africa had decided to take its destiny in its own hands; it reasserted that its socio-economic development will only be achieved through joint, coordinated and harmonized efforts at all levels. This strategy which you had, in your wisdom and foresight, adopted with your distinguished colleagues, ten years ago in Lagos, today proves more than ever before to be the path to Africa's salvation.

Your present Session here in Nairobi bears testimony to the fact that, despite the economic and political difficulties which have disrupted most of the development plans of our countries, Africa continues to be committed to the strategy mapped out in Lagos. This is a strategy based on increased and reinforced economic cooperation and integration and better coordinated solidarity to achieve a collective, self-reliant and self-sustaining development.

On this particular occasion, I would like, on behalf of the OAU, to commend the remarkable achievements of the PTA over the last eight years of its existence as a Regional Economic Grouping established in conformity with the policy guidelines laid down in the final act of Lagos. Over this short period, the PTA has managed to develop viable operational programmes and projects designed to foster and to accelerate the collective, sustained and self-reliant development of its Member States in such priority sectors as food and agriculture, industry, transport and communications, trade, money and finance.

In this respect, I would like to stress the importance of monetary and financial cooperation, among PTA Members, as an important instrument for promoting intra-African exchange, economic cooperation and integration.

The Agreement on central payments clearance arrangements, establishment of a PTA Bank and the launching of the UAPTA Travellers' Cheques have gone a long way towards easing the movement of goods and services as well as people between the member countries. These are practical results of cooperation which need to be built upon and strengthened not only as a nucleus but a catalyst to cooperation between larger groupings of countries in Africa.

This spirit of practical cooperation should be made to complement your efforts to promote regional industrial projects and closer cooperation in the field of transport and communications.

The attention that you give to the development of agriculture deserves to be stressed, for there are great potentials in this field in the countries of the area, making it possible to attain the objective of food self-sufficiency.

I also note the negotiations currently in progress to ease the customs and tariff barriers to smooth inter-state trade. This would, indeed, be a logical consequence of any efforts at enhancing the possibilities of faster economic integration and, eventually, creating an economic community in consonance with the Lagos Plan.

Mr. Chairman,

These achievement did not come easily. They are a result of hard and dedicated work. But above all, they are a product of your collective will to pursue an objective. They are a result of a belief in the greater virtues of collective action.

Your Excellency,

With the new decade of the 1990s now opening the doors to the 21st century, it is our responsibility to assess the important developments taking place in the rest of the world in which larger economic and trading blocs are building up. We should, subsequently, chart the course of our continent and define its role and functions as a partner within the international community.

Your Excellencies,

The PTA embodies the collective desire of the Member States to pursue policies promoting unity and self-reliance. After all, Africa's hope for the future lies in its ability and willingness to pull together and to act in unison. This is dictated by the simple logic of economic self-preservation, as it is by the inevitable eventuality of the fundamental changes now taking place in Europe and which are bound to have far reaching consequences to our economies.

We are, today, witnessing the breakdown of the traditional ideological and economic barriers to East-West cooperation in Europe. Already, in addition to the forging of a single market for Western Europe by 1992, plans are under way not only to respond to the economic and monetary institutions like banks to supervise close cooperation between the two sides.

The United States and Soviet Union are inching forward with the elaboration of multifaceted cooperation. Eastern Europe is proving more attractive to European and American investments as it will certainly be to Japan. All these mean that the economic focus of Europe - our traditional partners in EEC/ACP - and elsewhere is changing. Europe is increasingly becoming more inward looking in its economic thinking and approaches. And the rapid changes taking place in Eastern Europe are entrenching this Eurocentric approach by making it more justifiable as a viable alternative to global cooperation.

This will mean, not only a shift of investment pattern away from Africa, but more so, the contraction of volume of concessionary resource flow to Africa. It means America will look to the East, Europe to Europe. Above all, it means Africa will have no choice but to look to itself for the answers to her economic problems.

All these developments require an urgent and collective response on our part if we are to avert the marginalization of our continent. At a time when major economic powers are uniting in order to boost their economic might, we cannot afford to disperse our energies. We should rather close our ranks, act in unity to face the challenge of survival in the nineties and beyond.

It is clear that African Member States have no other alternative but to pursue relentlessly and with more dedication and renewed political commitment those efforts already underway, at regional level, to build and strengthen our regional economic groupings which should, at the continental level, lead to the establishment of the African economic community. This project, which is seen as the culmination of the efforts currently going on at regional level, will, to be achieved, require not only a great deal of sustained political will and commitment, but also a high sense of vision and wisdom from each of our Member States.

The African Economic Community will be established and become viable only if the regional economic groupings which are seen as its pillars, within the framework of the economic regionalization of our continent, are strengthened through sustained political and financial support so as to enable them achieve their stated collective objectives.

In strengthening the PTA, therefore, Member States of this region will not only be promoting the economic development of the peoples of their countries constituting the economic grouping but will also, in the process, be contributing significantly to the larger goal of Africa's economic freedom and development through collective cooperation.

Mr. Chairman,

The mission which you and your fellow Heads of State and Government of the Member States of the PTA have embarked on is certainly difficult but noble. It is a mission to ameliorate and eventually lessen the burdens on your economies. For difficult as it may be, you are also the best placed to appreciate the full weight of these burdens on African economies in general. Yours is a noble objective as, indeed, should be a mission to ensure the socio-economic development of the people of Africa. For this is the essence of our common struggle: to squarely face these challenges on behalf of the people of our countries and for the dignity of Africa.

I thank you.