

EEC INDUSTRIALIZATION PLANS
FOR AFRICA IN THE SIXTIES

At the beginning of the Sixties, Western political and administrative circles as well as specialists in social science and especially in economics were deeply convinced that sooner or later, there would be no alternative to an industrial society as the only form of living all over the world. This assumption is reflected in a United Nations resolution of 1961, which announced the first development decade and stressed the need for industrialization in the so-called developing countries. One of the most influential theorists of modernization, Walt Rostow, saw industrial development as the key requirement for sustainable growth in the new nations of Africa and elsewhere. And the first President of Berkeley University, Clark Kerr, developed a broad theory of a fully industrialized society in his book *Industrialism and Industrial Man*, first published in 1960¹.

But industrialization became not only a major issue in the West. The so-called Third World itself considered industrialization as the key strategy to pave the way to development. In this context it is not surprising that the African states associated to the European Economic Community (EEC) paid close

¹ See R. Jolly (edited by), *UN Contributions to Development Thinking and Practice*, Bloomington, Indiana University Press, 2004, p. 85; W.W. Rostow, *Stadien wirtschaftlichen Wachstums: eine Alternative zur marxistischen Entwicklungstheorie*, Göttingen, Vandenhoeck & Rupprecht, 1960; C. Kerr, *Industrialism and Industrial Man. The Problems of Labor and Management in Economic Growth*, Cambridge, Harvard University Press, 1960.

attention to industrial matters too. The first larger meeting after independence of most Associates, the conference held in Strasbourg in June 1961 initiated by the European Parliament, witnessed the African countries' claims to promote transformation through industrialization². By the latest after conclusion of the first Yaoundé agreement in 1963, the Commission of the European Economic Community also became aware of the importance of industrialization for long-term development in the associated African states. The first European Development Fund (EDF), which was active between 1958 and 1963, spent only 2.1 percent of the budget on industrial projects. This was partly due to a lack of convenient funding instruments. With the new agreement, the Commission received considerable financial means for technical aid, which meant, first of all, money for development studies. At the end of 1964, besides numerous special reports on individual countries, the study committee for development questions decided to draft a general survey dealing with possibilities of import substitution in the 18 associated African countries. Five years later, after the renewal of the Yaoundé Convention, a second general survey followed, this time concentrating on the potential establishment of export industries in Africa.

² See C. Cosgrove-Twicheit, *Europe and Africa. From Association to Partnership*, Farnborough, Saxon House, 1978, p. 81; for the Strasbourg Conference see in detail U. Vahsen, *La Conférence parlementaire eurafricaine de Strasbourg (19-24 Juin 1961)*, in M. Bitsch (sous la direction de), *L'Europe unie et l'Afrique: de l'idée d'Eurafrrique à la convention de Lomé I*, Brussels, Bruylant, 2005, pp. 375-392; as regards association in general see T. Moser, *Europäische Integration, Dekolonisation, Eurafrika: eine historische Analyse über Entstehungsbedingungen der Eurafrikanischen Gemeinschaft von der Weltwirtschaftskrise bis zum Jaunde-Vertrag, 1929 - 1963*, Baden-Baden, Nomos, 2000, and recently G. Migani, *La France et l'Afrique sub-saharienne, 1957 - 1963: Histoire d'une décolonisation entre idéaux eurafricains et politique de puissance*, Brussels, Peter Lang, 2008.

My article focuses on these industrialization initiatives with the following double task in mind. On the one hand the conditions underlying the generation of these plans are at the centre of interest. On the other hand I will shed light on the results that these studies produced. The key questions will be how, by whom and for whom this knowledge about the African states was accumulated and passed on and what were the consequences that followed the surveys. I will argue that concerning the first plan of the Sixties, the role of the associated countries was strictly limited to providing information, whereas the experts of the member States had difficulties to agree on fundamental concepts and a common methodological approach. Furthermore, these experts almost solely considered economic factors, whereas political, social and cultural aspects were hardly taken into account. These conditions explain why the results of the plans turned out to be disappointing. As regards the second plan, I will point out that at the beginning of the Seventies, co-operation was taken more seriously. This time Africans were more included in the elaboration process of the plans. Accordingly the Commission extended its activities in order to become a veritable knowledge pool for everybody interested in African industrialization.

The first broad industrialization initiative of the EEC Commission was dedicated to import substitution. According to the planners of the Directorate General VIII, the EEC was not supposed to wait for the governments of the associated States to make industrialization proposals, but instead take over the initiative itself³. That's why they decided to develop a general study plan which was supposed to act as a guide for the as-

³ DG VIII, *Programme d'études générales sur les possibilités d'industrialisation des EAMA*, not dated [1965], in Historical Archives of the European Union - Brussels (henceforth HAEU), Bruxelles Archives Commission (henceforth BAC) 25/1980-1998, p. 61.

sociated States as well as for the EDF and the private industry. The study focused on consumer and consumption industry, the two branches which the experts considered as most favorable for import substitution.

The import substitution approach was theoretically developed by Raul Prebisch after World War II. Its aim was to overcome colonial economic structures which had been based on export of cheap agricultural goods and import of finished goods from metropolitan areas⁴. The experts chose this strategy because of its allegedly simple procedural method. They only needed to evaluate existing needs and markets on the basis of the import statistics of the associated countries in order to decide whether a project would be profitable⁵. Conceptually they followed a «pluri-national» approach which ignored national borders and focused on greater distribution zones. The final study stated that the associated African States and Madagascar (AASM) which «avait amorcé leur industrialisation en régime d'une union économique ont vu ensuite ce cadre éclater du fait de l'émancipation politique»⁶. Thus, the aim of the «pluri-national» approach was a reorganization of the associated countries' markets, a reorganization, which was to be geared to the geographical structures of the colonial era. Considered as an incentive for regional integration processes this concept

⁴ See B. Calzadilla, A. Novy, *Imports substituierende und exportorientierte Industrialisierung*, in P. Feldbauer (Hg.), *Industrialisierung: Entwicklungsprozesse in Afrika, Asien und Lateinamerika*, Frankfurt a.M., Brandes & Apsel, 1995, pp. 33-46, here p. 34.

⁵ See DG VIII, *Programme d'études générales sur les possibilités d'industrialisation des EAMA*, not dated [1965], in HAEU, BAC 25/1980-1998, p. 61, here p. 65f.

⁶ DG VIII, *Rapport de synthèse sur les perspectives d'industrialisation des EAMA*, not dated [1967], in HAEU, BAC 25/1980-1995, p. 14, here p. 26.

was hence supposed to correct the «balkanization process» that accompanied the decolonization of the French colonies in Africa⁷.

So far the theory. In practice three research groups were established, one for former French West Africa, one for former French Equatorial Africa and one for the Congo and other States. The first group was dominated by members of the French Société des Etudes du Développement Economique et Social, the second one by the German *Ifo Institut für Wirtschaftsforschung* and the third one by Belgian development corporations. France was the only member State which also sent an official from its *Ministère de la Coopération* into the French West Africa Group⁸.

The first meetings held by the three groups in the fall of 1965 witnessed some friction concerning methodological details. The discussion focused on questions how to generate, extrapolate, weight and evaluate data about population, resources, import, statistics, wages and so on. One of the French experts even compiled a special dictionary for his colleagues to make them agree on a common terminology. Nevertheless, tensions between the three groups continued up to the end of their co-operation, and French predominance prevailed in the

⁷ For the «balkanization process» see T. Chafer, *The End of Empire in French West Africa. France's successful Decolonization?*, Oxford, Berg, 2002, pp. 163-192; a general survey about the EEC's role in African integration processes is provided by M. Remppe, T. Schneider, *50 Jahre EUEuropa in Westafrika. Zum Verhältnis europäischer und westafrikanischer Integration*, in B. von Engelhard, S. H. Krieg, I. Ley, I. Pernice, O. Saldias (Hg.), *Europa jenseits seiner Grenzen Politologische, historische und juristische Perspektiven*, Baden-Baden, Nomos Verlagsgesellschaft, 2009.

⁸ See DG VIII, *Composition des équipes participant au programme d'étude sur l'industrialisation des EAMA*, not dated [1965], in HAEU, BAC 25/1980-1993, p. 28.

discussions. At the second meeting for example, the experts agreed on calculating in accordance with the methods of the French *Institut National de la Statistique et des Etudes Economiques*. Furthermore they decided that all gathered information should be made accessible to the French government⁹. Thus this «europeanization» of knowledge generation was a tenacious process that had to cope with different scientific cultures even if in this case, «europeanization» meant first of all the takeover of French methods and approaches.

The aim of this preliminary work was a pre-selection of products and branches, which were most favorable to import substitution. To decide whether a project was beneficial to import substitution the experts evaluated it from two perspectives: first they looked at the results one project would have on issues of common interest, using criteria like expected surplus, expected new jobs and effects on the national budget; secondly they analyzed the project from the investor's point of view and calculated the cost-effectiveness¹⁰. Political, social or cultural factors were not included in this pre-selection at all.

After this preliminary work, the three groups in the beginning of 1966 began their fieldwork in Africa to gather information which was not available in Europe. The experts returned relatively disappointed from their expeditions. First of all, they came to realize that in several associated countries like Burundi or Somalia, industrial import-substitution would not work because of the lack of appropriate domestic markets. The

⁹ See DG VIII, *Compte rendu de la 2ème réunion*, 18-19 Octobre 1965, p. 40 and DG VIII, *Compte rendu de la 4ème réunion*, 16-17 Décembre 1965, p. 114, in HAEU, BAC 25/1980-1993; DG VIII, *Procès verbal de la réunion*, 20 Juin 1965, in HAEU, BAC 25/1980-1998, p. 102.

¹⁰ See DG VIII, *Rapport de synthèse sur les perspectives d'industrialisation des EAMA*, not dated [1967], in HAEU, BAC 25/1980-1995, p. 14, here p. 35.

theories well designed at the drawing tables in Brussels hardly fit with African reality¹¹. Secondly, the experts realized that most countries were overflowing with other industrial project plans. This conclusion reflects the EEC experts' ignorance in regard to activities of other donor institutions at the beginning of their planning. To be sure, the Commission delegated observers to several conferences on industrialization in Africa organized by the Economic Commission for Africa (ECA). However, the aim of these missions was first of all to gather information about the activities of the ECA. Even if the necessity of coordination was generally acknowledged and also demanded by the associated States, the urge to position the EEC as a distinctive donor institution prevailed. In this context, the «pluri-national» approach was regarded as the crucial unique selling point of the survey, and according to some Brussels officials, it was exactly this approach that at first attracted the interest of the Associates¹². Thirdly, the experts complained that the African officials were rather reluctant to provide requested data material and demanded the intervention of the Commission: «Il serait par conséquent souhaitable que la Direction des Etudes se précipite en intervenant auprès des EAMA voire même en utilisant à cette fin des missions sur place, de réunir ces dossiers»¹³. In general the governments of the Associates were perceived in a merely auxiliary, instrumental function. To give one example,

¹¹ See DG VIII, *Compte rendu de la 5ème réunion*, 28 Février 1966, in HAEU, BAC 25/1980-1994, p. 45.

¹² See for example a mission report about the ECA Conference in Cairo, DG VIII, *Note to Hendus*, 28 March 1966, in HAEU, BAC 25/1980-1449, p. 168; see also DG VIII, *Compte rendu de la 6ème réunion*, 25 Avril 1966, p. 253 and DG VIII, *Compte rendu de la 5ème réunion*, 28 Février 1965, p. 45 in HAEU, BAC 25/1980-1994.

¹³ DG VIII, *Compte rendu de la 5ème réunion*, 28 Février 1965, in HAEU, BAC 25/1980-1994, p. 45, here p. 50.

in a letter addressed to Léopold Sédar Senghor, commissioner Rochereau asked the Senegalese President to provide the experts with cars, offices and telephones but apart from the allocation of data material did not request intellectual Senegalese input¹⁴. Despite these difficulties, the work for the survey continued, though with a few methodological adjustments. When the study committee lost its belief in the realization of many projects, it decided to reject the so-called merit ranking procedure and voted for a more pragmatic approach concerning the evaluation of projects¹⁵.

In May 1966, the three groups started a second expedition in order to complete their different project proposals and to campaign for a semi-official favorable reception of the study results by the associated States. The experts served as vanguard for the official promotion of the project plans by members of the Commission a few weeks later. After their return it took one more year before the study was published and distributed to the governments of the associated States and the member States, to the chambers of commerce and the industrial lobby groups in Europe and Africa. The survey presented altogether 109 projects for the associated African States and Madagascar and emphasized once again the central role of industrialization which «incite et habitue peu à peu la population à renoncer aux comportements basés sur l'échelle traditionnelle des valeurs et à acquérir les aptitudes requises pour entreprendre des activités nouvelles»¹⁶. The actual project proposals ranged from milk

¹⁴ See DG VIII, *Letter from Rochereau to Senghor*, 12 May 1966, in HAEU, BAC 25/1980-1994, p. 165.

¹⁵ See DG VIII, *Compte rendu de la 5ème réunion*, 28 Février 1965, in HAEU, BAC 25/1980-1994, p. 45.

¹⁶ DG VIII, *Rapport de synthèse sur les perspectives d'industrialisation des EAMA*, not dated [1967], in HAEU, BAC 25/1980-1995, p. 14, here p. 18.

production and fertilizer industries to detergent factories. Most projects were located in the coastal states like the Senegal or Ivory Coast, which were already more industrially developed at that time in comparison to landlocked countries like Chad or Niger¹⁷.

Historical sources show no indication that the associated countries at any moment had any influence upon the outcome of the general study, neither as regards its methodological approach nor the choice of the branches or locations. Interaction between the European experts and different African professional groups or administration staff was only supposed to bridge gaps in the data. Accordingly, a directive by commissioner Rochereau for the *missions d'information* said, that «les équipes éviteront dans toute la mesure du possible de prendre contact à l'échelon ministériel»¹⁸. A dialogue about political, social or cultural conditions of industrialization in Africa did not take place at all. Instead, the EEC Commission relied on the effectiveness of European scientific expertise which could be promoted as such and also be controlled by the Commission's Directorate for Development Studies. Consequently, in the cover letter of the survey directed to the leaders of the African countries, commissioner Rochereau wrote that the content was only the view of independent experts and did not mirror the official policy of the Commission – although this is what it exactly did.

However the firm belief in the effectiveness of scientific expertise was bitterly disappointed – at least as regards the central point of the general study. A first evaluation of 1971 stated that «l'obstacle majeur à la création des entreprises conçues dans une optique régionale est précisément cette condition préalable

¹⁷ *Ibidem*, p. 238, 240, 247f.

¹⁸ DG VIII, *Compte rendu de la 4ème réunion*, 16-17 Décembre 1965, in HAEU, BAC 25/1980-1993, p. 114, here p. 116.

d'intégration pluri-nationale elle-même qui ne se réalise pas»¹⁹. No effort was made to convince the African political leaders of the «pluri-national» approach. The idea of greater industry regions including stronger domestic markets may have been the right way from an economic point of view but it did not reckon with the social, political and cultural factors involved in such a great social transformation process that these industrialization plans stand for. The result was that four years later, instead of the 109 proposed projects, 156 were in planning or realization, because almost all countries tried to realize the projects within a national frame. Twenty-six projects had already definitely abandoned, whereas 52 lead to a success²⁰.

It is not surprising that the second broad survey of the EEC which started in 1970, abstained from a «pluri-national» approach. Also the focus was different. This time the study concentrated on export industries. Some associated states themselves expressed their desire to complement the first survey with an exploration of export possibilities. However, the methodological approach remained the same. This time, the experts at first evaluated the import statistics of the EEC. The idea was to find products which could be manufactured in Africa and could compete with conventional imports. Competitiveness was measured by production costs, the level of unqualified work craft, capital resources, energy costs and resource availabilities, in short again exclusively by economic criteria²¹.

¹⁹ DG VIII, *Etat des réalisations des projets*, not dated [1971], in HAEU, BAC 25/1980-1997, p. 170, here p. 173.

²⁰ *Ibidem*, p. 171f.

²¹ See DG VIII, *L'aide-mémoire sur un programme d'études concernant les possibilités d'industrialisation des EAMA orienté vers l'exportation*, Septembre 1970, in HAEU, BAC 25/1980-1997, p. 69.

But unlike the elaboration process of the first survey, the Commission this time included the associates in the exploration, at least to a certain extent. In November 1970, a first meeting was held with the ambassadors of all associated countries where they expressed their concern that the new focus on export industries should not counteract the import substitution approach. Furthermore, the African ambassadors stressed the need for concrete action which was to follow the study and which was to be ensured by industrial promotion efforts in Africa as well as in Europe. The officials of the Commission agreed with both concerns and emphasized that the survey on export industries would in particular consider already existing export industries and hence fit in the overall industrialization process of the AASM²².

After the first phase of the survey was completed and various prospective branches identified, a second meeting between the ambassadors and the Commission took place in November 1971 in order to agree on a priority list. Altogether 28 sectors were selected. In a first round, ten of them became the object of a feasibility study funded by the European Development Fund with 600.000 units of account²³. There is no doubt that the completion of these sector studies remained to a good extent in the hands of European experts. Nevertheless, at least as regards the general design of the study, consultations and co-operation became the normal way of communication and replaced the Commission's solitary attempts of the Sixties.

The more co-operative approach is also reflected in the efforts to respond to the Associates' demands for industrial

²² See DG VIII, *Note complémentaire à l'aide-mémoire sur un programme d'études concernant les possibilités d'industrialisation des EAMA orienté vers l'exportation*, 1 Décembre 1970, in HAEU, BAC 25/1980-1997, p. 112.

²³ See DG VIII, *Actions réalisés ou envisagés à la suite de la réunion de travail sur l'industrialisation des EAMA*, Septembre 1972, in HAEU, BAC 25/1980-2003, p. 3.

promotion actions. In 1971, Director Jean Durieux, responsible for development studies, strengthened the Directorate's role in industrial promotion. In fact, the DG VIII became a service centre of documentation for African States as well as for interested European industries. To this end, the Belgian established an inventory of industrial studies and therefore called for co-operation between member States, associated countries and private research institutes in Europe and Africa. Moreover he collected the investment codes of all associates in order to make them available for European investors²⁴.

In conclusion, this short story about industrialization plans of the EEC in Africa in the Sixties and Seventies serves first of all as an example for knowledge transfer processes and its appropriation by the receivers. It demonstrates what happened when the target groups were excluded from the generation of this knowledge. Nevertheless the «nationalization» of the projects proposed by the EEC's «pluri-national» survey indicates that the African states still had a considerable freedom to act on their own – however only after the European development experts had finished their job. Secondly, even if this strategy turned out to be unsuccessful, it becomes evident that the EEC used scientific expertise as a tool to bring about politically desired results. Thus scientific expertise, however difficult it was to agree on within the EEC, was supposed to replace political decision-making and to a certain extent favored depoliticising tendencies in the associated countries. Finally, after the disappointing experiences of the Sixties, the EEC embarked on a more co-operative strategy and strengthened its efforts to include the African States in general project planning. However, the role of scientific expertise remained unaltered.

²⁴ See DG VIII, *Document de travail*, 29 Octobre 1970, in HAEU, BAC 25/1980-1997, p. 97; DG VIII, *Note from Durieux to Krohn*, 14 January 1971, in HAEU, BAC 25/1980-1978, p. 170.