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Ghana: Aftershocks of peaceful transition

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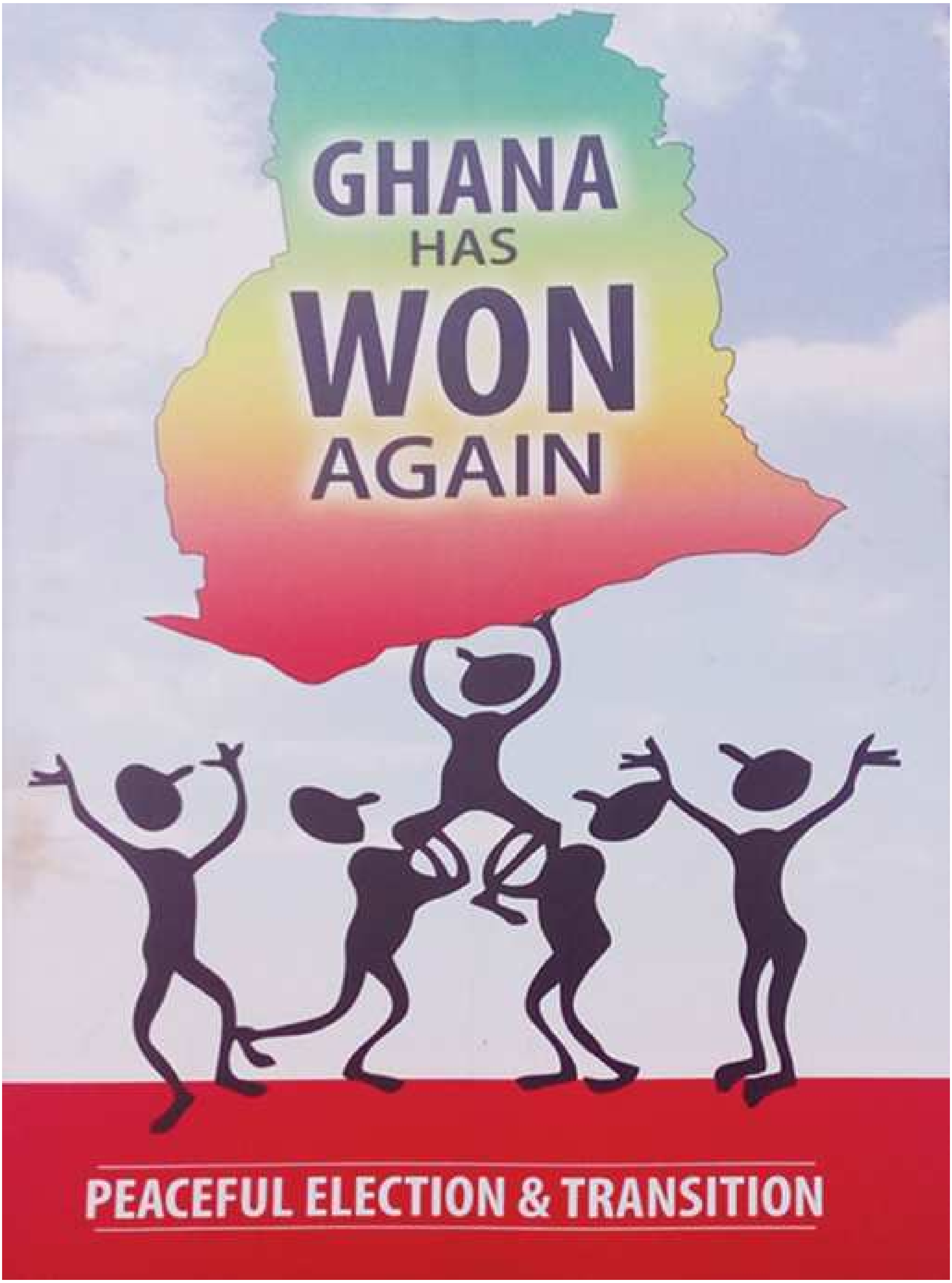


Post election billboard

President Akufo-Addo

Aftershocks of peaceful transition

From the wholesale purging of heads of public institutions by the new government to NPP militants forcibly taking over public toilets, there are many reminders that Ghana's much applauded peaceful transfer of power still has some way to go to escape the legacies of regime change through coups d'etat, writes ***Cornelius Adedze**.

At the January 7 inauguration of Nana Akufo-Addo as the 5th President of Ghana's Fourth Republic there was an important yet unintended illustration of why the fuss about Ghana's peaceful transition. After Akufo-Addo's swearing in and the speeches, various African Presidents and leaders of government delegations present queued to congratulate Ghana's new President and in the process offered a kaleidoscope of the worthy, the dubious, the troubling and the illegitimate foundations of the power of African governments. The guest of honour Cote d'Ivoire's Alassane Ouattara attended despite a mutiny by soldiers which offered reminders of his route to power and continued uncertainties in his country. There was Teodoro Obiang Nguema Mbasogo of Equatorial Guinea, in power since he ousted his uncle in 1979 and who runs the country like a family business and tolerates no dissent. Also in the queue were Ali Bongo of Gabon, Faure Gnassingbe of Togo, disputed

Who is afraid of free elections? : some of the African heads of state at Akufo-Addo's inauguration

successors to their autocratic fathers. At the other end of the spectrum were Senegal's Macky Sall and Nigeria's Muhammadu Buhari.

On the home front, the euphoria of electoral victory by the opposition New Patriotic Party, NPP, for the second time since Ghana's return to multiparty rule in 1992 seems to have, momentarily, masked the many challenges the country faces. It was a great sigh of relief when the elections not only successfully came off but also ended peacefully despite the numerous challenges and near escalation of violence that characterized the campaign and the sporadic violence recorded in some polling stations during the elections. Even as political observers praised Ghana for peaceful elections and transition to a new government, developments following the elections highlight the many challenges that Ghana shares with other Africa countries which need to be address for the consolidating and deepening of a democratic culture..

In addition to the economic hardships facing many Ghanaians, the NPP's victory was aided by public perceptions of widespread corruption and nepotism, poor management of the economy and the sheer arrogance of the political appointees of the defeated National Democratic Congress (NDC) government. This has generated expectations of better performance from the new government. High among these are jobs and improvements in economic conditions, free secondary school education, reduced taxes, lower electricity tariffs, and a government ready, willing and able to deal ruthlessly with corruption. These are but some of the promises made before the elections by then opposition NPP.

The smooth transition of power has been marred somewhat by suspected grassroots supporters of the party who have been at their rampaging best driving out managers and workers, believed to be sympathizers of the defeated, National Democratic Congress (NDC) party, from toll booths, public toilets and other public offices like National Health Insurance Authority and the Youth Employment Agency. All these took place as the security agencies, the police especially, looked on helpless, even as some of the leaders of these activities, brazenly, carried out the unlawful evictions in broad daylight or justified their actions in the media. Some have attributed the seeming inaction of the security agencies to the fear of commanders who rightly or wrongly believed any attempt to rein in supporters of a victorious political party may lead to punitive actions against them through victimization by political authorities.

The government itself at the higher levels continued with the sacking of heads and other high level staff of public and state institutions, replacing them with party stalwarts or cronies. Among those sacked include head of the National Communications Authority, the Ghana Investment Promotion Authority, COCOBOD (the marketing board of the country's highest export earner, cocoa) and some security heads. This has become a pattern of post- elections political dividends payoff where every electoral cycle change of government goes with replacement of public officials. High unemployment and patronage seem to be providing the triggers of these actions. Others talk of retaliation as presumed supporters of the NPP were at the receiving end after the NDC won the elections in 2008. For some these reprisals represent a throwback to the days of coups d'etats, when all hell broke loose and appointments were terminated haphazardly and continuity in public administration was undermined. For others still, these are just ways of paying back some stalwarts and activists of the party for their contribution to the electoral victory.

The continued creation of new ministries and re-designation of others with every change of government reared its head again. Some of these are a repeat of earlier

Table: **Approved and Recommended Salary levels for Article 71 Office holders (GHC)**

Office holder	*Appr. 2016	#Recomm. 2016	Appr. 2015	Recomm. 2015	Appr. 2014	Recomm. 2014	Appr. 2013	Recomm. 2013	Appr. 2012	Recomm. 2012
MP	19,430	13,686	17,663	13,364	16,057	13,049	14,598	12,742	14,598	12,742
Speaker	24,287	17,791	22,079	17,372	20,072	16,963	18,247	16,564	18,247	16,564
President	30,359	22,809	27,599	20,865	25,090	19,087	22,809	17,460	22,809	15,972

***Approved**
#Recommended

ministries created by the first NPP government (2001-2008) but scrapped by the NDC government (2009-2016). Such ministries as, Ministry for Railways Development, when there is a Ministry of Transport, Ministry of Regional Re-organisation and Mobilisation, the Ministry of Inner City and Zongo Development, when there is a ministry of Local Government and Rural Development, a ministry of Monitoring and Evaluation as well as the post of Senior Minister.

Commenting on the issue, Prof. Ransford Gyapong, of the department of Political Science, University of Ghana, Legon, said, 'By the current arrangement there will be a Chief of staff, an Executive Secretary to the President and a Senior Minister. This is duplication of roles that can create some confusion.' This more likely to feed into the perception that governance in Ghana has become like the creation of 'job for the boys', an attempt to ensure party members get their share of the spoils of political victory. A possible recipe for chaos and invariably a drag on the overburdened coffers of the country as each appointment goes with its financial and logistical arrangements.

A satirical online publication, Yesiyesi, put the situation thus, "The new government led by Nana Akufo Addo will have a new ministry to oversee the creation of more jobs for friends and other party functionaries. The new Ministry for Strategic Development of Jobs For The Boys has been tasked with the development of new and innovation ways of splitting up existing ministries and creating a multitude of needless bureaucracy. An official statement said the new ministry is in line with the president's promise of insisting on "value for money" by ensuring that all his campaign funders are able to recoup their investments." (yesiyesighana.com, January 31, 2017).

Management of government information

Conflicting information and public verbal spats between members of the transition teams of the outgoing and incoming governments also raised some hairs. Vice-President, Dr. Mahamadu Bawumia's stoked the fires further with his announcement that they had just discovered that 7bn could not be accounted for by the NDC government. Spokesperson for the NDC, former deputy Finance minister, Cassiel Ato Forson derided the Vice-President's accusations saying 'the amount in question was the result of a reform on government contracts and expenditures which formed part of the Ghana Integrated Financial Management System (GIFMIS) project' and were reported in the handing over notes of the Transition Team. He further stated that 'the project, which the new government was expected to continue implementing, was covered in the new Public Financial Management Act under the Budget Responsibility provision'.

Meanwhile, as the supposed misunderstanding between outgoing and incoming governments went on, retirement packages for former officials attracted no disputes from any quarter possibly because both parties stand to benefit from them. Not even a whimper was head from either quarter and Members of Parliament would go home with their ex-gratia just like other former government officials. No arguments here. These political office holders are going home with back-dated increases in salaries from 2013 as well as 4 months' salary for each of the 4 years served. What this means is that between 2013 and 2016, the percentage increase in nominal wage for the President is 74 percent, Members of Parliament, 54 percent and the Speaker of Parliament, 56 percent when workers on government payroll got 30 percent over the period. These approved rates fly in the face of the recommended rates by the Edu-Buandoh Committee that was set up to determine emoluments for Article 71 office holders (political office holders from the President to ministers, parliamentarians and others defined under Article 71 of the Constitution etc). Although the Committee's recommendations were initially accepted by outgoing President Mahama, they were roundly rejected by Parliament which in the end carried the day. Auction of fairly used government cars to politicians at giveaway prices especially when they lose power is another exchange that the two parties are good at without any qualms. Top range cross country vehicles and saloon cars are mostly the target. Public lands have not suffered less as they are 'appropriated' by politicians.

The two major political parties, the NDC and NPP who have so far rotated power between them seem to know how to 'share the spoils' of political power when it comes to taking care of themselves even as the citizenry is told there is not enough money to go round.

Bribery in the Legislature

Long- held public suspicion of bribery in Parliament was given a lease of life when some members of the legislature accused others of attempting to bribe them. A ministerial nominee was alleged to have attempted bribing members of the Appointments Committee of Parliament to ease his approval process. Some members of the minority on the committee raised the issue when they said the supposed bribe was offered them and they rejected it. Once

Pupils election banners on a school fence in Accra

more, the denials and hot exchanges between the NPP and the NDC (and even within the NDC, where the Minority Chief Whip, who supposedly was the conduit of the bribe to the minority committee members initially, denied) have characterized the debate on the matter. The appointment of a 5-member committee by Parliament to look into the issue has however, been rubbished by some groups as an attempt by Parliament to cover up as it cannot be a judge in its own case. Calls have therefore gone for an independent body to conduct investigations into the matter. At the heart of the matter is transparency, fairness and rule of law, the very tenets of democracy that Ghana's legislature seem to be losing sight of in this case. Even as the president in his inaugural address assured that Ghana would under his leadership see a true separation of powers, this seems to have been lost on the legislature.

Predictably the election defeat has triggered soul searching and arguments in the NDC, now the main opposition party. The margin of defeat in both the Presidential and parliamentary elections were unprecedented with the party losing as many as 50 seats in the legislature. The party leadership has set up a committee to investigate why the party lost the elections. This move will buy the different factions time to plan their next moves but a struggle for control of the party ahead of the next elections in four years is inevitable and has already broken out. There are conflicting signals about what ousted president John Mahama will do but the scale of his loss to Akufo-Addo may have fatally undermined the prospects for another run for the top job. Ex-President Jerry John Rawlings, reportedly marginalised by the Mahama bloc has already signalled an intention to return as a key influence on the NDC's future. Speaking on the 35th anniversary of his 1981 coup Rawlings, who sees himself as the embodiment of the party's values, blamed the party's election defeat on the corruption and arrogance of Mahama and his government. The intra NDC power struggle is certain to intensify and other factions will show their hands.

NDC members are currently united in a defensive posture as the NPP government seeks to reinforce the legitimacy conferred by its election victory with disclosures about the failings and misdeeds of the Mahama government. The new government intends to create a new office of Special Prosecutor to deal with corruption, though it is yet not clear how it will fit in with existing offices and institutions with a mandate to tackle corruption. No doubt many misdeeds will come to light. However, now, as in past post-election transitions there is a troubling and difficult challenge of how the new regime deals with the infractions of officials of its predecessor. Should it go for short term political gain of dramatic gestures drawn from the autocratic culture of Ghana's past military regimes, which feed red meat to its support base or take a considered, less populist, approach which reinforces the processes of rule of law and democratic accountability? Wittingly or unwittingly both the NPP and the NDC have shown a preference for the traditions left by the soldiers, thereby ensuring that a gray zone of powerplay, marked by both legal and dubious use of power by election victors continues to bubble below the peaceful surface that the wider world keeps its narrow gaze on.

**Cornelius Adedze is Editor, African Agenda.*

Can the NPP deliver on its promises?

Difficult economic and social conditions in the country and popular anger at widespread corruption were important factors in why John Mahama became the first Ghanaian President to be voted out of office. Sharp increases in electricity tariffs amidst a long drawn power shortage and blackout and the strictures imposed by an IMF stabilisation agreement were some of the more visible expressions of the problems, writes ***Yao Graham**.

Thirty years of steady growth, two decades of an open political culture, relatively peaceful multiparty electoral politics and administration transitions (again illustrated by the defeat of the ruling NDC in the December 2016 presidential and parliamentary elections) have burnished Ghana's status as an African model, often referred to in the 'Africa rising' narrative.

Since 1984 Ghana's economy has grown steadily, at a rate widely considered to be among the most spectacular in Africa. The growth rate averaged 4.7 percent between 1983 and 2000, and 7.2 percent from 2000 until 2013, reaching an all-time high of 14.4 percent in 2011 with the onset of oil production. As a result of steady growth and the rebasing of the economy Ghana became a lower- middle income country as per capita GDP increased from US$502 in 2005 to US$1,604.9 in 2012. Over the past 25 years, the number of people in poverty has dropped significantly, from 52 percent in 1992 to 24 percent in 2013. There have also been notable improvements in education, health and other indicators.

The positive developments in Ghana's political economy over the last three decades today co-exist with many troubling realities. These are a combination of persisting problems of Ghana's political economy unresolved by 30 years of growth and also the new problems created by the strategy and policies responsible for the growth and the weaknesses in the political system.
Whilst the percentage of persons living in poverty has decreased significantly the actual numbers have not dropped by much, falling from 7million in 2006 to 6.4million in 2013. In addition, the chance of a Ghanaian child living in poverty has increased. While in the 1990s a child in Ghana was 15 percent is more likely to live in poverty than an adult, this has risen to 40 percent today. Significantly economic, social and political inequalities persist and economic inequality has been rising throughout the life of the 4th Republic, that is, since 1992. Over the past decade the consumption gap between the poorest 10 percent and the richest 10 percent has widened. Men predominate in the ownership of residential property and agricultural land and make up the majority of formal sector employees. Maternal mortality remains a problem.

Historically the public education system served as an important leveller of opportunities. No more. Increasing numbers of poor people feel the need to send their children to private schools, the preference of the rich and middle classes, as they lose faith in public basic schools. Even as more health facilities are being built and the National Health Insurance Scheme, the most important delivery institution in the public health service, has improved accessed for many, the quality of health care leaves much to be desired. Rising inequality is of course not only a Ghanaian problem or even an African problem.

Over the past three decades a process of perverse structural transformation has been unfolding in Ghana, as in many African countries, as a result of the pattern of economic growth and its associated effects and outcomes. There has been a steady fall in the share of agriculture in GDP which nonetheless remained the main sector of employment with poor productivity and low quality of employment and income. The manufacturing sector has continued to decline. The services sector has become the biggest economic sector where highly profitable transnational banks and telecom firms dot a sea of millions of low productivity and low income petty service providers and businesses.In2015 Agriculture was 20.2 percent of GDP (employing 53% of labour force); Manufacturing 5.1 percent, Mining 5.4 percent and Services 49.5 percent.

The most glaring failure of the growth model has been its inability to deliver decent and secure jobs. In April 2016 a public controversy erupted over claims by the ousted Mahama Government that it had created hundreds of thousands of jobs, some directly as part of social protection programmes and others indirectly through economic policies. The scepticism and disputation that greeted the claim underlined the critical status of this issue. Fully 86 percent of Ghana's working people are involved in the informal economy, engaged largely in low income and low productivity jobs, ranging from illegal gold mining to selling in the streets. The precarious nature of many of these jobs makes them more basic survival undertakings than sources of meaningful livelihoods.

Ghana has been urbanizing whilst de-industrializing. Millions have fled poverty in the countryside looking for non-existent jobs in urban areas. This is resulting in huge housing, social services, and sanitation problems in overcrowded poor neighbourhoods, especially in the main cities of the country: Accra-Tema, Kumasi, Tamale and Sekondi-Takoradi. In these cities sprawling poor neighbourhoods lacking basic utilities coexist with well-furnished gated communities. Urbanization is growing at an annual rate of 3.55 percent: 31.3 percent of the population lived in urban areas in 1984 and 43.8% in 2000.

Who needs a footbridge?

Ex-President Mahama's failed re-election campaign made much of high profile infrastructure projects like the Kwame Nkrumah Interchange in Accra

Pedestrians in a high density lower income area in Accra scrambling across a busy road in the shadow of a footbridge which remained uncompleted through 8 years of NDC rule

Currently more than half the population live in urban areas with Tamale, Accra-Tema, Kumasi, Sekondi-Takoradi being the fastest growing poles of concentration. Tamale, with a population of close to 380,000, is said to be the fastest growing city in West Africa. The growth of three dormitory towns in the Accra-Tema area exemplifies the extremes of the urbanization process. Ashaiman grew from 50,000 people in 1984 to 190,972 people in 2010; Kasoa grew from 863 people in 1970 to 34,000 people in 2000 and 69,000 in 2010; Madina grew from 7,500 people in 1970 to 28,000 people in 1984 to 137,000 in 2010. These areas suffer a highly visible discrimination in allocation of public investment in infrastructure and other facilities compared to high income areas in Accra such as East Legon and Cantonments.

The jobs crisis is rooted in the sectoral drivers of growth and exports over the past 30 years and the resultant intensification of raw material commodity export dependence and the heavy reliance on imports of basic foods and most manufactures. The discovery of oil has merely intensified this raw material commodity export dependence. In 2014 with three products--gold, oil and cocoaaccounted for 82 percent of export earnings.Ghana's most impressive period of growth (2000-2013) coincided with the peak of the commodity boom, which also produced Africa's best period of growth in 30 years.Gold mining, which is dominated by foreign transnational corporations, has attracted the most FDI into Ghana since the 1990s and has been the primary export earner for many years.

Over the period of the commodity supercycle, specifically the decade to 2013, the high price of gold and the employment crisis in the country triggered an upsurge in illegal artisanal and small scale (ASM) gold mining popularly called 'galamsey'. Currently one third of gold production is from ASMproducers with the bulk coming from illegal miners. Galamsey operators range from highly capitalised businesses enjoying political protection through self-employed gangs to students scratching for school fees. Galamsey is an environmental disaster which is killing many rivers, trailed by un-reclaimed devastated lands. On the other hand the poverty reduction and economic livelihood benefits have been substantial for most of the illegal miners, their families and poor farmers who let them dig up their farms.

The attitude of the state to this complex problem has been a heavy handed 'law and order' response of criminalization and raids but this has dismally failed to curb the problem. The Akufo-Addo government has signalled its determination to continue with the policy. Given how profitable gold mining has been for foreign investors it is hardly surprising that hundreds of thousands of unemployed young people break the law, risk their health and lives whilst wreaking environmental damage so as to also earn a living from the sub sector. There is a widespread perception that the biggest galamsey operatorsare aided by official corruption and complicity; this is an aspect of the pervasive public perception of key public institutions and political leaders as corrupt and not acting in the public interest.

Ghana'sConstitution has some clear mandatory provisions on the right to work andthe state's responsibility in that regard. Under the Economic Objectives of the Directive Principles of State Policy [Article 36 (1)] the State is enjoined to take all necessary steps "to ensure that the national economy is managed in such a manner as to maximize the rate of economic development and to secure the maximum welfare, freedom and happiness of every person in Ghana and to provide adequate means of livelihood and suitable employment and public assistance to the needy". Article 36 (2) (a) states principles of decent work. Article 24 (1) provides that "every person has the right to work under satisfactory and safe and healthy conditions and shall receive equal pay for equal work".

Although Ghana's policymakers proclaim the importance of industrialization for job creation, the country's policies and actions do not match these proclamations. For example, industrial policy is fragmented and there is nocoherent and overarching relationship among industrial policy frameworks and local content in specific sub-sectors such as mining and oil and gas. The potential of agro-industrial linkages for increasing agriculture output, reducing post-harvest losses, improving the supply of foods and raw materials, creating jobs and raising incomes is well known.

Over the past 30 years ideology of the role of the state as merelycreating an enabling environment for actors in the market has gained a strong holdin Ghanaian public discourse. In practice however state is heavily deployed selectively in support of the elite, be it land acquisition for a mine or a large-scale agricultural or housing project.This selective use of state power is consistent with how the foundational processes and implementation of key policy decisions that created the current neoliberal economic model and growth path involved strong and purposive actions and choices by the state, an authoritarian state. State power was used to silence dissent and resistance to privatizations, layoffs and massive job losses, commercialization of public goods and the reordering of the focus and objectives of public institutions and the establishment of the hegemony of the new order.

Thirty years on, purposive state action is required to break away from this model and advance inclusive and equitable socio-economic transformation. Such an approach will also be a process of deepening Ghana's democracy beyond the focus on the procedural elements represented by multiparty elections and regime alternation. This focus has elevated electoral politics onto a pedestal as being the essence of Ghana's democracy rather than being an instrument for selecting political office holders. A broader view will be consistent with the statement in Article 36(2) (e) of theConstitution which state that “the most secure democracy is the one that assures the basic necessities of life for its people as a fundamental duty".

This Constitutional injunction calls into question The shift towards policies and politics of inclusive and equitable transformation will require the development of not only appropriate policies and practices but also institutions and the orientation of state cadre to be more democratic and accountable. It will also require a readiness by the state to challenge the power of vested interests in the economy and society -whether it is to abolish cultural practices that perpetuate patriarchy and the subordination of women in economic and social life; reform land relations in favour of the users of the land against chiefs and landlords, or promote domestic production in the face of the import lobby.

Ghana has rightly received for its relatively peaceful electoral transitions from ruling parties to the opposition. This cannot however mask the growing public disillusionment with the policy continuities among successive governments and the failure of these policies to address the most pressing concerns of most Ghanaians and the seeming cross-party consensus within the political and economic elite to tolerate the self-serving use of public office and political power.

** Yao Graham is Coordinator of TWN-Africa*

Female head of Electoral Commission boosted by elections

Unsubstantiated political suspicions and misogyny fuelled the storm of criticism Charlotte Osei faced ahead of the elections, writes *Gertrude Dzifa Torvikey**.

Ghana's Electoral Commission Chair, Charlotte Osei

Ghana's National Electoral Commission, (the EC) under the leadership of its first female chairperson, Mrs. Charlotte Kesson-Smith Osei, has been widely praised for the conduct of the December 2016 presidential and parliamentary elections. A number of reputable bodies including the National Peace Council have expressed their satisfaction with the EC's management of the elections. In the period after the election social media was buzzing with comments giving the EC and its chair the thumbs up.

Charlotte Osei, a 45 year old lawyer, was appointed chairperson of the EC on 25th June 2015 by the then President John Mahama following the retirement Dr. Kojo Afari-Gyan who had headed the EC since 1993. She inherited an institution facing credibility and trust issues. Dr. Afari-Gyan had gained renown and respectability during his tenure during which he supervised elections for four Presidents and Parliaments. This standing however was sullied by the controversial aftermath of 2012 elections. The court action brought by the main opposition candidate Nana Akufo-Addo challenging the conduct and results of the presidential elections revealed some irregularities which affected the credibility of the EC and increased public mistrust.

In the period before Mrs. Osei's appointment there was a lot of speculation, especially in the mass media, about which of many, mainly male, names, that were thrown up would be selected for the job. Some of these men, through media interviews subtly projected themselves by touting their credentials such as political neutrality, academic and work pedigree. Although her name was discussed in the media speculations, Charlotte Osei, who was the Chairperson of the National Commission for Civic Education, NCCE, at the time, did not appear a front runner as the EC chair's job appeared to be synonymous with maleness.

Women in leadership positions have been subjects for discussion because of social attitudes about what men and women should do or cannot do. These are drawn from social/gender roles which translate into their perceived leadership capabilities. The appointment of Charlotte Osei as the first female EC chair seems to have confounded cultural notions of leadership. The long tenure of her predecessor and the tense character of elections appeared to have synonymised the position with maleness.

Charlotte Osei's appointment immediately generated controversy and some negative reactions. Such reactions to a high profile appointment are not unusual. In this case however the debates dragged on and the negative comments had a strongly sexist flavour. Also her relative youthfulness in a society that makes much of gerontocracy made it even harder for her critics to accept her appointment. Her credentials were not in doubt having come to the EC job with an impressive CV as a legal practitioner, public office holder and member of several boards. But that did not deter her critics. She experienced multiple levels of criticism questioning her nationality, allegiance, impartiality and the constitutionality of her appointment.

The, then main opposition New Patriotic Party (NPP) was one of the first to criticise her appointment. A 2008 campaign poster of her look-alike National Democratic Congress contestant in the Western Region was put forward to argue that she was politically aligned to the ruling government which appointed her. That claim was debunked. The follow-up was whether one individual can occupy two successive public offices since prior to her appointment, she was the Chair of NCCE. With no strong constitutional backing, that too was shot down. Others argued on her affinity as a step daughter to a Nigerian and said she was not fit for the position because her allegiance was in doubt. Others questioned her citizenship status. Interestingly, a former first lady, Nana Konadu Agyeman Rawlings, was one of the prominent persons who popularised this assertion.

However, the most explosive moment came when a member of parliament, Ken Agyepong, of the then main opposition party, the NPP, alleged that she traded sex for the job and this triggered a lot of reactions. Many women groups demonstrated and sent a petition to Parliament to sanction the MP. The petitioners argued that by insulting the EC Chair, the MP had also insulted the women in the country. But, these reactions also came with politically divisive counter reaction since the support she had from the women groups appeared to be engineered by the ruling NDC activists.

With this background, it was not surprising that the counter reactions came from some women from the opposition NPP who chastised the women groups supporting her. In their criticism, they argued that by supporting the EC chair, the women's groups were picking and choosing who to support as other women were maltreated in similar manner in the past without any reaction from such groups. Another prominent woman in the opposition party even proposed that a probe be made into her sex-for-job allegation saying it should not be simply dismissed. With two politically aligned groups of women discussing the issue, it was clear that politics rather than real concern for a fellow woman was the real motive for the reactions.

The next phase of the criticism came when she settled to work. The first few administrative decisions that the EC under her leadership took generated public furore and she took the flak for them. In April 2016, the Electoral Commission committed a faux-pas by changing its logo in a rebranding effort. Ghanaians questioned the cost of the rebranding, the authenticity of the logo, the timing of the rebranding amongst others. Some even alleged that the EC chair's husband won the contract to redesign the logo, an allegation the EC chair denied. In fact, her response to the rebranding and the logo angered many people who called her arrogant as she was quoted to have said, 'we liked, it, we pick it'.

During the heat of the discussion of the rebranding issue, a popular sports journalist openly attacked the EC chair by using unprintable words such as 'thief', ' dumb', 'stinking' and 'incompetent' during a live show. When his employers impressed upon him to apologise, he said “I'm very emotional today, women are our baby girls, we don't talk bad or harsh against them…".One of the intervening factors which also came out strongly after her appointment was her age. She was too young for the position. And therefore, even in apologising, the journalist had to diminish her first.

A bold decision by the EC in October 2016, just two months to elections, to disqualify a number of presidential aspirants for various acts of commission or omission provoked the most important furore about Charlotte Osei's leadership. The decision angered the candidates and their supporters who launched series of attacks on the EC Chair. In the ensuing melee, one disqualified presidential aspirant described her as a “foolish” and “stupid” woman who was not fit to lead the Electoral Commission. Some pastors also threatened her with curses if she attempted to rig the election in favour of the ruling NDC. Some sent the issue to court and were cleared to contest the elections, an outcome which dented the EC's standing.

On December 7, 2016, Ghanaians voted and many deemed the process to be free and fair. However, the EC's communication of wrong voter turnout, little clarification on an alleged hacking of its system and the u-turn on that announcement were black spots on a rather well- organised election. Closely related to this was the delay in announcing the final results of the elections which only came after the incumbent conceded defeat. These administrative and communicative blunders generated debates about the competence of the EC and its chair. The delay in the declaration of the results provided another opportunity for Charlotte Osei's critics to doubt her impartiality as they claimed she had to consult the president and seek his opinion before she could declare the presidential results.

The appointment of the first female Electoral Commission chair in Ghana appeared to have overwhelmed many Ghanaians who did not know how to receive the news and relate to her. Valid criticisms against her were overshadowed by those that were sexist and prejudiced. With the elections over, some of her strongest critics on social media, are asking themselves if an apology would not be a proper thing to do but they are yet to do so.

** Gertrude Dzifa Torvikeyis a PhD student of the University of Ghana, Legon.*


Former President Jammeh


New leader Adama Barrow

How long will Barrow's honeymoon last?

***Louise Hunt** asks whether faced with the numerous challenges, Adama Barrow could redeem himself on his promises to the Gambian electorate.

The Gambia's new president, Adama Barrow, received a hero's welcome when he returned to Banjul after his makeshift inauguration in neighbouring Senegal at the end of January.

Tens of thousands of well-wishers came out to rejoice at the democratic victory that ended more than two decades of rule by autocrat Yahya Jammeh.

Barrow and his coalition government are riding high on a wave of popularity. But they have major challenges ahead in reforming a country that effectively has to be rebuilt from scratch within a self-imposed three-year term.

If the honeymoon period is to last, their first test is to prove to the nation that "New Gambia" really is a different country.

Great expectations

"We have got to start on the right footing," said Sait Matty Jaw, a Gambian PhD student who went into exile in Norway after being arrested and imprisoned in 2014 for his human rights work. "Everything under Jammeh's regime was tailor-made to suit his interests, so for us to move forward, the government has to show it is different from the former regime."

After 22 years of not being allowed to criticise the government, Gambians - especially the younger generation of educated professionals that played a major role in pushing for political change - are already scrutinising the new administration.

For some, Barrow's cabinet announcements last week carried disappointing echoes of the old ways of appointing: entitlement over merit.

Out of the 11 filled posts (there are seven remaining), each of the seven parties that form the coalition got a major post, while Barrow's United Democratic Party got three. One blog suggested he had chosen a "cabinet that attempts to reward and preserve the coalition that brought him to power".

"The potential for patronage is still there," noted Jeggan Grey-Johnson, a Gambian who works for the Open Society Initiative of Southern Africa and hopes to play an active role in the reform process.

"Barrow doesn't (yet) have the experience and gravitas as a politician, and those surrounding him have 10 times the amount of authority, so he will have to defer to their competing interests."

The cabinet is old (the average age is above 60) and predominantly male, and that demographic has also come in for criticism.

"They may have the wisdom, but they lack the dynamism required to deal with the modern challenges of the Gambian youth population," argued Salieu Taal, a lawyer and founder of the #GambiaHasDecided opposition umbrella movement.

Youth power

It is the younger generation that has been the driving force behind political change, voting in unprecedented numbers in the 2016 election. It is no surprise they want to make sure their voices are heard and represented in government after decades of repression.

Last week, youth groups staged the country's first peaceful demonstration without worry of harassment by the authorities. Around 1,000 youths protested outside the National Assembly, calling for all members of parliament that supported Jammeh's motion for a state of emergency to resign. The National Youth Council is also launching the Not2Young2Run campaign to encourage and support young people in contesting for parliament in the National Assembly elections in April.

The coalition government has already made clear it is a transitional administration with the primary goal of righting the wrongs perpetrated under Jammeh.

Speaking before he was appointed as foreign minister, Ousainou Darboe, a former opposition leader, acknowledged that three years was too short a time to repair all the damage, but said "the foundations will have been laid".

So far, the government has not shared any kind of roadmap for what it specifically aims to achieve, and it runs the risk of failing to manage expectations.

"The government needs to identify the magnitude of the challenge and where to prioritise its interventions," said Grey-Johnson. "People need to be reassured that the coalition understands the challenges and to communicate there is a plan in place and how they're going to go about it."

Economic crisis

The economy is in dire straits. The Gambia's poverty rate is 50 percent and its debt repayment rate is 100 percent of GDP, according to Grey-Johnson. "So, whatever we make goes straight out of the country," he said. "Gambia is insolvent. We are broke."

Add to this the thousands of tourists during the December election crisis that went home in the middle of the season, the hotels that are only half booked, and the reality is "unemployment is about to shoot up", Grey-Thompson added.

It is unlikely the rate of youth unemployment can be tackled anytime soon. And this is the most urgent employment problem the government faces, with thousands of youths attempting the illegal "backway" Mediterranean route to Europe.

"The backway trend is only going to be addressed if there are policies to attract the young people to come back and fulfil their dreams," Employment Minister Isatou Touray told IRIN.

That means "finding jobs and addressing the human rights situation, and having freedom of movement so that they can help themselves under this regime".

Donors on board

The coalition is already making good on its promise of improving international relations and encouraging long-term business investment, development, and, ultimately, job creation.

In its first weeks, ministers have met with officials from several donor countries, including China. There have been talks with the World Bank, the African Development Bank, and the International

"So far, the government has not shared any kind of roadmap for what it specifically aims to achieve, and it runs the risk of failing to manage expectations."

Monetary Fund, as well as the signing of the first World Bank-funded project to promote child and maternal health.

A decision by the European Union to reinstate its 33-million-euro development fund, frozen from 2015/16 over human rights concerns, is also a welcome move.

Abdul Aziz Bensouda, secretary general of the Gambia Bar Association, believes that establishing a truth and reconciliation commission will also be an important part of the reform process - a step towards healing after decades of human rights abuses and embezzlement under Jammeh.

"We need a commission of inquiry to investigate the crimes over the years, to allow civil society to decide what to do with them," he said.

Momodou Sabally, a former minister who was imprisoned twice by Jammeh, agrees on the need for a truth and reconciliation process, but sounds a note of caution.

"I know there's a lot of anger and zeal for vengeance, but we should be careful," he said. "So many people have served in Jammeh's regime; some of the victims now have been villains too in this long stretch of time."

If not handled properly, "the government won't be able to do any work," said Sabally. "They'll be having to deal with these things piecemeal until their time is up. So, it's important to address this in as mature a manner as possible."

The young, in particular, are in a rush to create New Gambia, but how much real change can be achieved in just three years under a coalition government? For Bensouda, simply "righting the wrongs and democratising the country" would be a start.

**Louise Hunt is freelance journalist and regular IRIN contributor specialising in social affairs and international development*

UN report finds 48 countries in a poverty trap

Least developed countries are still lagging far behind in terms of development. This will hurt progress on achieving the UN poverty goals writes ***Ronald Joshua**.

As the first year of Sustainable Development Goals (SDGs) to be achieved by 2030 came to a close, a new United Nations report finds that a group of 48 countries is falling further behind the rest of the world in terms of economic development.

The proportion of the global poor in those countries has more than doubled since 1990, to well over 40%, and that the situation will not be remedied unless the international community takes concerted action.

"These are the countries where the global battle for poverty eradication will be won or lost," said UNCTAD Secretary-General Mukhisa Kituyi, launching the Report. "A year ago, the global community pledged to 'leave no one behind', but that is exactly what is happening to the least developed countries (LDCs)."

UNCTAD is the UN Conference on Trade and Development which released The Least Developed Countries Report 2016: The Path to Graduation and Beyond - Making the Most of the Process on 13 December 2016.

Without mincing words, the report declares that in the 48 LDCs the share of those without access to water has also doubled since 1990 to 43.5 per cent. Furthermore, these countries now account for the majority (53.4%) of the 1.1 billion people worldwide who do not have access to electricity, an increase of two thirds.

In six LDCs, the rate of extreme pover-

UN Secretary General Antonio Guterres

"The report also stresses the need to combine economy-wide industrial policies directed towards market failures with policies aimed at promoting productive activities that contribute to development. Building capacities in science, technology and innovation is also of crucial importance."

ty is between 70% and 80%, and in 10 more the rate is between 50% and 70 per cent. There are only four other countries in the world where the rate is above 30%, and nowhere else is it above 50 per cent.

This, says the report, leaves many LDCs stuck in a poverty trap, a vicious circle in which poverty leads to poor nutrition and health, and lack of education, undermining productivity and investment. This in turn blocks the sustainable development needed to reduce poverty. Countries can only break out of such vicious circles with international support in finance, trade and technology, declares the report.

The LDC category was created largely to target such support for those countries that needed it most. Countries graduate from the LDC category by satisfying a complex set of economic and social criteria. But only four countries have graduated in the 45 years since this classification was established.

"In 2011, prompted by this glacial rate of progress, the international community set a goal that half of all LDCs should satisfy the criteria for graduation by 2020. But halfway to the target date, this goal already appears out of reach," notes the report.

Only one country (Samoa) has graduated since 2011; only three more (Equatorial Guinea, Vanuatu and Angola) are scheduled to do so in the coming years. Looking ahead, the Report projects that only 13 more will qualify for graduation by 2021, far short of the 21 needed to meet the goal in 2020.

Graduation itself is only a first step towards long-term development. To weather the loss of the international support they received as LDCs and confront the challenges that lie further ahead requires what the Report calls "graduation with momentum" - a process of structural change to increase the productivity of their economies. But many of the countries projected to graduate will not achieve this.

"Graduation is not the winning post of a race to escape from the LDC category. It is the first milestone in the marathon of sustainable long-term development," says UNCTAD Secretary-General Kituyi. "So how a country graduates is just as important as when it graduates."

He warns that likely failure to meet the graduation target, or to achieve graduation with momentum, highlights the inadequacy of international support measures to the developmental needs of LDCs. The Report therefore calls for improvements to such measures, for example:

- Fulfilment by donors of their long-standing commitments to provide 0.15-0.20% of their national income for assistance to LDCs, to make aid more stable and predictable, and to align it more closely with national development strategies.
- Faster progress towards 100% duty-free and quota-free access for LDCs' exports to developed country markets.
- Renewed efforts to break the stalemate on special and differential treatment for LDCs in World Trade Organization negotiations.
- Full and timely operationalization of a technology bank for LDCs in 2017, with adequate financing and due regard for each country's level of development.
- Improved monitoring of technology transfer to LDCs.
- A more systematic, smooth transition process for graduating countries, to limit the impact of losing access to international support measures when they graduate.

For LDC Governments, moving from graduation strategies to graduation-plus strategies aimed at achieving graduation with momentum is also essential, says the report. Key priorities include transforming rural economies by developing rural non-farm activities in parallel with upgrading agriculture.

The report also stresses the need to combine economy-wide industrial policies directed towards market failures with policies aimed at promoting productive activities that contribute to development. Building capacities in science, technology and innovation is also of crucial importance.

Other steps calling for action are: Strengthening tax systems, improving financial systems and addressing financial inclusion; pursuing macroeconomic policies that combine stability with investment dynamism and employment generation; and strengthening efforts to address gender inequality across all policy areas.

The above article is reproduced from IDN-InDepthNews, 14 December 2016.

Goldman Sachs planned new headquarters

Bond to happen?

Recurring debt crisis in Sub-Saharan Africa and the rise of sovereign bond issuance may not be mere coincidence writes ***Ingrid Harvold Kvangraven**.

Over the past decade, sub-Saharan African countries have been issuing sovereign bonds at an unprecedented rate and many are now facing new repayment difficulties. A recently-released report, Bond to Happen Recurring Debt Crises in Sub-Saharan Africa and the Rise of Sovereign Bond Issuance, explores the economic and financial situation of a selection of African countries, with a focus on the role of sovereign bonds. It finds that although there are substantial opportunities associated with sovereign bond issuance, there are also substantial risks.

The report asks the question: Is there a debt crisis waiting to happen on the subcontinent? And how can we improve our international system for responsible lending and borrowing? As financing for development is central to attaining the Sustainable Development Goals (SDGs), the question of whether the existing frameworks for and practices of contracting debt are likely to be pro-development is of particular concern.

So, too, would be the question of their alignment with the human rights framework. Issues where human rights principles are set to make a crucial contribution could be important in the mitigation of the risks posed by high volumes of increased bond issuance. Among other such mitigating aspects, the report discusses transparency and respect for the rule of law in debt contraction process, the estimation of debt sustainability and the principles to be observed by debt investors.

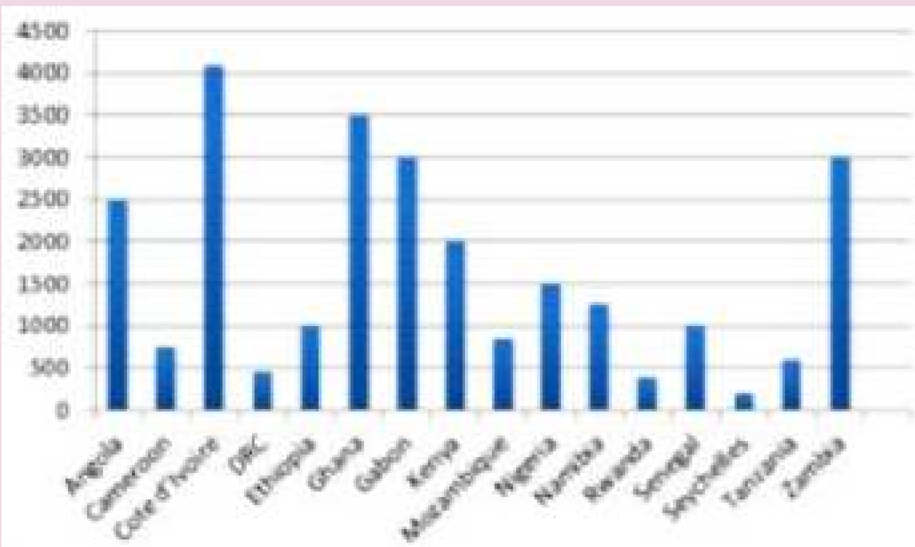
Sub-Saharan African Debt: Levels Rising, Transparency Lacking

The report finds that many sub-Saharan African countries have undergone substantial transformations with respect to the type of finance they have been attracting over the past decade. Private flows are becoming more important while the importance of public flows is diminishing, particularly for the middle-income countries in the region. A crucial characteristic of the changing flows to the region is the growing importance of sovereign bonds issued in foreign currency, so-called Eurobonds. Although this form of financing is a form of debt issuance, this report finds that investors rarely apply principles for responsible lending when making such investments.

Since 2006, sixteen sub-Saharan countries have issued Eurobonds and many have issued more than one. Such bonds are considered to be a much-needed source of financing for development expenditures as well as a convenient way to plug budget deficits. These issuances have amounted to over $25 billion in total, which represents

rating agencies highly influence the level of interest countries will pay on their loans, as their credit rating tends to signal the strength of their economy. However, there is little openness about how these ratings are determined and they tend to focus on short-term issues such as a change in terms of trade, rather than more structural issues such as the type of investment a government is making. (Thus a country experiencing an oil boom will be considered a good borrower in times of high oil prices and a worse borrower in times of low oil prices).

Figure 1. Sub-Saharan African Eurobonds by Country for 2006-2015 (million USD



Source: The report Bond to Happen

about 20% of foreign aid to the region. However, last year the IMF cautioned African countries that they could be endangering their debt sustainability by issuing sovereign bonds.

The case studies of a small selection of sub-Saharan African countries expose a lack of accountability when it comes borrowing processes. In fact, the process of bond issuance is often plagued by lack of transparency and ultimately legitimacy, from the perspective of the citizens of the issuing country. In some cases, civil society and parliamentarians have little information about the loan contracts and what the funds are being used for. Additionally, civil society groups are demanding to be a part of the decision-making process and for there to be public debates about the use of the borrowed funds and the terms of the loans.

The global system for evaluating debt sustainability and macroeconomic outlook is also flawed and non-transparent. Credit

Furthermore, the investment banks consulting with sub-Saharan African countries on their bond issuances tend to recommend exaggerated interest rates. Thus, the sub-Saharan African countries end up paying higher borrowing costs than what might have been possible on the international market, which is illustrated by how heavily many of the sovereign bonds issuances have been oversubscribed.

As this is playing out in the context of a defective framework for sovereign lending and borrowing and a flawed system for debt restructuring, issuing Eurobonds entails many serious risks. These risks are amplified by the fact that many of the Eurobonds issued in sub-Saharan Africa do not contain collective action clauses. Such clauses are designed to mitigate collective action problems in debt restructurings and they help prevent creditors from refusing to cooperate in restructuring processes (in order to avoid situations like the one Argentina faced recently).

How can the risks be mitigated?

When asked what kind of conditions lenders should require of issuing governments before investing in their bonds, civil society groups brought up a range of conditions. For example, that the government should publish how it is planning to spend the money in an accessible way and it should provide space for non-state actors to intervene. The report also finds that one cannot simply assume that a country is following the due process of law, as governments often circumvent the constitution.

There has been growing awareness of the ethical behavior of investors in sovereign bonds internationally over the past decade. Not only have individual asset managers sought to establish ethical guidelines for their sovereign bond investments, but the UN also published their own Principles for Responsible Investment (PRI) in 2006. In this context of increasing awareness of ethical investor behavior combined with continuing risks associated with Eurobond issuances, the report recommends that a comprehensive framework for responsible lending practices applied to investments in sovereign bonds be developed in order to ensure:

- that the borrower is complying with the due process of law,
- that the bond issuance is transparent and open to public debate,
- that contractual instruments such as collective action clauses are included in the bond contracts, and
- that the debt is likely to be sustainable.

Finally, the report recommends several areas for reform of the global financial system. Firstly, the report recommends the application of the UNCTAD principles on promoting responsible sovereign lending and borrowing internationally, and particularly in relation to lending through sovereign bond investment. Furthermore, the report recommends the development of an independent, global debt-workout mechanism, as well as an improvement in the quality and objectivity of information regarding a country's economic situation and outlook.

**Ingrid Harvold Kvangraven is a PhD student at The New School in New York and author of the report Bond to Happen.*

UN: diminishing power of small-scale cocoa farmers

Farmers receive only about 7% of the total value added to cocoa beans sold, thus putting them in a weak bargaining position, asserts ***Kanaga Raja**.

Small-sacle cocoa farmers - are the smiles about to disappear?

The situation of small-holding farmers - the backbone of world cocoa production - is of particular concern, as their already weak position in global value chains (GVCs) continues to be undermined by other well-integrated stakeholders, including traders, processors and manufacturers of cocoa and chocolate products.

This is one of the main conclusions highlighted by the UN Conference on Trade and Development (UNCTAD) in a Secretariat Note prepared for the sixty-third session of its Trade and Development Board (TDB) which took place in December 2016.

"As a result, farmers have very limited room to negotiate appropriate prices for their output to cover production costs and leave them a margin for a decent livelihood," it said.

Estimates suggest that farmers only receive about 7% of the total value added to one ton of cocoa beans sold. The majority of added value accrues to other stakeholders, including manufacturers and retailers, UNCTAD has pointed out.

To improve the situation of small-holding farmers, UNCTAD has recommended enacting or reinforcing competition law in agricultural commodity-producing countries, governmental actions for a supportive environment for local small players such as small-scale traders and agri-food processors, to remain in business, and the promotion of farmer-based organizations.

According to the Secretariat Note, concentration at all stages along agricultural commodity value chains - including horizontal concentration and vertical integration - has become a topical issue in recent years.

A limited number of large companies control a large part of the market, from trading to the processing and retailing of agricultural products.

For example, in 2002, two companies controlled nearly 50% of the global banana trade and two others handled three quarters of the global grain trade.

In 2008, it was estimated that, globally, 45% of coffee processing was carried out by the four largest companies in the industry and 80% of tea markets were controlled by only three companies.

In 2012, it was estimated that four transnational corporations controlled 90% of the global grain trade. In the same period, the leading four players in cocoa markets in Cote d'Ivoire, Ghana and Nigeria bought more than half of the cocoa beans produced in these countries.

The rationale behind concentration patterns in agricultural commodity value chains is the corporate objective of attaining economies of scale, amid increasing globalization of food chains, said UNCTAD.

The resulting market structure could effectively contribute to achieving a better allocation of resources while improving efficiency in global value chains of agricultural products, with the ensuing benefits passed onto all stakeholders along the value chains.

"Concentration patterns may also be explained, in part, by the fact that concentration at one stage of a value chain (for example, processing) may have the same effect at other stages (for example, manufacturing or trading). This permits the balancing of bargaining power along value chains."

However, said the UNCTAD document, while global value chains of agricultural products are increasingly being concentrated, farmers - the mainstay of agri-food production worldwide, who operate at small-scale levels - remain dispersed and thus unable to wield countervailing power against well-consolidated buyers and processors.

"This situation raises concerns about the state of integration of such farmers into value chains at a time when trade liberalizing reforms have increased their exposure to markets. Market concentration may become problematic, especially if it fosters monopolistic trends along value chains."

Such behaviour increases the bargaining power of large players to the detriment of small players, including small-holding farmers and small firms.

Such a market structure tends to reduce the profits of the latter, as well as the share of value added captured in producing countries.

Concentration in wheat, rice and sugar value chains, for instance, has led to the market power of international trading companies that, in turn, has contributed to widening the spread between global and domestic prices for these products.

Horizontal concentration in cocoa sector

According to UNCTAD, the cocoa global value chain (also referred to as the cocoa-chocolate global value chain) has five major segments: production; sourcing and marketing; processing; manufacturing and distribution; and retailing to final consumers.

The first segment of the cocoa value chain, production, is handled by a few producing countries.

At the global level, Africa remains the largest cocoa-producing region. It is estimated that in the 2013-2014 crop year, the continent produced roughly 3.2 million tons of cocoa beans, representing 73% of global production.

In the same period, about 60% of global production was handled by the two leading producing countries, Cote d'Ivoire and Ghana.

Cocoa supply may thus be considered highly concentrated in a limited number of countries. However, cocoa is typically produced by a number of dispersed small-scale growers: an estimated 5 million to 6 million farmers globally.

In Cote d'Ivoire, for example, 80-85% of cocoa is produced by individual farmers who are not members of any cooperative or organization.

"A major cause of the consolidation pattern in the trading segment of the cocoa value chain is trade liberalizing reforms. Liberalization in producing countries was expected, among other objectives, to increase competition in domestic intermediation and in the export of cocoa beans by increasing the number of players."

Cocoa trading is also characterized by market concentration, although this is not necessarily a new development.

From 1980 to the early 2000s, for example, the number of cocoa trading houses in London decreased threefold, from 30 to less than 10 players.

According to UNCTAD, the concentration pattern has accelerated in recent years due to several mergers and acquisitions. As a result, it is estimated that in 2013, the three largest cocoa trading and processing companies - Barry Callebaut, Cargill and Archer Daniels Midland - traded 50-60% of the world's cocoa production.

At the national level, marketing channels for cocoa beans are also controlled by a limited number of players. For example, in Cote d'Ivoire, three international companies, through local agencies, bought about 50% of the cocoa produced in the country in the 2011-2012 crop year.

"A major cause of the consolidation pattern in the trading segment of the cocoa value chain is trade liberalizing reforms. Liberalization in producing countries was expected, among other objectives, to increase competition in domestic intermediation and in the export of cocoa beans by increasing the number of players."

However, said UNCTAD, high operating costs, including transport costs, have contributed to strengthening the position of transnational corporations, which have better access than small-scale traders and buyers to resources (finance and technology).

As a result, most small players have been squeezed out of cocoa marketing channels or have merged with transnational corporations that took control of their activities.

"This has resulted in the dominant position of a limited number of companies with larger market shares in cocoa- producing countries."

With regard to processing, origin grindings (grinding operations taking place in cocoa-producing countries) have improved in recent years.

A limited number of transnational corporations dominate the markets. In 2006, four large companies, namely Barry Callebaut, Cargill, Archer Daniels Midland and Blommer Chocolate Company, controlled about 50% of the global cocoa grindings capacity, and this share increased to 61% in 2015.

Concentration in cocoa processing has been driven in recent years primarily by the recent boom in commodity prices. High prices of inputs, including cocoa beans and energy, have increased production costs for processing companies, resulting in narrower margins for most.

"Merger and acquisition strategies in the segment have therefore been used by existing players as a means of increasing cost efficiency and attaining greater economies of scale."

In the chocolate retailing segment of the cocoa value chain, a limited number of confectionery and branded companies lead the markets.

In 2013, for example, the total sales of chocolate bars and other candies by the leading 10 companies amounted to 42% of global confectionary sales, estimated at $196.6 billion.

Chocolate products sold through modern grocery retail channels, including hypermarkets and supermarkets, accounted for 56% of total global sales.

At the national level, retail markets are also dominated by a few companies. For example, in France, the main chocolate confectionery companies in 2014 were Ferrero (19% of the market), Lindt and Sprungli (13%) and Nestle and Mondelez (11% each).

In the United States, the chocolate confectionary market is highly diversified in terms of suppliers, including transnational corporations and national, regional and local companies.

In contrast, the leading two chocolate manufacturers, namely the Hershey Company and Mars, accounted for 65% of the sector's sales in 2014. None of their competitors individually exceeded a 5% share.

The cocoa value chain has also experienced significant vertical integration, with companies expanding their activities, from sourcing beans to producing chocolate products.

UNCTAD noted that in the past, a number of large chocolate producers managed much of the value chain themselves, from buying beans to processing cocoa butter and powder to making chocolate.

Later, many cocoa and chocolate business entities (re)positioned themselves in specific segments of the value chain, with many of them exiting, for example, the less profitable grindings segment.

However, an increasing number of mergers and acquisitions in recent years has resulted in a high degree of vertical integration in the industry.

This pattern stems partly from the motivation of large companies to gain greater control of cocoa and chocolate products, to satisfy demand in terms of quantity, quality and traceability.

"The operations of some trading or processing companies have extended down to the farm level (directly via cocoa-buying stations or indirectly through agency relationships). This has created a blurred boundary between trading and processing companies, as major trading transnational corporations are now also engaged in cocoa processing and vice versa."

Other companies historically involved in midstream activities along the cocoa value chain have expanded their businesses to the upstream and downstream segments of the chain, that is, from the production of semi-finished cocoa products to, at one end, the sourcing of cocoa beans and, at the other end, the production of consumer chocolate.

Large chocolate manufacturers and brand owners, including Mars and Nestle, are now sourcing cocoa beans from farmers. As a result of these developments, only a few companies remain with operations in only one specific segment of the value chain.

In cocoa bean trading, for example, these include, at the international level, Continaf, Novel Commodities and Touton Group and, at the national level, Saf Cacao (Cote d'Ivoire), Roig Agro-Cacao (Dominican Republic) and Akuafo Adamfo (Ghana).

Concentration in agro-industry contributes to a better allocation of resources and economies of scale along value chains. This ultimately increases cost efficiency along a chain, with benefits passed onto various stakeholders.

"A fair distribution of benefits, which may not have the same meaning between stakeholders, is therefore a key determinant of the success of concentration patterns."

UNCTAD said with regard to cocoa, increased consolidation may have permitted the attainment of economies of scale and, as such, contributed to improving efficiency in the industry. Moreover, vertical integration in the cocoa industry has helped transnational corporations ensure the traceability and quality required by customers.

"However, concentration may become problematic, especially if it fosters monopolistic behaviour in an industry. Such behaviour increases the bargaining power of large and integrated players to the detriment of small players, including small-scale producers (that is, farmers) and traders as well as purely chocolate manufacturers."

It is common for concentration in a segment of an agro-industry value chain to lead to similar changes in other segments; this permits the balancing of bargaining power along value chains.

In the cocoa industry, while there is considerable concentration in the processing and distribution segments of the cocoa value chain, the supply segment (that is, the production of cocoa beans) typically remains fragmented among scattered smallholders.

"This situation creates an oligopsonistic structure in the cocoa market, that is, a large number of sellers and a limited number of buyers."

As a result, farmers are entrenched in a weak bargaining position, which reduces them to price takers, at a time when they also have limited access to finance, market information and agricultural inputs such as improved seeds and fertilizers.

In chocolate-producing countries, high integration - vertically along the value chain or horizontally in the cocoa processing and chocolate manufacturing segments - is likely to shrink input supply possibilities for purely chocolate manufacturing enterprises.

UNCTAD said that a long-term impact of this may be the closure of enterprises or their acquisition by major consolidated companies.

For example, the European Commission stated that the proposed merger of Archer Daniels Midland and Cargill, by eliminating an important competitor, could reduce the choice of suitable suppliers in already concentrated markets, which could lead to price increases, with a negative impact on consumers.

In July 2015, it approved the merger on the condition that Cargill divest Archer Daniels Midland's largest chocolate plant in Europe to a competitor to allow cocoa product markets to remain competitive.

UNCTAD cautioned that increasing consolidation along the cocoa value chain also increases the risks of anti- competitive practices and tacit or formal collusive behaviour among large players.

It noted that in absolute terms, cocoa farmer revenues are very low. The International Labour Rights Forum estimates that the net earnings of a typical cocoa farmer with 2 hectares of land in the leading two cocoa- producing countries, Cote d'Ivoire and Ghana, are about \$2.07 and \$2.69 per day, respectively.

These amounts are just above the global poverty line of \$1.90 per person per day and do not permit farmers and their families to enjoy a decent livelihood.

"As the average size of a rural household in these countries may exceed five people, it seems evident that daily net income per person in the cocoa-producing communities may be much lower than the global poverty line."

As seen in the cocoa sector, concentration prevails in agricultural commodity value chains, along with the scattered nature of small-holding farmers, who are the mainstays of most value chains.

"This results in power imbalances along value chains and creates a favourable environment for the abuse of market power by large players. If such a market structure prevails unchecked, it effectively undermines competition in agrifood value chains, adding further downward pressure to prices paid to farmers," UNCTAD underlined.

To promote sustainable agricultural commodity value chains, UNCTAD said it is critical to empower farmers, in the face of increasing concentration along value chains. In this regard, policies aimed at keeping value chains competitive and promoting strong farmer-based organizations are crucial.

"First, it is imperative to enact, or reinforce, competition law in agricultural commodity-producing countries in order to prevent anti-competitive practices and limit the market power of trading or processing companies that source their inputs from farmers."

One of the policy recommendations made by UNCTAD is promoting competitive agricultural commodity value chains.

It said the current structure of agricultural commodity value chains results in power imbalances between highly integrated large players and smallholders, especially small-scale farmers.

Therefore, creating a level playing field for all stakeholders in value chains, by ensuring competitive markets at national and international levels, is critical to empowering dispersed small-holders, it added, highlighting two measures in this regard.

First, it is imperative to enact, or reinforce, competition law in agricultural commodity-producing countries in order to prevent anti-competitive practices and limit the market power of trading or processing companies that source their inputs from farmers.

Challenges in such countries with respect to competition law are often related to two issues, namely, how to enact and enforce such law and how to address the difficulties faced by legislators due to the extraterritorial characteristics of national markets, stemming from the fact that major transnational corporations active in trading or processing agrifood do not fall under the jurisdiction of producing countries.

The former challenge may be addressed by improving institutional capacities at the national level, with strong competition agencies. Addressing the latter challenge almost certainly requires harmonization of the rules dealing with anti-competitive practices, as well as cooperation between competition agencies at the international level, with effective oversight by an international body.

Second, competitive domestic cocoa markets require a supportive environment for local small players, such as small-scale traders and agrifood processors, to remain in business.

A key driver of the high concentration of buyers in the domestic agricultural markets of producing countries is the difficulties faced by local small players in competing on a level playing field with multinational corporations, as the latter have better access to resources such as finance.

Keeping local stakeholders, including local small and medium-sized enterprises, involved in national value chains requires addressing the high costs of finance.

UNCTAD also recommended the promotion of farmer-based organizations. "Organizing farmers into well- functioning farmer-based organizations may help address the problem of dispersion and counteract buyer power and, in turn, enable farmers to negotiate higher prices."

Moreover, farmer-based organizations facilitate member access to output markets and assist farmers to procure inputs such as seeds and fertilizers in bulk.

They also provide farmers with better access to finance and extension services, which in turn reduces their production costs while increasing their productivity, thereby increasing their profit margins and incomes.

"Such policies should effectively be complemented by pro-farmer trade and agricultural development policies and other actions that contribute to improving the efficiency of agrifood value chains for all stakeholders," said UNCTAD.

The role of Governments in shaping adequate policies and building strong institutional frameworks is important, it added.

**Kanaga Raja is the editor of the South-North Development Monitor (SUNS).*
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OECD Secretary General Angel Gurria

New OECD measure for SDGs highly problematic, says study

A new statistic being developed by the OECD is riddled with flaws and are being written with limited consultation with developing countries, where 80% of the population of the planet lives writes *__Kanaga Raja__.

The proposed Total Official Support for Sustainable Development (TOSSD), a new statistic being developed by the OECD club of donors to measure their contribution towards the SDGs, comes with no commitments, no responsibility and no expectations attached, a new study has charged.

Putting attention into creating, calculating and reporting TOSSD could easily distract donor countries from existing Official Development Assistance (ODA) commitments and their historical responsibilities, the study stressed.

The study, in the form of a Working Paper titled "New Development Finance Measure Should Be TOSS[E]D Out The Window!", was authored by Dr. Neissan Besharati, the African coordinator of the Network of Southern Think Tanks (NeST).

According to the study, although still a work-in-progress, TOSSD endeavours to count all financial flows (public and private, concessional and non-concessional) from traditional and emerging donors aimed at supporting global public goods and sustainable development.

"TOSSD stretches the boundaries of its predecessor, Official Development Assistance (ODA), the long-standing statistical term for foreign aid," it said.

"The problem with the new measure is that, once again, it is being created without consulting the main beneficiaries. In fact, developing countries didn't even ask for this new statistic," said Dr Besharati.

The study pointed out that the concept of TOSSD originated from and was driven by discussions within the OECD Development Assistance Committee (DAC).

But in June 2015 at the third UN

Conference on Financing for Development in Ethiopia, TOSSD crept into the text of the Addis Ababa Action Agenda, when countries agreed "to hold open, inclusive and transparent discussions on the modernization of the ODA measurement and on the proposed measure of total official support for sustainable development".

Unfortunately, said the study, the process has not been open, inclusive, or transparent.

The details of TOSSD have been written up by OECD technocrats, while most of the consultations between 2015 and 2016 have been held among a small circle of wealthy countries, with token representation from the rest of the (developing) world, where 80% of the population of the planet actually resides.

It seems that Northern donors have still not learnt from their past mistakes with ODA, Dr Besharati underlined.

"The old measurement contains many flaws, such as counting in-donor costs like administrative and marketing expenditures, refugee and student support, and aid tied to products, services and institutions from the provider country. Nonetheless, ODA remains a useful indicator of rich countries' generosity towards poor countries."

"TOSSD is a sexy new measure, but it comes with no commitments, no responsibility and no expectations attached. This makes the global South very suspicious. Putting attention into creating, calculating and reporting TOSSD could easily distract donor countries from existing ODA commitments and their historical responsibilities," the study warned.

It pointed out that the architects of TOSSD have stated that the new measure is about cross-border flows and will not include in-donor costs.

However, said Dr Besharati, the recent debates around TOSSD have seen many OECD donors pushing for new spending items which they would like to report in the new measure, so they can say that they are giving more towards sustainable development than they currently are.

In 1988 the DAC decided that the first year of in-country refugee support could be counted as ODA, and since then this has become common practice in aid reporting.

With the new wave of Syrian and African refugees flooding Europe, EU governments are strongly advocating for support to refugees beyond the first year to also be included in TOSSD.

ODA was the main development finance measure for industrialised countries' contribution to the Millennium Development Goals (MDGs), and now TOSSD is seen as the new measure to be used for the SDG framework.

The study noted that contrary to the MDGs, the SDGs do not apply only to developing countries but to all countries, regardless of economic status.

Thus, to qualify as TOSSD, an expenditure needs to be either 'for the benefit of developing countries' or 'for global public goods.'

"This however opens a can of worms on what to count and what not to count as TOSSD," it said.

Donor countries in fact have convincingly argued that many domestic expenditures such as scientific and health research, education and capacity-building programmes, national efforts to reduce greenhouse emissions, assistance to political and economic migrants, or anything else which indirectly contributes to global development, may potentially be counted as TOSSD.

By the same token, should points be subtracted from TOSSD when domestic policies of OECD countries hurt developing countries, such as high carbon emissions, agricultural subsidies, and illicit financial flows, Dr Besharati asked.

According to the study, another concern with TOSSD is that the OECD wants to also include all non- concessional loans in the new measure.

"If a financial institution from a Northern country is providing a loan on commercial terms and making profits from the misfortunes of poor beneficiaries, how can this be considered 'support to sustainable development'?"

The study also said that including publicly-mobilised private financing in the new statistic is very ambiguous as it opens the possibility for blended finance, public-private partnerships, private capital raised by state-owned enterprises, and financing where the state has minimal involvement (such as reducing interest rates, providing guarantees even though they are never used), to be included as TOSSD.

"This opens the door for governments to take credit for investments made by private financiers, and for donor countries to count as TOSSD the support they provide to their own profit-making private sector," it cautioned.

Another dangerous trend, observed in the initial TOSSD proposals, is the use of the rhetoric of 'mutual benefit' which has traditionally been part of the discourse of South-South cooperation.

The principle behind mutual benefit in cooperation between developing countries legitimises domestic interests of Southern partners, as both countries endeavour to reduce poverty in their respective territories through the development cooperation arrangement.

"This modus operandi, however, is utterly inappropriate to apply to North-South cooperation, which comes from a different tradition and carries a different set of historical responsibilities that developed countries have towards the global South."

According to Dr Besharati, while it may be acceptable for a lower-middle-income country like India (with 60% of its population living under the international poverty line) to provide non-concessional lines of credit to other developing countries - tied to its companies, products and technical experts, in the name of 'mutual benefit'- it would be unacceptable (and almost ridiculous) if the United States or Germany would act under the same paradigm.

The study further noted that although traditional donors would very much like the providers of South-South cooperation to also be part of the new TOSSD reporting effort, the BRICS and other emerging economies have not shown any appetite for this new statistic and have made it clear that they do not want to be part of yet another DAC-led initiative.

"Instead of succeeding in bringing emerging donors into the narrative of traditional donors, TOSSD is rather an illustration of the 'Southernisation of the DAC'", the study said.

"TOSSD is opening up debate not only on commercial flows, but also on political, cultural and religious cooperation. Should we start counting the language classes of Alliance Francaise or the mosques that Turkey builds in developing countries as TOSSD as well?"

Under the old regime, only 7% of non-military contribution to UN peace-keeping operations was counted as ODA.

But in Agenda 2063 - Africa's 50-year development vision - the continent has made clear the central role that peace and stability play in its long-term development.

From an African perspective, therefore, humanitarian, safety and capacity-building operations conducted by security forces of a provider country upon request of a recipient country should be also counted as 'support to sustainable development'.

Nonetheless, said Dr Besharati, many gray areas still remain, such as the fight against international crime and trafficking, intelligence gathering and counter-terrorism activities.

Are these really global public goods and who defines them as such, he asked.

External interventions in the arena of security, governance, and human rights are always politically sensitive, as they often imply infringement on national sovereignty and can therefore be questioned in terms of legitimacy.

This is why financing of these activities should be counted as TOSSD only if the interventions have been mandated by the UN or other regional bodies, such as, for instance, the African Union (AU), the Arab League, or the Organisation of American States (OAS).

According to the study, accounting for the 'inputs' towards sustainable development is certainly important, but most people and countries are more concerned with the 'outcomes' of development efforts.

"However, these are not well captured by the TOSSD framework. The excessive focus on financial inputs over-shadows other non-financial contributions that are equally important, such as technology transfer, knowledge exchange and technical assistance."

The problems with comparing technical cooperation from different countries is that its value varies depending on the salaries and prices in each economy.

"One million dollars of goods and services in China gets you a lot more than a million dollars of goods and services from Switzerland."

This is why the proposal to use purchasing power parity (PPP) when calculating TOSSD from different countries is a welcome new feature of the proposed metric, said Dr Besharati.

The study also pointed out that one big flaw of ODA statistics is that data are gathered primarily from the donors' own reporting systems, which are easily susceptible to the inflation of figures.

The draft TOSSD compendium document put out by the OECD for public consultation in June 2016, suggests that data are collected from both provider as well as recipient perspectives.

But some have argued that this might place an unnecessary burden on already weak statistical systems of developing countries.

"What is clear is that if accounting is done by both providers and recipients, the figures are unlikely to match, as donors are typically incentivised to report more than what they actually give (so they can look better). For this reason, one should give primacy to data supplied from the beneficiaries of TOSSD transfers, rather than the providers," the study emphasised.

Overall, said Dr Besharati, it is still unclear what the difference is between TOSSD, ODA and Other Official Flows or indeed if there is a need at all for a new development finance statistic.

"Without a clear target, it is hard to see how the new measure of TOSSD can incentivise the mobilisation of more resources in support of the sustainable development agenda, as it claims to do."

The stated purpose of TOSSD is "to promote greater transparency of the full array of external officially- supported resources available to developing countries".

While there certainly should be better information available on different development finance flows, is a new 'composite measure' needed, for rich countries to inflate their numbers and have a false beauty contest on how much they are each contributing to the SDGs, Dr Besharati asked.

If the discussions around TOSSD are going to continue in any legitimate manner, these have to take place in a forum more inclusive of developing world views, but also of private funders who are expected to participate in the new reporting scheme, he said.

Before investing more energy into TOSSD, the OECD needs to go back to improving Country Programmable Aid (CPA, a 2010 initiative of the OECD) and ensure that all DAC countries reach their historical commitment of 0.7% of GNI to ODA.

A far better use of the time and resources of OECD experts would be to improve national systems and statistical capacities directly within the developing countries themselves.

"These two lines of action would certainly be a better contribution the OECD could offer to the 2030 global development campaign," Dr Besharati underlined

**Kanaga Raja is the editor of the South-North Development Monitor (SUNS).*

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A global services agreement poses risk to workers and consumers

A proposed new international agreement on trade in services could undermine labour and consumer protections writes ***Yorgos Altintzís**.

The Trade in Services Agreement (TiSA) is a new global deal in the works that aims to remove barriers - or what is left of them - for corporate service providers to capture markets worldwide, promote an employment model based on exploitation, and boost the financialization of the economy.

The International Trade Union Confederation (ITUC) recently published a detailed analysis of leaked negotiating texts of TiSA - after 20 rounds of talks over the past three and a half years - which shows that if it is agreed, signed, and ratified, the deal would have grave consequences in the world of work.

Its scope appears to be vast, spanning transportation, energy, retail services, e-commerce, telecommunications, banking, construction, private health, education, and more in the European Union, the United States, and countries in Asia and the Americas. As services account for the biggest part of global GDP, TiSA would transform the world labour market.

For instance, TiSA would legally fortify and economically facilitate the operation of the "platform economy" - a term (also known as the "gig economy" or "sharing economy"), describing the online, on-demand business model of international companies like Uber.

Such companies thrive by injecting

unfair competition among service providers, employing unprotected informal workers, and avoiding paying taxes.

Professional services, like auditing, architecture, accountancy, and engineering, offer vast unexploited space for the platform economy to develop. And TiSA will make sure that these companies do not face many hurdles like class action or the banning of services, like Uber in France.

TiSA has more unpleasant surprises for workers. Services are provided in four ways. First, with cross-border supply, like when a patient goes to a hospital in another country to be treated; second, with consumption abroad, like tourism; third, with commercial presence, like when a bank opens a branch abroad; and fourth, with the presence of natural persons.

This fourth way of delivering a service, also known as Mode 4, is actually a form of short-term migration, for instance when an IT application developer works for a high-tech company on a particular project that lasts for six months.

The employment terms - like wages, leave, and health insurance - for this worker are laid out in the same contract that specifies the project, the time of delivery and the quality safeguards. This works for high-skilled, mobile, and flexible professionals like IT application developers, but not for nurses, catering staff, or dental assistants.

Depending on how broad commitments different governments will undertake in TiSA, many categories of workers, including the low- or middle-skilled, risk finding themselves employed abroad with terms far inferior to those stipulated in the receiving country's labour law - simply because the labour law will not apply if they are hired with a project contract.

How would governments ensure that professionals who benefit from Mode 4 have appropriate skills? TiSA includes procedures that would converge or mutually recognize licensing and qualification requirements, as well as technical standards such as those ensuring the quality of a service.

Another part of TiSA goes deeper into the sovereign competences of regulation. Governments will have to give early notice of planned regulation, giving service corporations, including foreign ones, an opportunity to comment on them.

This might sound harmless, but taking into account that such comments come before the regulation-making process starts, and coupled with the possibility to take a government to an investment tribunal - under the highly controversial investor-state dispute settlement mechanism (ISDS) - they can have a watering-down or even chilling effect on regulators.

Sectors at risk

The countries negotiating TiSA now are willing to fully open transportation services. This includes maritime, air, and land transportation, and the express delivery of packets. Transportation unions have made a strong argument that this would only lead to the further deterioration of wages and safety of transportation workers - a bit like what happened with truck drivers when the EU borders opened to eastern Europe competition.

TiSA also includes financial services. There is hardly any financial transaction that cannot by presented as a financial service. By pushing barriers down, TiSA will help further the consolidation of financial markets. This means that big international banks will get bigger either by out-competing smaller banks that currently only operate on a domestic level, or through mergers and acquisitions.

Whatever the way, the result is the same: the banks that are too-big-to-fail will become even bigger under TiSA, posing an increased risk to the financial system.

The designers of the deal also intend to deregulate financial markets. For instance, if a toxic financial product is allowed in one TiSA country, then all other countries will have to allow it to circulate. Such products were at the heart of the 2008 financial meltdown.

Public services and public services procurement are also to be opened up. Although the EU and others have provided reassurances that this is not the case, provisions of the leaked texts show that reversing privatization will be impossible.

Adding an element of "competitive neutrality" between state-owned enterprises and the private sector, and allowing unfettered access of private providers into the market, we only need a third step to complete the puzzle.

That is, austerity measures which cut spending on public services, lower their quality and, on the basis of lower quality, raise popular support for privatization.

We clearly face a downward spiral, for workers, micro and small enterprises, and consumers alike, if TiSA proceeds in its current form. Governments should reconsider, for the sake of their citizens and the very stability of the global economy.

ILO Director General Guy Rider

**Yorgos Altintzís is an economic and social policy officer at the International Trade Union Confederation. He advocates workers' interests in international trade and investment as well as global governance. The article is from Third World Network Features.*

Commodity prices crash hits Africa

Volatile global financial markets and weaknesses in global growth to blame, contends ***Kingsley Ighobor.**

Gold pellets

Just three years ago, most of the world's fastest-growing economies were in Africa, among them Angola, Chad, Ethiopia, Mozambique, Nigeria, Rwanda and Sierra Leone. A middle class was emerging, led by young, tech-savvy entrepreneurs who bought flashy cars, new houses and the latest smartphones.

Africa's impressive average economic growth of around 5%, over the 14 years to 2014, saw economists toasting to the continent's development potential. Buoyed primarily by high commodity prices and marginal exposure to global financial markets, the African economy as a whole was largely undisturbed by the 2009 global financial crisis. And steady flows of foreign direct investment assured a sustainable growth trajectory.

During that period, China, India, Brazil and European countries scrambled for a slice of Africa's investment opportunities. The Brookings Institution, a Washington D.C.-based think tank, stated in 2013 that it was a mistake not to "take into account the current realities of the emerging continent" and "leverage the potential that Africa presents as a market for American goods." Even The Economist, a usually restrained UK publication, splashed an "Africa Rising" title on its 11 December 2011 cover, which depicted a silhouette of a child flying a kite of an African map.

Fortune reversal

A precipitous crash in commodity prices is changing that upbeat African narrative. Already, Angola, Liberia, Mozambique, Nigeria, Sierra Leone, and Uganda - the African countries that depend most heavily on commodities - such as oil, gold, diamonds, bauxite, rutile, timber and copper - are in dire straits.

Economists also attribute this sudden reversal of fortune to other factors such as volatile global financial markets, weaknesses in global growth, particularly in China, Brazil and India, rising borrowing costs and severe infrastructure constraints (particularly of electricity supply) in many countries. But it is the plunge in commodity prices that has dealt the most devastating blow.

The price of oil plummeted from $100 a barrel in 2013 to $26 a barrel in February 2016, hovering around $50 a barrel in October. Without sufficient oil earnings, Africa's oil producers, particularly Nigeria, Angola, Equatorial Guinea, Libya, Algeria and Egypt, face serious economic head winds.

For Nigeria and Angola, Africa's largest producers, oil proceeds account for more than 90% of exports and over 70% of the national budget. With low per-barrel prices, economic growth in all of Africa's oil-exporting countries fell from an average of 5.4% in 2014 to an average of 2.9% in 2016. Consider that Angola generated $60.2 billion from oil in 2014 and $33.4 billion in 2015, a significant drop in revenue that mirrors the situation in other countries.

Significant shock

Copper-producing countries have not fared any better as prices dropped to their lowest level since 1998. The World Bank reports that in February 2016, "copper prices declined by almost a third from their peak in February 2011 to $4,595 per tonne."

Tsidi Tsikata, who led an International Monetary Fund (IMF) assessment mission to Zambia in March 2016, has issued a bleak report: "The Zambian economy is under intense pressure," he warns, calling for action to regain macroeconomic stability.

More than half of Zambia's copper producers are losing money, and big players in the country such as Glencore, an Anglo-Swiss multinational and Luanshya Copper Mines, a Chinese firm, have shut shops, with thousands losing their jobs. The

> **"The fall in commodity prices represents a significant shock for the sub-Saharan African region, as fuels, ore and metals account for more than 60% of the region's exports.**
>
> **Ordinary citizens feel the impact in currency depreciation and rising inflation. The value of Nigeria's naira fell from 150 to 450 naira to the dollar between January 2014 and October 2016. The Sierra Leonean currency faced the same fate, declining to 6,500 leones to the dollar, from 5,000 leones a year ago."**

Zambian economy is currently growing at 3%, down from 7% in 2014. Although some analysts see a rebound in the Chinese economy, in recent years China, which buys up to 40% of copper worldwide, has not been able to afford huge purchases due to economic slowdown.

Sierra Leone is grappling with falling prices of iron ore, even as it recovers from the Ebola epidemic. African Minerals, a London-registered mines company, used to manage the iron ore mines in Tonkolili, northern Sierra Leone, which are worth over $1 billion. Tonkolili has the biggest iron ore deposit in Africa and the third largest in the world.

The fall in commodity prices represents a significant shock for the sub-Saharan African region, as fuels, ore and metals account for more than 60% of the region's exports.

In 2011 iron ore sold for $191 per tonne, but it fell to $45 per tonne in June 2016. Faced with corruption allegations and huge financial losses, Africa Minerals sold the mines in December 2015 to China's state-owned Shandong Iron and Steel Group.

Iron ore is Sierra Leone's economic lifeline. "The iron ore price decline affected macro-financial stability and reversed the country's remarkable positive growth trajectory," maintains the African Development Bank.

"The fall in commodity prices represents a significant shock for the sub-Saharan African region, as fuels, ore and metals account for more than 60% of the region's exports," notes the World Bank.

Ordinary citizens feel the impact in currency depreciation and rising inflation. The value of Nigeria's naira fell from 150 to 450 naira to the dollar between January 2014 and October 2016. The Sierra Leonean currency faced the same fate, declining to 6,500 leones to the dollar, from 5,000 leones a year ago.

Nigeria's currency depreciation means it has lost the right to call itself Africa's largest economy. After rebasing (a process of adopting new prices to measure a country's GDP output) in 2014, the Nigerian economy was reported to be worth $488 billion. With the naira's depreciation due to a decline in export earnings, the economy has shrunk to $296 billion, according to data released in August by the IMF.

Skyrocketing prices of goods and services without a commensurate increase in earnings could affect prices of food and stoke social unrest across Africa, experts fear.

Austerity measures

Commodity-dependent countries are faced with huge budget deficits, which is why Angola, Ghana and Zambia have received or are intensely negotiating for IMF bailout loans.

Nigeria is overhauling its tax system to increase revenues, aggressively fighting corruption and recovering stolen money stashed in foreign banks, and at the same time intends to borrow money from China and local banks. The country wants to sell off some of its national assets, including energy and oil corporations.

Africa's most populous nation will "seek a dramatic shift from spending on recurrent expenditures to spending on capital aspects of the budget," said Udoma Udo Udoma, minister of budget and national planning. It officially declared a recession in August after two quarters of negative growth.

Last March, Sierra Leone announced a 30% cut in recurrent government expenditures, suspended financing for capital projects and the purchase of official furniture, eliminated travel allowances for government officials and began implementing a 50% cut in vehicle maintenance allowance, among other measures.

However, Herbert M'cleod, a leading Sierra Leonean economist, says, "It is bad policies and bad management that have brought us here," and recommends using proceeds from mining to boost jobs creation and power supply and to construct roads, among other things.

The Ugandan government has scrapped gasoline and diesel subsidies, suspended construction of new roads, banned nonessential foreign travels and stopped the launch of a new airline. Zambia is cutting subsidies on electricity and agricultural inputs.

South Africa, whose largest exports are iron ore, coal, gold and other minerals, is also affected by the fall in commodity prices. While presenting the 2016 budget, finance minister Pravin Gordham said, "There is no doubt that we are in crisis," before announcing an unprecedented spending cut of 25 billion rand (about $1.7 billion). Liberia, Gambia and other countries are also implementing various austerity measures.

The 2015 study, The Effect of Commodity Prices on African Economic Growth by Hangnile Nathalie Olga Tiawara of St. Cloud State University, United States, found that commodity price changes are linked to the pace of economic growth in commodity-dependent countries. In short, when prices fall, these economies falter.

Good news for some countries

The Economic Commission for Africa (ECA) has over the years been encouraging countries to industrialize by diversifying away from commodities and, at the least, to add value to their commodities. Former ECA executive secretary Carlos Lopes repeatedly spoke about the paradox of countries' importing Toblerone chocolates from Switzerland when the continent produces 70% of the world's cocoa, from which chocolates are made.

As oil-exporting countries deal with economic anxieties, low oil prices are good news for oil importers like Kenya, Rwanda and Tanzania. It means these countries spend less and can redirect excess funds into critically needed infrastructure such as roads, bridges and energy. Robust growth in these economies will continue, forecasts the World Bank.

Going forward, mitigating efforts will require good financial management and increases in revenue generation locally, experts say. "As countries adjust to a more challenging global environment, stronger efforts to increase domestic resource mobilization will be needed," says Makhtar Diop, World Bank vice-president for Africa.

There may yet be a silver lining: experts expect the impact of current belt-tightening policies in Africa to kick in in the medium to long term, providing a cushion for national budgets.

Also, countries will learn the lessons of commodity price movements and will be more inclined to continue diversifying their economies. The World Bank says that agriculture and urbanization are important sectors for investments.

Finally, when earnings are in an upswing, countries must save for the rainy day, experts recommend.

**Kingsley Ighobor is a Public Information Officer (Africa Section) with the United Nations in New York. The article is reproduced from Africa Renewal, December 2016 - March 2017*

Trade deals threaten peasant farmers' stewardship of seed biodiversity

Large seed corporations through international trade agreements attempt to secure more control over the world's seed supply that are developed and nurtured by peasants. A report by GRAIN

Skilful selection and nurturing of the seeds best suited to a particular location are at the heart of peasant farming and agroforestry systems. The resulting agrobiodiversity of hundreds of thousands of crop varieties and animal races found in peasants' fields around the globe provides the corner stone of the world's food system. Peasant farmers and the local varieties that they developed are still feeding the majority of us. By contrast, industrial agriculture dominated by a small number of transnational corporations has drastically reduced the agrobiodiversity of crop varieties grown. It has also encroached rapidly on the land that peasant farmers rely on to produce food and on peasants' access to the diversity of seeds which forms the basis of peasant farming and agroforesty systems.

For millennia farmers have saved, exchanged and replanted seeds year after year, and this practice has created the enormous agrobiodiversity that the world now has. This has always been a thorn in the side of the corporate seed industries that are set on controlling the global seed market, and thereby reducing seed diversity. They want farmers to buy their seed every year, and are continuously pushing governments to adopt ever more stringent laws and treaties to force farmers into the corporate seed market.

One of the main avenues to control farmers' access to seeds are trade agreements. Over 20 years ago, corporate seed corporations successfully lobbied for governments to include the obligation into the World Trade Organisation (WTO) agreement that all countries provide for intellectual property rights on plant varieties. This basically means that companies can claim ownership rights over the seeds they develop and the genetic materials they contain, thus preventing farmers to do what they have done for millennia: save, exchange and improve seeds. This was an important starting point for the corporate seed industry and they haven't stopped pushing their agenda since then. Their next objective was to get countries to join UPOV, the Union of Protection of new Varieties of Plants, a convention that grants intellectual property rights over seed varieties. At the same time that corporate seed companies were lobbying for intellectual property rights on plant varieties to be enshrined into the WTO agreement, the UPOV convention was also amended. In 1991 UPOV eliminated the right of farmers to save and exchange seeds that were "protected" - owned by companies that had acquired UPOV titles on them. In combination, these two developments provided the perfect route for companies to secure more control over the world's seed supply.

Bilateral and regional trade deals used to further strengthen corporate control over seeds

In the past decade, bilateral and regional trade agreements have been used to further strengthen corporate property rights over seeds. In July of 2016, GRAIN published a new dataset with a list of trade agreements that do precisely this. (1) Trade deal after trade deal is signed by governments to include requirements that countries subscribe to the corporate UPOV rules or otherwise strengthen intellectual property rights over the biodiversity in their countries. The requirements written into these trade deals therefore amount to nothing less than legalised theft, given that these corporate seeds were originally developed from seed varieties developed and nurtured by peasants.

Among the most recent bilateral and regional trade agreements that further restrict farmers' control over the seeds they cultivate are:

- The EU-Canada Comprehensive Economic Trade Agreement (CETA), which is currently on a bumpy road towards ratification. It gives seed companies in Canada and the EU new powerful tools to enforce intellectual property rights against farmers through seizures of seeds and injunctions based on mere suspicion of infringement, including seed saving.
- The EU Economic Partnership Agreements (EPAs) with African countries which commit all signatories to hammer out new standards on intellectual property rights, including on seeds.
- The US government, in the meantime, is regularly pushing its trade partners to live up to their intellectual property rights commitments. In a recent report it criticises Chile and Colombia for failing to adopt the most recent 1991 version of UPOV (UPOV91, which eliminates the right of farmers to save and exchange protected seeds), as they agreed to do under their 2003 and 2006 bilateral trade deals with the US government.
- The Trans-Pacific Partnership (TPP) binds 12 countries from Asia and the Americas to join UPOV 91. This, in turn, will oblige many of them to clamp down on farmers' ability to save seeds from protected varieties. The US biotech and seed industry believe that this Treaty also opens the door to the patenting of plants more generally and they call TPP the "greatest tool" yet for imposing higher intellectual property standards not only in Asia, but globally.

The good news amidst the decade-long aggressive corporate encroachment on farmers' control over the seeds they use is that opposition against trade and intellectual property right deals is growing by the day, and mobilisations against the privatisation of biodiversity are a central part of this opposition.

There have been some efforts at the UN level to protect the rights of farmers and local communities over the biodiversity that they have nurtured over centuries. One is the Seed Treaty negotiated and agreed 15 years ago at the Food and Agriculture Organization of the UN (FAO). It includes a clause on Farmers Rights that recognises the right to "save, use, exchange and sell farm-saved seed". At the same time, however, the Seed Treaty also recognises corporate intellectual property rights on seeds. At an official meeting about the topic, held in October 2016 in Indonesia, the peasant movement La Via Campesina expressed strong disappointment that after 15 years, the Treaty has done little to implement and secure farmers' rights. The movement called, again, on Treaty member countries to stop negotiating intellectual property agreements and laws that undermine and criminalize peasants' rights to seeds. (2)

Another UN treaty dealing with the issue is the Convention on Biodiversity (CBD) which adopted the Nagoya Protocol in 2010. The Protocol is focused on access to, and the sharing of benefits from biodiversity. In theory, this protocol provides for prior informed consent and a protection of the rights of local communities. In reality, however, the Protocol has been criticised for reducing seeds to a mere commodity rather than regarding them as an essential element of people's cultural heritage. In June 2016, a Constitutional Court ruling in Guatemala suspended the Protocol's implementation in the country (see article in this bulletin), in large part as a result of campaigns by indigenous peoples' and farmers' organisations who argued that the goal should be to protect biodiversity, not to commercialise it. (3)

The good news amidst the decade-long aggressive corporate encroachment on farmers' control over the seeds they use is that opposition against trade and intellectual property right deals is growing by the day, and mobilisations against the privatisation of biodiversity are a central part of this opposition. In many countries, such as in Chile, Argentina, Colombia and Guatemala, social movements have successfully challenged new seed laws. In others, new trade deals are increasingly being contested from the streets. Here lies our strength to keep biodiversity in the hand of indigenous peoples, peasant farmers and local communities. - Third World Network Features.

** GRAIN (https://www.grain.org/) is an international non-profit organisation that works to support small farmers and social movements in their struggles for community-controlled and biodiversity-based food systems. The article is from Third World Network Features.*

Farmer field schools help women lead on Climate Change

Discussions around climate change have largely ignored how men and women are affected by climate change differently, instead choosing to highlight the extreme and unpredictable weather patterns or decreases in agricultural productivity writes ***Sally Nyakanyanga**.

Women constitute 56 percent of Ugandan farmers and provide more than 70 percent of agricultural production, nutrition and food security at the household level, according to the Women of Uganda Network (WOUGNET). However, despite the fact that women do most of the farm work, they only own 16 percent of the arable land in the country.

Stella Tereka, the U.N. Food and Agriculture Organization (FAO) focal person on gender and climate change, says that discriminatory cultural practices that tend to favor men have limited women's ownership and control over key productive resources in the country - a factor also exacerbating women's vulnerability to climate change.

"The intensive labour burdens on women, especially the unpaid care work in the household, has resulted in women having less time to practice the learning, knowledge and skills gained from groups in their farming activities," Tereka told IPS.

Winnie Masiko, the gender and climate change negotiator for Uganda at the United

Nations Framework Convention on Climate Change (UNFCCC), noted the lack of clear guidelines to incorporate gender in climate change projects.

"We need to develop a Gender and Climate Change Strategic Plan," says Masiko.

The Ugandan Land Policy of 2013 grants women and men equal rights to own and co-own land, but this is not always the reality on the ground. Masiko says initiatives should focus on addressing embedded structural imbalances in order to bridge the gender gap, understand women and men's varying needs, and pave the way for effective adaptation to climate change.

Edidah Ampaire, coordinator for Uganda's Policy Action for Climate Change Adaptation project, says that women's rights and contributions are extremely constrained, especially in rural areas, and that little is being done by government particularly through policy to address the imbalance.

"Gender inequalities are rife in farming communities, putting women at a disadvantage," says Ampaire.

Tereka stressed that promoting gender equality is at the core of FAO programmes and the U.N. agency has made deliberate efforts to ensure the inclusion of women in all their programs.

"It's imperative that women get empowered and take part in decision-making at all levels - this way we can see them contributing effectively to the development of their family and nations," Tereka said.

Through the Farmer's Field School (FFS) methodology, "commonly known as schools without walls", FAO has enabled both men and women with a common goal to receive training, share ideas, learn from each other through observation and experimentation in their own context. On average the FFS have about 60 percent women farmers participating.

Proscovia Nakibuye, a cattle farmer in Nakasongola district, said the FFS has taught her effective strategies to cope with climate change. "We have been taught good livestock keeping and to plant pastures," says Nakibuye.

"Farmer Field School offers space for hands-on group learning, enhancing skills for critical analysis and improved decision making by local people," Tereka explained. "FFS activities are field-based, and include experimentation to solve problems, reflecting a specific local context.

"Participants learn how to improve their agronomic skills through experimenting, observing, analysing and replicating on their own fields, contributing to improved production and livelihoods, The FFS process enhances individual, household and community empowerment and social cohesion."

Nakibuye and her husband are seeing major changes both in their household and farming activities. "Before, my children were not going to school but now through increased sales of milk, I can afford a decent education for my children," she said.

FAO has also utilized the Gender Action Learning Systems (GALS) - a community based tool that enables women and men to plan the future they want and take action against barriers, including societal norms that inhibit gender equality and justice.

Mercy Ssekide, a farmer in Mubende District, joined the Balyejjusa FFS. "If you don't cooperate with your family, the farming won't be successful - that's why I had to encourage my husband to join the FFS in order for us to work as a team," she says.

"We are trained and encouraged to work hard to handle climate change and in order to meet our household needs. During off season we grow tomatoes and earn some money as locals and traders come and buy from us," says Mercy's husband.

Together, as a family, they have diversified and ventured into poultry, goat and pig rearing, and kitchen gardening. The Ssekide family are now deciding as a team on the use of their income - and are able to afford giving their two children a university education.

FAO, with funding from European Union, is implementing the Global Climate Change Project in the central cattle corridor in the districts of Luwero, Nakasangola, Nakaseke, Mubende , Sembabule and Kiboga.

Cognizant of women's labour burden and time poverty, FAO ensures that all project activities are gender inclusive and participatory - particularly adjusting meeting/learning time to ensure women are involved and benefit from the skills and knowledge on climate smart agriculture.

Tereka believes that with an increasingly unpredictable climate, skills development in climate smart agriculture is critical. She urged the Ugandan government to revamp its agricultural extension system to be more gender-responsive, in order for farmers - especially women to - effectively put to good use the inputs being distributed by government under Operation Wealth Creation.

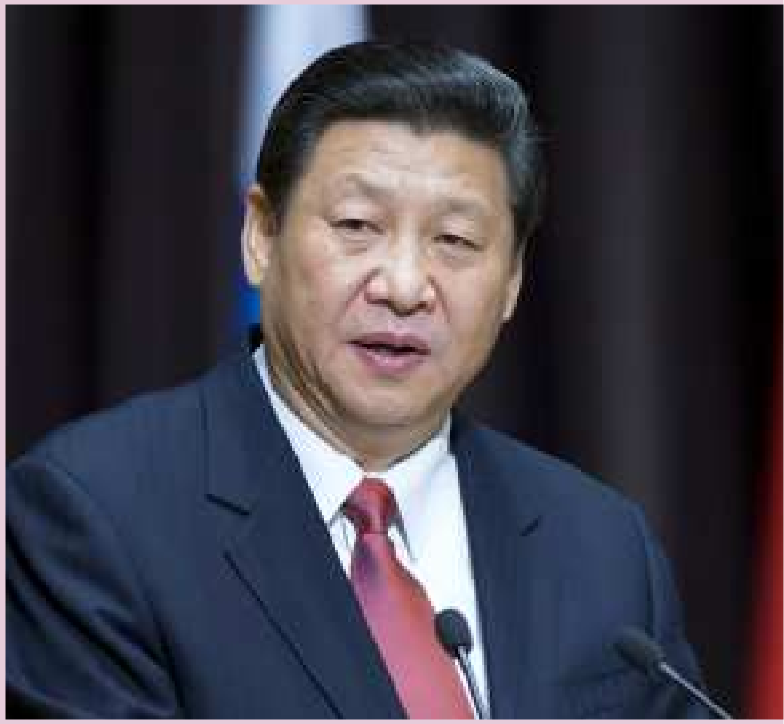
The FFS methodology is now being implemented in 90 countries with 4 million farmers across the globe having improved their skills and adjusted positively to the effects of climate change.

** Sally Nyakanyanga writes for the IPS from Kampala, Uganda.*

US Trade Hawks and the China Bogey

New US President Donald Trump has long insisted that its major trading partners having been taking advantage of it. Changing these trade terms and conditions will thus be top priority for his administration, and central to overall Trump economic strategy to 'Make America Great Again', writes ***Jomo Kwame Sundaram**.

US President Trump



Chinese leader Xi Ping

Candidate Trump's trade policy paper was written by Peter Navarro and Wilbur Ross. Ross will now be Commerce Secretary while Navarro will head the National Trade Council. They view economic policy as integrated, including tax cuts, reduced regulations as well as policies to lower energy costs and cut the chronic US trade deficit. In just 21 pages, they suggest how US growth will increase during a Trump administration, with millions of new jobs and trillions in additional income and tax revenues.

One view is that President Trump can implement most of the policies advocated without obstruction by either the US Congress or court system. Internationally, no country will take on the US for a "very simple reason: America's major trading partners are far more dependent on American markets than America is on their markets".

Navarro and Ross argue that the US has already lost out, mainly due to badly negotiated trade deals and poor enforcement resulting in trade deficits. They claim that because the US does not use a value-added tax (VAT) system, everyone else has an unfair trade advantage, that, they believe, the World Trade Organization (WTO) should have rectified. As the world's largest economy, consumer and importer, the US has the leverage to correct this by pulling out of the WTO. As the WTO would become irrelevant without the US, the damage would be minor.

According to the plan, reducing the US trade deficit will put more money in the hands of American workers who will then be able to afford higher prices for US made products. As American products become more competitive over time, prices will fall, raising consumer welfare.

Electronics factory

China myths

Defensive tariffs are proposed to deal effectively with 'trade cheats'. With China identified as the "biggest trade cheater" in the world, it gets special attention. In the US public mind, China remains 'the world's workshop', where hundreds of millions of lowly paid workers mass produce consumer goods while its artificially low exchange rate and production subsidies ensure their goods remain competitive internationally. While perhaps true over a decade ago, the situation has changed radically since.

At the height of global trade imbalances over a decade ago, China's trade surplus was more than ten percent of GDP. However, with the sudden slowing of world trade growth during the 2008-2009 Great Recession, growth of the US trade deficit with China slowed significantly. While the US still has a large trade deficit with China, China is also among its largest export markets.

In 2014, services overtook manufacturing as the biggest component of China's economy. Net exports were equivalent to 1.7% of growth, tiny compared to domestic consumption and investment. China will want to continue exporting to the US, but the structural transformation of its economy and greater demand for various services now generates more new jobs, not only in China, but also elsewhere, including the US.

On the campaign trail, Trump threatened to declare China a currency manipulator and to impose tariffs of up to 45 percent on Chinese imports during his first 100 days in office. Under US law, Trump can easily cite currency manipulation to impose defensive and countervailing tariffs against others as well. Navarro and Ross not only point at China, but also Japan and the euro, with the Germans getting special mention.

Washington has long claimed that China artificially depresses the value of its currency to benefit exporters. While a plausible case could have been made to this effect a dozen years ago, the renminbi has greatly appreciated since then, following tremendous US pressure, much amplified by the International Monetary Fund (IMF).

Most serious economists today doubt the renminbi remains undervalued. While stable for about a decade before 2005, and arguably undervalued for some of that period, the renminbi has risen by 30-40 percent since, prompting the IMF to repeatedly declare that it is no longer undervalued.

Indeed, weakening export demand and strong capital outflows have put tremendous downward pressure on the Chinese currency, forcing its central bank to use its US dollar reserves to artificially support its currency. Thus, recent Chinese currency manipulation has kept the renminbi overvalued rather than undervalued.

"Trump team is proposing remedies that, at best, rely on a long outdated diagnosis. The current situation is very different. Failure to make progress with wrongly prescribed measures may lead to even more aggressive efforts, which risk leading to economic war in which most, even spectators, will become victims."

All this suggests that the Trump team is proposing remedies that, at best, rely on a long outdated diagnosis. The current situation is very different. Failure to make progress with wrongly prescribed measures may lead to even more aggressive efforts, which risk leading to economic war in which most, even spectators, will become victims.

** Jomo Kwame Sundaram wrote this for the IPS from Kuala Lumpur, Malaysia.*

OH MAMA

A short story by Kwao Tordzro

I got to the traffic rank in front of the shopping mall. I made my way to the taxi with the sign indicating the next taxi in line to move. The driver recognized me, for I was regular user of that route. He politely asked the gentleman sitting in the front seat to move to one of the two empty seats in the back so that with my walking stick, I could alight exactly where I usually did with ease.

Beside the road facing us, stood a, tall young man who seemed to be giving detailed instructions to a lady. The young lady had beside her, two heavy travelling bags. To an unsuspecting observer, she was just an ordinary shopper, about to embark on her journey home. From her facial expressions, however, she seemed to be having some difficulty keeping her side of the conversation.

The driver seemed to have had an understanding with the man who had relinquished his seat for me. This became clear when he finally took his seat. He revved the engine and gave two sharp bursts of the horn.

The tall, young man heaved the travelling bags and placed them on the shoulders of the lady. Straining her muscles, she made her way to the taxi. First she came to the front .Seeing me in the front seat, her face showed anger and confusion. The man who had given me his seat gave a grunt from the back. She turned around. “Cool,” he said.

Taking her seat finally, she started to make a lot of noise. She seemed to be trying to get her seat belt around her unwieldy baggage. Finally, under some coaxing by the driver and the kindly gentleman, she relented. The car moved. All seemed to be at peace at last. Soon we got to a long stretch before a toll booth.

Suddenly, the lady started moaning. “I am dying,” she said. She repeated this statement in Ga, Twi Fante, Akuapem, Ewe, Dangbe and a host of other Ghanaian languages that I could not decipher. “I just can't carry this burden anymore,” she said. “I can't!”

Apart from me, only the third passenger in the back seat was shocked by this wailing. Neither the driver nor Mr. Kindly seemed surprised.

I turned in my seat and took a long look at her. Suddenly, it occurred to me that something was amiss. The painful moaning of the lady seemed to be out of keeping with the creaseless nature of her face. Finally, it all dawned on me. I remembered a conversation I had once overheard at a party. According to a man who seemed to be quite savvy about the doings of foreign businessmen of our country, some of the shopping malls that seemed to be springing up in our country were running pornographic video business. Our country men and women could get in touch by leaving their contact numbers in the rest rooms of the malls. They would then get a call directing them to a place, usually indicated by a plaque as an office. This was really a porn theatre. Before filming, the face and other parts of the body of the actors were often treated with a certain liquid usually employed by undertakers to preserve cadavers. This was necessary as most of the women who took in this of activity were old prostitutes usually the worse for wear. The function of the embalming substance was to give the body of the actor a false youthfulness for the viewing satisfaction of the viewer.

Having come to this understanding on the pain of my fellow traveler, my initial disquiet with the moaning lady was replaced with a belated introspection and sympathy. Had I been too quick in not understanding her?

Apart from the understanding I had developed with the taxi drivers, today was a special day. The contents of my bag were of two types. First, there was a biography of Paul Robeson, the outstanding African-American sportsman, musician and actor and another book about Pompeii and Herculaneum, ancient Italian cities that were buried by earthquakes. These books I had acquired from the personal library of my managing editor, with the intention of doing pictorial essays of the contents. Secondly, there was a big tin of shito, a concoction of pepper, ground shrimp and various spices. From the contents inscribed on the can, I was assured the shito promised to be tasty indeed.

I directed the driver to a grocery. There, I would alight. With my walking stick I would cross the wooden plank across the gutter, straight to the shop where I would buy my tinned/canned fish to go with my shito.

The taxi reached the spot. I disengaged the seatbelt, hauled my bag after me and alighted. Instead of crossing the gutter however, I stood and took a last, long look at the moaning lady. Kindly gave me another nod. I finally crossed over and the taxi moved on. The lady grocery owner asked me, “What problem did you have with the shopping mall woman?” Clearly, she had observed the whole thing. What surprised me however was that she seemed to be acquainted with the lady.

'You know her?” I asked.

“She lives at the last stop of the taxi.”

I did not wait to find out how she knew. Having purchased my tinned/canned fish, and stored it in the bag, I boarded another taxi. This time, it was a direct one, a 'dropping,' which would take me alone to the last stop, avoiding the frequent stops to disgorge passengers and pick fresh ones, not a 'loading' one like the first. This meant extra cost for me. I was working against time. I had to get to the last stop before the taxi got there. I chided myself for this sudden shift in interest. I was slightly ashamed at this disembodied curiosity. The fact that I could get a story out of it assuaged my conscience only a little.

Presently, we were at the last stop. My first surprise was seeing the tall, young man whom I had seen giving the lady instructions at the shopping mall taxi rank. He was leaning against a tree, giving another woman fellow instructions in much the same way as he had done with my fellow passenger. Clearly, this second woman was bound for the shopping mall 'office.'

Finally, the first taxi arrived. The moaning woman alighted, followed by Mr. Kindly, who helped her with her shopping bags. At this point, things moved very fast indeed. An old lady appeared, whom the moaning lady greeted as Mama. So this was the mama whom she had been addressing in her painful soliloquy. The tall man quickly called two porters and gave them some money. Together, they followed the moaning woman and her mother and went off.

Turning my attention to the tall instructor, I realized he had been joined by an interesting group indeed. There were five women. He seemed to be questioning them and inscribing their answers into a tiny note pad. There was also a middle-aged man with a cane who spoke English with a Levantine intonation. He spoke in short, quick-tempered gusts which reminded me of a few anecdotes about Levantines and my fellow countrywomen.

Finally, some weaning process seemed to be taking place. Three of the, women were chosen, the rest turned away. These two seemed to be pleading. Finally, the Levantine man seemed to decide on an inspection. He lifted their skirts with his cane and peered closely at the skin underneath. Then he spoke. The tall gentleman then addressed the two women. To me, he seemed to be explaining to them that since the texture of their skin did not pass muster, they would have to endure the embalming liquid. The Levantine made some quick calculations by ticking off his fingers. He seemed to be telling them that as pensioners working on contract, they had to accept a reduced fee. The tall gentleman did some amplification and explaining.

As all seemed to have come to a decent understanding, the Levantine walked away. Watching him I realized that he drove in a brand new Mitsubishi Land Cruiser. He headed towards my part of town.

I had seen as much as I could take in a day.

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