

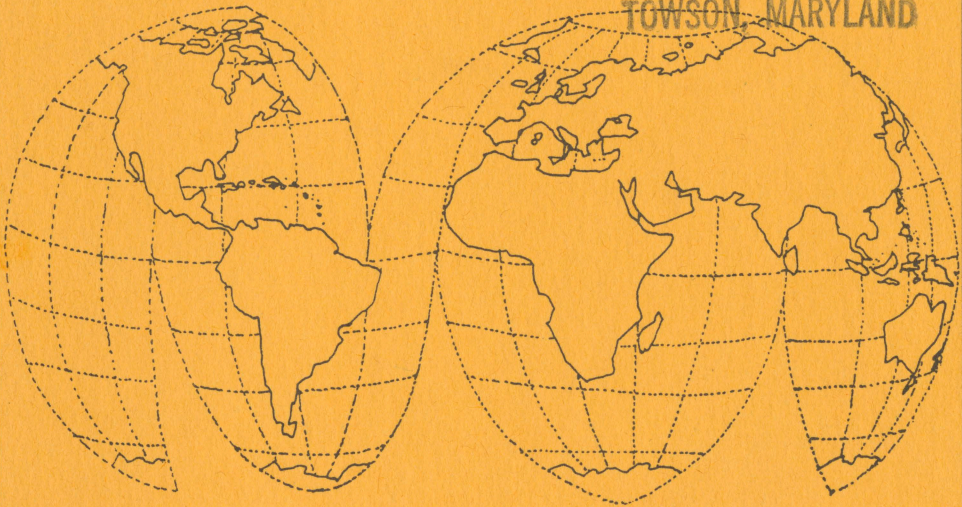
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## DEDICATION

Each year, the papers presented during the Earle T. Hawkins Symposium on International Affairs, held at Towson State University, are published in an issue of the **Towson State Journal of International Affairs**. The 26th Annual Symposium was held in April, 1995, and was concerned with *African Development in the Late Twentieth Century*. The topic would have been welcomed by the late Dr. Smart Ekpo, a professor of Political Science at Towson State University, and a native of Nigeria.

This issue of the **Towson State Journal of International Affairs** is dedicated to the memory of Smart Ekpo, who passed away in August 1994.

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# STRUCTURAL ADJUSTMENT: THE PAINFUL MEDICINE THAT SEEMS TO WORK WHEN ALL ELSE FAILS—THE CASE OF KENYA†

Benjamin E Kipkorir\*

## INTRODUCTION

For many nations, structural adjustment is a painful yet inevitable process. It may be compared to a patient taking bitter medicine to cure both a fever and the disease which caused it. The treatment is prescribed and administered by specialists who act in concert to heal an ailing patient. If the treatment succeeds, credit goes to both the patient and, especially, to the healer. If it fails, the patient is held responsible and must often face successively more painful treatments to recover. However, no condition is hopeless. Ultimately, adjustment works! Nevertheless, it is easy to see why many countries, especially those in sub-Saharan Africa are reluctant to embrace adjustment. It is so painful a process, it seems to hurt more than it heals. It takes exceptional political courage to lead a country through the process of structural adjustment.

In this paper, I will discuss structural adjustment from the narrow standpoint of a developing sub-Saharan African country--Kenya. I intend to examine the ideological framework and the policies of Kenya's economic development against recent measurable results. I make no pretensions of scholarship. My paper is not the product of research; it is a reflection of my intellectual understanding of adjustment as a process and my personal perception of the Kenyan experience. It is not an official apologia for the Kenyan Government's sometimes ambivalent stand on structural adjustment. I will attempt to present both sides of the issue: the economic and the political arguments for and against adjustment.<sup>1</sup>

A discussion of any facet of Kenya's political economy would be incomplete if it did not address, even if only in passing, the question of Kenya's *exceptionalism*.<sup>2</sup> Kenya has always been judged by a different yardstick than other countries on the African continent. Since becoming home to a tiny band of European settlers, Kenya has developed a unique character. It has traditionally been regarded as a territory for rugged individuals, farmers and traders, preachers and politicians. And it has always been perceived to be prosperous, despite a lack of obviously exploitable natural resources or a work force educated to levels comparable to those of the former British West African territories.<sup>3</sup> For Kenya, this success is essentially accounted for by the maintenance of a working infrastructure--mail service and working telephones--and by a tolerance of other races, especially in business. Finally, it's capital, Nairobi, early on attracted international conferences and even the first UN headquarters outside the U.S. and Europe.<sup>4</sup> Kenya has also managed to avoid internal civil strife, despite the scare of a Somali secession in the early days of Kenyan Independence that threatened the loss of fully half the territorial domain. Civil strife such as has afflicted Uganda, Somalia and Ethiopia, as well as the costly ideological experiments in the neighboring countries of Tanzania and Zambia, have served to make Kenya a haven of stability in a continent confronted by many seemingly insurmountable problems.

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† This paper was presented at the Earle T. Hawkins Symposium, Towson State University, in April 1995. The views expressed in this paper are the author's own, and should not be construed to represent the views of the Kenyan government.

\* The Honorable Benjamin E. Kipkorir is Ambassador of Kenya to the United States.

1 The reader should know that as a public servant I have dabbled in a bit of everything from local government administration to diplomacy. In between, I have also served as a historian and as a banker, all the while nursing farming aspirations, as a true Kenyan must.

2 Attributed to John Lonsdale of Trinity College, Cambridge, in an unpublished paper.

3 In terms of the formation of an elite class, Ghana (formerly the Gold Coast), was way ahead of Kenya at the time of independence, with an educated elite going back several generations. Nevertheless, European and American visitors often singled out the Ivory Coast in West Africa, and Kenya in East Africa, as territories that were exceptional when compared with other colonial territories.

4 Nairobi, at 5400 feet above sea level has a pleasant climate which, combined with communications facilities, have made it attractive for a host of international and bilateral organizations, including the UNEP.



## THE TERMS

In concise terms, what does structural adjustment mean? The IMF recently restated that adjustment should seek to:

"achieve structural changes to enhance allocative[sic] efficiency,<sup>5</sup> growth, and sustainable reduction in poverty. Stabilization and structural adjustment tend to go hand in hand. Usually the country initiating an adjustment program...faces pressing macro-economic problems manifested as large and unsustainable fiscal and balance of payments deficits and inflation."

I stated earlier that I am not seeking to expound an economic theory. Nevertheless, I find it necessary to outline Kenya's economic thinking and practice, to indicate how distortions came about, necessitating structural adjustment.

## THE PRICE OF AVOIDING ADJUSTMENT

There is a consensus view that Kenya's economy was, for a developing country, doing well before 1987. Occasional problems requiring adjustment, had arisen before. The attempted coup in 1982, led to a recession while the severe drought of 1984 strained both the public and private sectors. Structural adjustment was undertaken at various times before 1987, but by the end of the third decade of independence, Kenya's economy suffered from considerable distortions. The worst might have been prevented had the political will been there, but it was absent. These episodes notwithstanding, Kenya had notched up successes in critical areas that could have impacted favorably on the economy. Public health had improved considerably since independence. Infant mortality had been greatly reduced, to 77 per thousand, far better than the average obtained in most low income countries. A life expectancy of 55 years for males and 59 for females was similarly above the averages for sub-Saharan Africa. The country had also attained near universal primary school enrollment. But, Kenya began to rest on her laurels and probably began to believe in the myth of her *exceptionalism* after 1987. From 1988, her friends in the West--the donors--began to take a critical look at everything she did, from the actual conduct of the elections of 1988 to the siting of any new projects.

Many countries, Kenya included, did not immediately realize that the advent of *Glasnost* and, ultimately the collapse of Soviet Communist hegemony in 1989, would lead to a dramatic re-orientation of Western policy towards those countries which had formerly been supported more for their value as a bulwark against Socialist ideology than for any strategic reasons. Already the country was in deep macroeconomic trouble. Inflation rose rapidly to double digits and higher as the 1980's came round: Unemployment was also rising. It went up in the urban areas from 11% in 1977 to 16% in 1986, and reached 22% in 1992. In rural areas the size of the average smallholding declined from 2.0 hectares to 1.6. in the period 1982-92. (This reflects a rising population in a nation with a comparatively small amount of arable land.) Indicators of generalized poverty were going up, especially in the rural areas. It was estimated that about half the rural population were receiving less than minimum requirements of food and essential non-food commodities.

In the 1970's, when Kenya's economy hit a wall, the proverbial miracle seemed to happen and Kenyans were able to resume dreamy self delusion, believing that everything was alright<sup>6</sup>--Kenya's population growth rate, at 4.4% per annum, was the highest in the world at this time. But the Oil Crisis did not leave Kenya in any better shape than before; Kenya has no oil. Kenyatta's era was in its last stage, and the future of the Presidency was uncertain as different factions of the ruling party scrambled for succession. The East African Community, formed from the three countries of eastern Africa, effectively collapsed; and

5 Quoted from an IBRD Circular: "Issues in Adjustment Lending: A Summary of Forthcoming Operational Objectives," 1992.

6 A frost in Brazil in 1975 led to a dramatic rise in global coffee prices on the international markets. In neighboring Uganda, Amin's regime created an opportunity for smuggling which suited Kenyan political entrepreneurs admirably. Hence the miracle of the *Coffee Boom*.

both the Amin regime in Uganda (1971-79), and Nyerere's avowedly socialist Tanzania were equally hostile. Kenya was isolated. However, her central location in a region with a poorly developed manufacturing capacity allowed her to benefit from a captive market. In addition, she received, and made good use of, assistance from Western donors--though the value of this aid is often exaggerated. Thus Kenya came through the 1970's economically and politically stronger than any of her neighbors.

It has often been said that Kenya's economy was a mixed economy, neither capitalist nor socialist. Kenya's approach to economic development was pragmatic, and not ideologically driven. The rich did not get to exploit the poor, who were helped by a variety of governmental instruments and measurers (a few of which have been mentioned above). Equally, any aspiring Kenyan could help himself to the fruits of *Uhuru* [freedom]. The Ndegwa Commission Report of 1973 was held to legitimize this process, having underscored the point that the ordinary citizen, or *Mwananchi*, would take a long time to get a measurable share, let alone wrest control, of the economy from those perceived to control it already (Europeans) or to have advantages (Asians). In practice, this meant that the elite--including those in the civil service--were now free to undertake private business. They could legitimately stake a claim to their share of the national cake. It is this simplistic analysis of economics that led Kenya to an unmanageable state of affairs necessitating frequent structural adjustment, and this was especially noticeable by the end of the 1980's.

The foundation for this mixed economic system and agenda was laid soon after Independence. Despite (or perhaps because of) his own acquaintance with communist Russia, the nation's first president, Kenyatta, had an intense dislike of the neo-Marxist ideals espoused by many of his contemporaries in the region. Conversely, Oginga Odinga, Kenya's first vice-president, was, throughout his political life, a professed socialist. As Odinga never had the chance to carry out his agenda, we will never know whether he would have followed Tanzania and Zambia in their neo-Marxist experiments. Nevertheless, Kenya never practiced outright capitalism at any stage of the history of her political economy either. The prevailing wisdom in post World War II Europe prescribed state intervention in the economy to stimulate growth and address distortions, for example, in the distribution of wealth. The Labour Party which came to power in Britain soon after World War II. It was socialist in its philosophy and practice. It nationalized many public utilities and much of British industry with the exception of commercial banks. It was from Western European socialists that leaders of newly independent states of the world borrowed in determining economic and political ideology. Even more than their British counterparts, African leaders needed to share the national cake with millions of newly enfranchised citizens. Barring the presence of African capitalists the state was the best means by which this could be achieved.<sup>7</sup>

In addition, colonial Kenya's economy had already been operating under socialist ideals, borrowed from the British Labour Party. The railways, airline, and posts and telecommunications were part of the integrated British East African Territories administration (soon to be transformed into the East African Common Service Organization, EACSO, and then, from 1967 to 1977, the East African Community). Kenya only had to nationalize or purchase controlling interests in a few other utilities, the power generating and distribution company and the largest bank in the country--The National & Grindlays (which became Kenya Commercial Bank). Kenya then went on to inaugurate many state enterprises and to promote the co-operative movement through appropriate policies and regulations. In time, state ownership of insurance companies, with a monopoly in reinsurance, agribusinesses, cement manufacturing, tourist enterprises etc., effectively crowded out the private sector.

7 See "African Socialism and its Application to Planning", Sessional Paper No. 10, 1965, Government Printer, Nairobi. This paper, written, it is believed, by Tom Mboya (the flamboyant Oxford educated former Trade Unionist), and Mwai Kibaki, an economist educated at Makerere and at London University, set the stage for Kenya's *mixed* economy. No document has had such a profound influence on the thinking and practice of the Kenyan political economy as Sessional Paper No. 10.

At another level, the government began to embark on a socialist agenda of providing free services to *Wananchi*, i.e., the people. Access to outpatient treatment in government health centers, clinics and hospitals was made free in 1966. Also, free 7-year primary education was declared for all children in 1974. With the introduction by President Moi of free milk to primary school children in 1979, under a new School Milk Scheme that eventually became heavily donor-dependent, Kenya was firmly on the road to becoming a true socialist state like her neighbor Tanzania. The management of the two countries' economies differed only in degree and style, not particularly in ideology. The build-up of a substantial stake in commercial enterprises, coupled with a rudimentary welfare system, effectively transformed Kenya into a Socialist state in all but name. The significant difference between Kenya and the other countries in the region was in the total absence of strident ideological rhetoric in the articulation of the different programs of her political economy.

### THE CRISIS

Over time, aid from friendly (especially Western) countries, became an important element contributing to Kenya's economic survival. During the Cold War, Kenya was wooed by the superpowers. Entitlement to aid was taken for granted by donor and recipient alike. Year by year, the Finance Minister increasingly relied on foreign funds, not merely to balance the budget but, more importantly, to build and maintain national infrastructure. For example, British assistance to Kenya in the mid 1980's was second only to India, a country with a population tens of times greater.

Over-reliance on aid is a grave mistake. When the crunch comes, a nation's economy is placed in peril--and this is what happened to Kenya in 1991. Aid flow has lulled many recipient countries away from sound economic and political sense. The end of the Cold War and the coincidental and the related call, from without and within, for democratic pluralism, good governance, redress of economic distortions and corruption, etc. made it necessary for Kenya to embark on an irreversible road to adjustment. The ground rules under which she had received aid from, and enjoyed cordial relations with, the West changed dramatically when the Cold War ended. Kenya was now being told that she had to change.

Such is the backdrop to Kenya's current adjustment. It is quite different from previous attempts to deal with distortions in the economy. It is a process of both economic and political adjustment for survival in a greatly changed world.

Although not alone among the sub-Saharan countries so affected, Kenya was particularly hard hit by donors' sudden withdrawal of support after 1991. The country was not prepared politically for such a dramatic confrontation and her leaders, probably justifiably, felt betrayed. Early attempts at Fund/Bank supported structural adjustment, in 1989, failed because the government was preoccupied with a domestic political crisis following party and national elections in 1988. The elections had been conducted under a new queue-voting (*mlolongo*) procedure and resulted in widespread complaints of rigging and other electoral kinds of malpractice. Consequently the new Parliament and Administration were bogged down in problems of political legitimacy. An emerging opposition movement increasingly took its case into the international arena. By the time multiparty elections were held in December 1992, the economy was in a shambles. Comprehensive structural adjustment had to be embarked upon, and without delay.

### FROM POLITICS TO ADJUSTMENT

The current economic reform program commenced in earnest in May 1993. The government had expected that aid flows, abruptly stopped by the donors in November 1991, would resume following the December 1992 elections. Nothing was forthcoming without structural adjustment. The long break from effective contact with the donor community between 1991 and 1993 had taken its toll on the economy. New macroeconomic distortions, arising mostly from a laxity in fiscal and monetary controls, required urgent attention and further complicated the problem. Fortunately for Kenya, a fresh view was taken by both the IMF and the World Bank. Also critical was the appointment of a new economic team, including a new Minister of Finance and a new Governor of the Central Bank, to undertake negotiations with both the

Breton Wood institutions and the donor community. Untainted by past failures, the new Kenyan economic team, with new civil service leadership at the Treasury, has conducted effective exchange with the respective parties both internal and external. If it should turn out that Kenya's economic problems could have been avoided by the right personnel appointments, then a useful lesson will surely have been learned. Nevertheless, the question of political commitment--by politicians who cannot ignore the effects of adjustment on the people--remains. The donor community seems inclined to believe that the hesitant approach to reform is a willful act of defiance driven by selfish interests. I prefer to believe that African leaders genuinely fear the unknown consequences of adjustment.

Few African politicians are personally acquainted with successfully concluded adjustment. Fewer still can persuasively explain adjustment to their colleagues. It takes guts and courage, not just reason, to embrace adjustment. The fear of adjustment and its effects on the masses and, ultimately, on the politicians themselves is real and can be illustrated. For these reasons, the structural adjustment now under way in Kenya is an impressive political effort.

The adjustment now in progress in Kenya is revolutionary. It addresses the fundamental question glossed over at Independence: what is the most effective role of the state in the economy? A crucial platform of Independence generation leaders was African **control** of the economy. Participation in business by an elite was seen as a partial means to this end. Another means to the same end was state participation in commercial enterprise over and above its constitutional role as regulator. It is this other role of the state in the economy that has come under critical review. The government has had to agree to privatization of most state enterprises, and discussions on the accomplishment of this policy are at a delicate stage. Donors would like Kenya to move forward more aggressively while the government is worried that privatization could result in other, potentially more serious, distortions (chiefly regional inequities due to inherent differential factors that are themselves functions of earlier unequal distribution, by colonial powers, of services and patronage). In a related issue, the government has to address the subject of a functional civil service, one that is well remunerated and committed to professional service to the public. Before this can be fully realized many public workers will have to be retired under a comprehensive program of civil service reform.

The most important of the other areas covered in the program of adjustment is market liberalization and the removal of price controls. In many cases the government has readily acceded to essential reforms and the removal of the price control regime in toto. The most difficult case, inevitably, is grain marketing. The government's concern with food security in a region prone to periodic droughts and famine has made it difficult for progress to be achieved despite the philosophical acceptance of open market principles.

What successes have been achieved so far? Perhaps the most important indicator of the positive effect of reform is the stabilization of the Kenya Shilling. At the beginning of the reform, the U.S. dollar was valued high at 80 Kenyan Shillings. Within a year, the exchange rate had become one dollar to K.sh.37.00. For some time now, the currency has stabilized at K.sh.44.00. The rapid relaxation and ultimate removal of exchange controls has been the single most important indicator of the positive results of adjustment. Nobody likes to operate in a market in which the currency is fluctuating and erratic or moving in one linear direction for no apparent reason. Due to the fiscal and monetary measures undertaken up to the present time, a flurry of economic activity has been witnessed locally. With the partial opening of the local stock market to foreign investors, there are positive signs from that direction too.

### **THE SOCIAL DIMENSION: WHO CARES?**

A meaningful discussion of structural adjustment without an attempt at discovering its social dimensions is incomplete if not impossible. Governments often describe the social impact of structural adjustment as unacceptable or unbearable to justify their reluctance to undertake it. They imply that the condition of some or all of the individuals in their society would be irreparably hurt by the sacrifices of adjustment. This contention makes objective sense only if the individuals in question had been working hard enough, prior to the distortions in the economy, to have deserved better. The case has also been made that the need for adjustment is in part a function of extraneous factors such as adverse weather conditions, unpredictable

international developments and unfavorable terms of trade. These factors explain the reluctance of governments to accept the bitter medicine of structural adjustment. It can indeed be shown that quite often adjustment, like aid, can harm those whom it is intended to benefit.

The government of Kenya has tacitly assumed that the long term effect of adjustment is beneficial for the society as a whole and for the economy in particular. Simultaneously, it has most emphatically argued that "in the short term, the policy changes [of adjustment] have exposed the poor to higher levels of risks."<sup>8</sup> The government has identified certain vulnerable groups in incredibly ingenious categorizations: the young, women, the landless, those in arid and semi-arid (ASAL) areas, subsistence farmers, hunter gatherers, the disabled and others.<sup>9</sup> You might wonder who is not vulnerable to adjustment. If you conclude that no one is, you get the message. The government then went on to call on the donor community to "assist...in the dual responsibility of supporting both the reforms [related to adjustment] and the social dimensions arising from them."<sup>10</sup>

While structural adjustment has adversely and severely affected the poor, no single economic group has been spared. Currency devaluation, an immediate and visible consequence of adjustment, hurts the propertied classes especially badly.

It is true that exporters enjoy immediate advantages, but these are illusory and temporary. In the fewer than twelve months that I have been in America, I have seen both sides of the coin. Tour operators who immediately switched to the U.S. dollar in their contracts--because the currency was more reliable at the initial stage of adjustment--soon found themselves at the short end of the metaphorical stick when the Kenyan shilling recovered much of its lost strength and stabilized, within a matter of months!

On the other hand, Kenyan farmers who had to withstand unadjusted petroleum and spare parts prices for their agricultural inputs found, at the end of the season, that, because of economic liberalization, the market was flooded with cheap, often dumped, subsidized grain and other food crop supplies from the very countries decreeing adjustment. In less than nine months, the price of a 90kg. bag of maize (corn) dropped from 1000 to 570 shillings, not because the cost of production decreased, magically, in a single season, but for precisely opposite reasons. It takes more than a season for costs and prices of domestically produced goods to adjust to open market conditions.

The litany of woes attendant upon adjustment is long but neither tedious nor inconsequential. Governments choose to ignore the social dimensions of adjustment at their peril. Even communist dictatorships have to pay attention to the plight of discontented populations as Romania's Nicholae Ceausescu found out too late. Democratically elected governments are particularly sensitive and vulnerable. In Kenya, where more than 50% of the population is made up of youths under 16 years old, the burden on the working and income generating sections of society can be unbearable.

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<sup>8</sup> "Kenya Poverty Assessment: Executive Summary Overview, Conclusions and Recommendations." Paper prepared for the Consultative Group Meeting for Kenya, Paris, December 15-16, 1994, The World Bank, 1994.

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*

# INTERNATIONAL MONETARY FUND SUPPORT FOR AFRICA'S DEVELOPMENT AND POLICIES FOR THE SOCIAL SECTOR<sup>†</sup>

Festus L. Osunsade\*

## INTRODUCTION

To set the stage for a discussion regarding the International Monetary Fund's support for the economic and social development efforts of African Governments, it may be useful to first give a brief overview of the goals and characteristics of the IMF as a multilateral institution. The basic goal of the IMF (as defined by the 1944 Bretton Woods agreement) is international monetary cooperation, including the establishment and maintenance of a control-free system of international payments and transfers. In contrast, prior to Bretton Woods, countries had typically sought to solve their individual economic and financial problems by complicating such problems for other countries, i.e. by adopting a mendicant attitude toward neighboring countries. However, the promotion of an economically and financially integrated world economy under the Bretton Woods system is not an end in itself. The fundamental objective is rather "... [to contribute] to the promotion and maintenance of high levels of employment and real income and to the development of the productive resources of all members."<sup>1</sup>

The strength of the consensus on the importance of such an internationally cooperative approach is evidenced by the rapid growth in IMF membership. The IMF has grown from its original membership of about 40 countries to nearly complete global membership at present, the notable non-members being Cuba and North Korea.

IMF membership implies an adherence to a code of conduct, which includes a commitment to an orderly exchange rate and avoidance of manipulative actions in other international payments policies. Observance is monitored through IMF surveillance, by way of periodic dialogues or Consultations,<sup>2</sup> between the IMF and national authorities. Twice a year, the IMF examines economic policy from a multilateral perspective in the form of a world economic outlook exercise, the results of which are made public. The probes include in-depth studies of international capital market developments and trade policies.

The economic performance of individual nations occasionally falters. One of the key roles of the IMF is to offer transitional financial support to member countries adjusting to such a situation. Typically, such assistance is disbursed from a common fund established through member subscriptions or quotas (US \$212 billion, or about SDR 145 billion, at the end of 1994). Disbursements are subject to strict conditions regarding the borrowing country's ability to repay a loan over a specified period, thus assuring the revolving nature of the fund.

Because the needs of member countries change, the IMF has developed different kinds of financial assistance programs. One of these facilities is known as the Compensatory and Contingency Financing Facility (CCFF) which, *inter alia*, aims to provide financial assistance to member countries experiencing external payments problems because of difficulties such as shortfalls in foreign exchange earnings (from, for example, commodity exports, tourism, and remittances from nationals working abroad), or an increase in the cost of cereal imports. There is also a program known as the Structural Adjustment Facility (SAF), which began in March 1986 and which metamorphosed, in December 1987, into the enhanced Structural Adjustment Facility (ESAF). The ESAF, further enlarged and extended in February 1994, is designed to be a vehicle for concession lending to less affluent member countries, mostly in Africa. Under SAF/ESAF arrangements, loans are made at an annual interest rate of 0.5 percent, with a grace period of 5 years, and a repayment period of five and one half to 10

<sup>†</sup> This paper was prepared for presentation at the Hawkins Symposium held at Towson State University in April, 1995.

\* F.L. Osunsade is Assistant Director for the External Relations Department at The International Monetary Fund.

<sup>1</sup> IMF Articles of Agreement, Article I, ii.

<sup>2</sup> IMF Articles of Agreement, Article iv.

years. Because of its concessionary nature, SAF/ESAF funding has become the principal instrument of IMF financial assistance to qualified member countries (again, especially in Africa). Economic reform programs supported by SAF/ESAF arrangements involve the close collaboration of officials from the IMF, the World Bank, and the borrowing country, and such collaborations commonly result in the preparation of a Policy Framework Paper (PFP). In addition to referring to the basic goal of macroeconomic stabilization, PFP documents usually cover a wide range of policy issues, including structural matters such as the liberalization of domestic and external trade, the decontrolling of internal regulatory regimes, the privatization of public enterprises, environmental protection, and the alleviation of economic hardships suffered by vulnerable groups under transitional adjustment policies. The scope of PFP coverage benefits both borrowing and donor countries by coordinating and channeling the mobilization of external financial assistance.

The IMF, upon request, also provides technical assistance to member countries, both separately or as a complement to its adjustment support lending. Such assistance has commonly included central banking, financial legislation, statistics development, and data processing. Technical assistance may be provided directly by IMF staff members or by outside experts hired by the IMF or other like bodies, such as the United Nations Development Program (UNDP).

In some cases such assistance may be financed through special technical assistance accounts, such as the Administered Account opened at the IMF in March 1990 by Japanese authorities. For less affluent nations with limited institutional and administrative capacities, such technical assistance can be a critical adjunct to internal economic reform efforts.

### **IMF SUPPORT FOR AFRICAN GOVERNMENTS' FINANCIAL REFORM EFFORTS**

International Monetary Fund support of those African Governments endeavoring to restructure and develop their economies involves all three of the areas of IMF activity previously described: Policy advice, financial support, and technical assistance. Though seldom considered newsworthy, the policy advice provided is a vital part of the IMF contribution to financial stability and economic growth in member countries. Whether it is administered via periodic policy dialogues or on an ad hoc basis, policy advice is essential to formulating economic policies that provide an environment conducive to the fullest possible participation in a country's economic activity by consumers, savers, investors, and businesses, both at home and abroad. Additionally, for many African countries with limited resources for the promotion of external relations, country-by-country economic analysis reports prepared and issued by the IMF are an important means whereby the international community (and the domestic population), can be supplied with high quality information on economic development and related policy issues. In this way, some of the tools used to render policy advice, in effect, become technical assistance as well.

Because most African countries entered the post-colonial period with a need to develop or modernize a wide range of institutions and with limited know-how, their need for technical assistance has been substantial. In accordance with its mandate, IMF technical assistance to African countries has focused on matters related to financial policy. Among these are improvements in external debt management, the rationalization of tariff systems, improvements in tax administration and expenditure management, the development of market-based domestic monetary systems, and the modernization of central banking operations. In addition to the visiting teams of IMF staff members or consultants, technical assistance to African countries has been provided by resident IMF advisers. Many countries have found resident experts very helpful in the process of building internal policy consensus among interest groups, and in forging relationships with the local representatives of countries and organizations active in providing development assistance.

In the area of financial assistance, IMF support for the economic reform and growth efforts undertaken by African governments has been substantial. As of the end of 1994, some two dozen sub-Saharan African countries (about half the countries in the subregion), had comprehensive economic reform packages in place, with IMF financial support amounting

to an aggregate total of 2.4 billion U.S. dollars (SDR 1.6 billion) [Table 1]. The importance of this financial support relates to more than the level of direct financial assistance. IMF financial support for a country typically encourages substantial additional financial support from other sources, and this phenomenon is known as the catalytic effect of IMF lending. Among the additional possible sources of financial support are private investment, financial relief resulting from the renegotiation of external debts, the re-opening of lines of credit for external financing, and an increase in bilateral or multilateral (government to government) assistance. Also, in countries that have suffered from capital flight, the successful negotiation of policy based lending from the IMF usually helps to spur the return of resident controlled capital.

In discussing IMF financial assistance to the cash poor countries of sub-Saharan Africa, it is important to note a progressive change in the structure of outstanding IMF claims on these countries, from less to more assistance. For example, in the four and one half year period ending in December 1994, the share of SAF/ESAF credit accorded sub-Saharan African countries increased from about one quarter to nearly one half (Table 2). Greater reliance on adjustment assistance from the IMF and other sources allows less affluent countries to pursue long-term economic growth without an unsustainable burden of external debt.

### **IMF SUPPORT FOR THE SOCIAL SECTOR POLICIES OF AFRICAN GOVERNMENTS**

The basic means by which the IMF assists African governments in the pursuit of their social policy objectives is through the promotion of macroeconomic stability. It is well known that serious economic and financial imbalances are very harmful to society, especially the poor. For example, inflationary pressures tend to place basic consumer items out of reach of the poor, undermining the purchasing power of their meager cash resources. Similarly, when serious shortages lead to the imposition of rationing, the poor are unlikely to have access to necessary goods and services. Regulatory arrangements that impose price controls on agricultural products deny farmers the full benefits of a free market. Conversely, when artificially high exchange rates for local currencies are corrected and more realistic exchange rates are adopted, it becomes possible for African export producers to earn more in domestic currency, per unit of dollar receipts from exports.



**Table 1.** African Countries with Adjustment-Based Financial Support arrangements with the IMF, as of December 31, 1994

Countries	Amount of IMF Current Financial Support Commitment (In Millions of Special Drawing Rights)
Algeria <sup>1</sup>	475.20
Benin <sup>2</sup>	51.89
Burkina Faso <sup>2</sup>	48.62
Cameroon <sup>1</sup>	81.06
Central African Republic <sup>1</sup>	16.48
Chad <sup>1</sup>	16.52
Congo <sup>1</sup>	23.16
Cote d'Ivoire <sup>2</sup>	333.48
Egypt <sup>3</sup>	400.00
Equatorial Guinea <sup>2</sup>	12.88
Ethiopia <sup>2</sup>	49.42
Gabon <sup>1</sup>	38.60
Guinea <sup>2</sup>	57.90
Lesotho <sup>1</sup>	8.37
Malawi <sup>1</sup>	15.00
Mali <sup>2</sup>	79.24
Mauritania <sup>2</sup>	33.90
Mozambique <sup>2</sup>	130.05
Niger <sup>1</sup>	18.60
Senegal <sup>2</sup>	130.79
Sierra Leone <sup>2</sup>	88.78
Togo <sup>2</sup>	65.16
Uganda <sup>2</sup>	120.51
Zimbabwe <sup>3</sup>	200.60
<b>Total</b>	<b>2496.21</b>
<b>Total, sub-Saharan Africa (minus Algeria &amp; Egypt)</b>	<b>1621.01</b>

Source: *IMF Memorandum to the Press* (Washington, D.C., February 6, 1995), p.3.

Note: The footnotes indicate the adjustment support facility under which IMF financial assistance commitment was provided, as follows.

<sup>1</sup> Stand-by Arrangement

<sup>2</sup> SAF/ESAF assistance (Structural Adjustment Facility [SAF] or Enhanced Structural Adjustment Facility [ESAF])

<sup>3</sup> EFF (Extended Fund Facility)

**Table 2.** Composition of Outstanding IMF Financial Support to sub-Saharan Africa on Specified Dates, 1990-94

(Millions of SDRs; Percentage Shares in Parenthesis)

Types of Facility	June 30, 1990	June 30, 1993	Dec. 31, 1994
1. SAF/ESAF	1,385.4 (26.1)	1,899.5 (39.6)	2,563.2 (46.3)
2. CCFE	690.4 (13.0)	402.3 (8.4)	1,022.6 (18.5)
3. Others <sup>1</sup>	3,228.1 (60.9)	2,489.1 (52.0)	1,945.0 (35.2)

Source: *International Financial Statistics* (IMF); various issues (monthly).

<sup>1</sup> Consisting chiefly of financial assistance under the traditional Stand-by Arrangement framework, and the Extended Fund facility (EFF).

The reforms of a nation's fiscal operations, which typically forms an essential ingredient of its economic adjustment programs, also helps in the pursuit of its social sector development objectives. For example, tax administration and revenue measures that result in increased tax collections, make it possible for governments to allocate more resources to social services sectors. Similarly, reprioritization of public expenditures, which occurs with economic reform programs enables governments to devote greater resources to their social sector objectives, including the alleviation of poverty. Among the areas of expenditure commonly targeted for reprioritization in this context are military expenditures and outlays on subsidies. In regard to military expenditure, it has been noted that, on average, African countries have 80 soldiers for every university trained medical doctor.

The optimal restructuring of public expenditure depends on the prevailing circumstances and priorities of each nation undergoing the reform process. In some cases increased expenditure to enable the rehabilitation of infrastructure may be the most appropriate approach to address the needs of the poor. In other cases, different kinds of spending may be more appropriate. For this reason, a rigid adherence to a broad formula, such as the much discussed 20/20 criterion is impractical. To urge foreign aid donors to devote 20 percent of their assistance to the financing of social sector activities, and to encourage recipient countries to allocate 20 percent of their budget to the social sector may not always be the best approach in addressing the needs of the targeted social sector.

Insofar as economic reform programs involve downsizing to match available resources--a process often necessitating elimination or reduction of unsustainable pricing of consumer or producer items--some negative impact on the economic welfare of the population in the adjusting country is unavoidable during the transition period which takes place before adjustment efforts begin to bear fruit. Because the poor have much less flexibility under such circumstances, their plight deserves special attention. Accordingly, the IMF has actively encouraged member countries to put in place programs aimed at alleviating the impact of adjustment policy measures on the most vulnerable members of the community. Such steps include consumer subsidies targeted to benefit those truly in need, retraining and redeployment assistance for workers adversely affected by retrenchment policies, and budgetary reallocation to promote health services and other social services especially critical to the poor. Nevertheless, logistical and financial limitation problems unavoidably arise during both the designing and the implementation of social safety net programs, and, because of limitations in its mandate, the IMF cannot directly provide financing to underwrite such programs. Financial assistance from bilateral donors and non-governmental organizations would enable sub-Saharan African countries, as well as other less affluent countries, to do more for vulnerable sections of society during the process of economic reform.

Social sector development is more than a matter of distributing dollars here or there. What is fundamental to social development, is the ability of individuals within a community to develop their potential to the fullest extent within legal limits. To accomplish this requires

empowerment, such as is possible in a free market, within an appropriate framework of political democracy. In discussing these and related issues, the Managing Director of the IMF, Mr. Michel Camdessus has frequently made the point that what is needed is high quality growth, based on five solid principles; the maintenance of a sound and stable macroeconomic environment, structural policies that establish a basis and an environment for growth, a liberal trade and exchange regime, an active and enlightened social policies geared to alleviating poverty and averting marginalization, and good governance, including participatory and accountable government and uncomplicated regulatory frameworks. As Mr. Camdessus told the World Summit for Social Development in Copenhagen: "... our work at the Fund is to help member countries achieve **high-quality** growth ."

## HEALTH STRATEGIES FOR AFRICA<sup>†</sup>

D. A. Henderson\*

It is common knowledge that Africa faces serious health problems, especially in the form of malignant diseases including malaria, tuberculosis, leprosy, and a great many other tropical parasitic infections. The burden has been increased in recent years by the arrival of AIDS. In many African countries resources are constrained, economies are stagnant and transportation and communication are difficult. Furthermore, trained health personnel are in short supply. One is forced to wonder, what hope is there?

As bleak as the outlook seems regarding the prospect of a healthy Africa, there is a brighter side. Important new health strategies and technologies have been introduced over recent decades, especially during the last ten years, with surprising (though scantily appreciated) success. Much more may be achieved in the years ahead.

The continued success of these strategies primarily depend on policy decisions made by national governments--policies decided on the availability (or lack) of development assistance funds.

How bad are Africa's health problems? Data regarding mortality and longevity in Africa for the past generation or so allows for some optimism. One of the best overall indicators of health is the proportion of newborns who die before they reach five years of age (Table 1). Child mortality data from four countries in Africa (Mali, etc.), for the years 1960, 1980 and 1993 are shown. The United States is included as a point of reference.

Clearly the rates in the various countries are quite divergent as are the health conditions in each. This serves to remind one that Africa is a very heterogeneous continent. Mali is in western Africa: Kenya is in eastern Africa: and Mauritius is an island off the African coast. Compared to the United States, the mortality rates are very high, but in the thirty-three years between 1960 and 1993, those rates have all fallen dramatically--by one-half to two-thirds. Health conditions have improved remarkably, even during the past decade when the economies of most of these countries were growing slowly, or not at all.

How do the rates in sub-Saharan Africa contrast with those in other parts of the world and at other times? (Table 2) (Again, the United States is included as a point of reference.) The mortality rate for children under five years, in 1900, for the United States, is roughly comparable to the rate in sub-Saharan Africa in 1993. A rate of 179 per thousand children indicates that nearly one in five newborns died before their fifth birthday. This figure is a sobering one for those nostalgic for the genteel era. Also the child mortality rate in East Asia (data which excludes Japan), and in Latin America, from only thirty years ago, is roughly comparable to that in Africa today. Today's technologies now make possible remarkably rapid progress in health. Moreover, biomedical research promises more and better tools to speed that progress.

Finally, data on life expectancy is very optimistic (The United States and certain other regions of the world are again used as reference.) (Table 3). The average longevity at birth in Africa was fifty-one years in 1993, an increase of seven years in only one generation. Africa lags behind East Asia and Latin America, but Africa's 1993 figure is four years **above** that for the United States in 1900. The fact is, that while health conditions in Africa are of great concern, the impact now on life expectancy and child mortality is quite similar to conditions known in our country a century ago. Prospects for improvement are far better today in Africa than they were in the United States at the turn of the century because science has offered a host of important new interventions.

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A number of different policies and programs have impacted health conditions in Africa over recent years, but there is a broad consensus that three programs in particular account for most of the reductions in mortality: immunization, diarrheal disease control and family planning.

The first of the vaccines to be administered in continent-wide campaigns was the smallpox vaccine. An eradication program in Africa commenced in 1967, at a time when smallpox was widespread in most countries, rates were commonly fifteen percent or more and deaths annually numbered in the hundreds of thousands. Ten years later, in 1977, the last recorded case of smallpox occurred. Virtually all the manpower, and most of the resources, to achieve this remarkable success were provided by the African countries themselves. Meanwhile during the course of that campaign, the tuberculosis vaccine (BCG) was administered to all children under five years of age. Later, other vaccines were added, including vaccines for measles, diphtheria, tetanus, whooping cough, poliomyelitis and, in some countries, yellow fever. Protection through immunization with these vaccines was not more than two percent in 1975; by 1990 it had risen to eighty percent. Hundreds of thousands of childhood deaths are now prevented each year, as are countless blindings and crippings from infectious diseases.

In the 1970s, a global program for diarrheal disease control began, after it was discovered that simple balanced solutions of salt and sugar administered by mouth prevented death in all but a small proportion of the most severe cases of diarrhea. The oral rehydration solution (ORS), first used to treat cholera patients, resulted in death rates declining from over thirty percent to less than one percent. Moreover, ORS was found to be equally useful for other types of diarrhea. Thus, during the past decade, throughout Africa and other parts of the world, an educational campaign has been mounted to instruct mothers in the preparation and use of the solution, and also to emphasize the importance of administering it early and throughout the course of diarrheal illness. Deaths due to diarrhea, which are primarily among young children, have rapidly declined everywhere.

Finally, contraceptives have been being used increasingly in the past decade throughout a number of African countries. In some countries, such as Kenya, Zimbabwe and Botswana, fertility rates are now falling annually at a rate of 1.5 to 2.5% (UNICEF, 1995). The result is, of course, smaller families. Infant mortality rates decrease sharply when, with successful family planning, at least two years elapse between births of children, and childbearing takes place between twenty and forty years of age. The result is substantially fewer, but more healthy, children.

So, what of the future? Will progress continue toward a healthier, longer-lived population, or has Africa attained as much as it can? This depends almost entirely on policy decisions to be made by the political leadership. Immunization, diarrheal disease control and family planning have contributed enormously to improve health in Africa over the past ten years. Much more could be done with each of these interventions, and particularly with family planning, which is seriously lacking in much of sub-Saharan Africa. Other initiatives are urgently needed to improve water supply and sanitation, to prevent parasitic infections, to improve nutrition with supplements such as iodine and vitamin A, and to control AIDS. Much could now be affordably done with available technologies.

Paradoxically, the primary thrust of health policy and strategy in most countries is not toward the strengthening of activities, which have contributed the most to improved health, but toward the elaboration of national medical care systems, i.e., a network of hospitals and clinics. Most such systems built in developing countries represent a western model for the delivery of health care. Primary health centers, for example, perform the customary functions of the western physician's office, that is, curative medicine patients are expected to come to the center to seek medical attention, to obtain drugs and to receive trauma care. The concept of outreach into the villages is alien to most centers. Health education, such as instruction in the use of oral rehydration therapy, is lacking, and counseling for family planning is provided reluctantly or simply absent. Most centers do not provide immunization, and those that do frequently offer vaccines which have been improperly stored and thus offer no protection. The relative neglect of preventive services in Africa is reflective of that in other parts of the

world. Even in this country, those who are engaged in providing medical care seldom do well in providing preventive measures, such as immunization or counseling for smoking cessation or weight reduction.

Those programs in Africa which have contributed so significantly to improved health over the past thirty years have depended almost entirely on special programs, and each of these programs has been built on community outreach and involvement. Under the best of circumstances, the health centers and the hospitals have made marginal contributions. However, the medical care system commands more than ninety percent of national health budgets throughout Africa.

A broad-based medical care system is critical to a nation's health and must command absolute priority in national health expenditures. Preventative measures, such as projects to improve water quality, supply and sanitation, as well as immunization, nutrition, smoking cessation, and family planning programs, are often supported from the leftover limited funds. Despite medical care system expenditures, costs, in every country, including the U.S., have escalated.

Few countries have yet had the insight (or perhaps the courage), to critically analyze their investments. For example, two African countries have accepted multi-hundred bed hospitals donated to their capital cities by western countries. These were accepted despite the fact that, in one of the cases, the annual operating costs will require more than half of the donee country's national health budget, that needed staffing will require virtually all of its trained national health staff, and that less than five percent of the population in the country resides within even a day's travel of the hospital. How does one measure the need for organ transplant units, for renal dialysis centers and for cardiac surgery suites? And why do donor countries so often offer such assistance?

Balances need to be struck between providing for treatment and providing the prevention. Many studies have been done to quantify the costs and of all manner of preventive measures. Curiously, little has been done to calculate the benefits and costs for primary health centers, hospitals or for the medical care system in general. In the field of internal medicine, it is well known that four out of five patients do not benefit physically by a visit to a physician, other than for the reassurance the doctor may provide. In pediatrics, the figures are similar, and these observations are made of United States conditions, where there is extensive time to examine the patient, ample diagnostic aids and plentiful supplies of drugs. What then can be said of the value of a visit to a physician in a crowded clinic in a developing country, where the duration of the visit is seldom more than one to two minutes, where there are few or no diagnostic aids and where the limited supplies normally consist of only a few drugs? What might be the outcome if these curative care services could be significantly strengthened and expanded? Suppose that an African country is able to substantially increase the amount of money devoted to curative services, the construction of hospitals, the training of physicians and the purchase of drugs. What might be the effect on longevity, which is, after all, one of the principal indicators of health status?

More than ninety percent of all health care costs are for curative care services for adults, and thus the bulk of additional investments would likely be assigned to this use. How might this effect the expected longevity of a twenty to forty year old African adult, as it compares to the expected longevity of a similarly aged American? Data are presented for two countries, Mauritius and Mali (Table 4). The gross national product (GNP) for Mauritius is one-tenth as high as that in the United States, and health expenditures per capita are similarly only one-tenth as great. Mali's gross national product and level of health expenditures are only one one-hundredth as large as those in the United States. Specifically, Mali has a GNP of \$280 per person and annual health expenditures of \$15 per person.

Expected longevity at birth varies dramatically for the three countries; it is 75 years for the United States, 69 years for Mauritius and only 57 years for Mali. But at ten years of age there is surprisingly little difference--and the differences at twenty, forty and sixty-five years are likewise not dramatically different among the countries. The simple fact is that even if extensive and elaborate health care services comparable to those in the United States were provided, it would not tangibly effect life expectancy for those beyond ten years of age. This

is not to say that improved curative services would be of no benefit. One could expect that the quality of life would, at the least, be marginally improved. But one can expect little benefit regarding life expectancy.

Two years ago, the first detailed and comprehensive examination of priorities for health care systems was completed by the World Bank. World Bank staff and consultants evaluated all manner of health interventions and, from these, evaluated alternative health policies based on proportionate costs and benefits. Their findings are set forth in the *1993 World Development Report of the World Bank* (World Bank, 1993). The Report concludes that the highest priority should be accorded public health measures, immunization, improved nutrition, fertility control, better water supply and sanitation. Recognizing the key role of women in the household and in providing health services to their families, the report also recommends promotion of the rights and status of women and expanded investments in education. Finally, it recommends investment in essential clinical care for the poor. Where might the resources come from? The report suggests that needed resources could readily be found through reduction of expenditures for hospital care and for specialist training, as well from cutting less cost effective clinical care procedures. Because such expenditures are now proportionately so great, even modest reductions would serve to fund many, if not most, preventive interventions.

This solution seems so logical and simple that one may wonder why policies have not already changed. In every country, of course, the political leaders and their families are subject to illness. For them a priority is to assure quality medical care for themselves. This usually means, at least in the capital city, a substantial hospital. Additionally, the person or persons who are principal advisors to the political leadership are often specialist physicians who know their particular area well, and often not much beyond their field. Thus, decisions are made favoring elaborate, often non-functional, cardiac surgery centers, special orthopedic hospitals, ophthalmology clinics and the like, concentrated in capital cities.

The World Bank's Report now proposes that investments in health services be analyzed critically, to ascertain how to achieve the best overall health throughout a population at the lowest cost. It implies a radical reordering of traditional priorities. To ensure Africa's continued progress, a reordering is essential.

TABLE I  
UNDER 5 YEARS MORTALITY RATE PER (1000)

	<u>1960</u>	<u>1980</u>	<u>1993</u>
MALI	400	310	217
KENYA	202	112	90
BOTSWANA	170	94	56
MAURITIUS	84	42	22
U. S.	30	15	10

Reference: UNICEF, 1995.

**TABLE 2**  
**UNDER 5 YEARS MORTALITY RATE PER (1000)**

	<u>1900</u>	<u>1960</u>	<u>1993</u>
U. S.	174	30	10
Sub-Saharan Africa		255	179
East Asia (excluding Japan)		200	56
Latin America		157	48

Reference: Preston, 1985.  
 UNICEF, 1995.

**TABLE 3**  
**LIFE: EXPECTANCY AT BIRTH**

	<u>1900</u>	<u>1965</u>	<u>1993</u>
U.S.	47	69	76
Sub-Saharan Africa		44	51
East Asia (excluding Japan)			68
Latin America			68

Reference: Preston, 1985  
 UNICEF, 1995  
 World Bank, 1986.

**TABLE 4**  
**LONGEVITY AT " X " AGE**

	<u>U.S. (1988)</u>	<u>MAURITIUS (1989-1992)</u>	<u>Mali (1987)</u>
Birth	75	69	157
10 years	65	66	65
20 years	56	52	53
40 years	38	33	37
65 years	17	13	17

References: United Nations, 1991.  
 United Nations, 1992.  
 World Bank, 1993.



## THE ZAPATISTA NATIONAL LIBERATION FRONT IN CHIAPAS, MEXICO

Scott Lauf\*

Latin America's turbulent politics can be examined through a survey of *Caudillos* [chieftains] and revolutionaries, thereby telling the history of several nations of the region. However, the end of the Cold War has finally placed Latin America on an irreversible and post-modern path toward democracy, capitalism, modernization and economic integration. Nonetheless, while the day of the Caudillo has passed in Latin America, the revolutionary has still not abandoned the armed struggle. The persistence of revolutionaries is exemplified by the uprising that took place on New Year's Day 1994, in the southeastern Mexican state of Chiapas by the indigenous rebel army, the Zapatista National Liberation Front (EZLN). This recently formed guerrilla group has elicited the sympathy of Indians and peasants throughout Mexico and Central America, and has captured the imagination of scholars and journalists around the world. Though the Zapatistas portray themselves as the leaders of a unique, post-Cold War era *Fourth World Revolution* of indigenous peoples, reality paints a different picture, one reminiscent of the traditional socialist revolution of the Cold War period. An examination of the history of Chiapas, as well as a careful analysis of the EZLN reveals that the origins, motives and tactics of this Mayan-based rebel group are not much different from other Latin American revolutionary groups of the past and present.

To understand the Chiapas uprising and the formation of the EZLN, it is important to begin with a brief historical overview. The actions of the Zapatistas, characterized by the Mexican government as *terrorist* deeds, and their continuing struggle against the Mexican state, are not unprecedented in Mexico nor in other predominantly indigenous regions of other Latin American nations. In central-southern Mexico, there is a legacy of armed indigenous and peasant uprisings--from the days of Emiliano Zapata and Rubeen Jaramillo in Morelos, and Genero Vazquez in Chilpancingo, to Lucio Cabana in Atoyac.<sup>1</sup> Elements among the native peoples of Colombia, Venezuela, Guatemala, Bolivia and Peru, at one time or another, have been members of revolutionary-type groups, fighting state governments which they perceived to be repressive.<sup>2</sup>

Since Spanish colonial days, the Mayan Indians of Chiapas have had a tumultuous relationship with state authorities. Beginning in the late 1500's, the Spanish introduced *Encomenderos* (feudal landowners) and *Caciques* (powerful mayors) to the region, and instituted the cultivation of new crops like sugar and cotton.<sup>3</sup>

This new political and economic system upset the traditional Mayan way of life. Many Indians were forced to relocate their milpas (cornfields) onto unproductive mountain slopes. Others were forced to labor for lately arrived Spanish colonists. Although a few Indians retained nominal ownership of land as well as animals, the markets were controlled by the Spaniards.

In addition, the establishment of Catholic missions directly challenged the religious beliefs and lifestyle of the Mayans. Mayan civilization (which dates from around 500 BC, according to historical records), was forever disrupted by the Spanish conquest.<sup>4</sup>

Organized resistance and political leadership have not been in the nature of the Mayan people of Chiapas.<sup>5</sup> Despite the glorious history of the Mayan civilization, the *Choles*, *Zoques*, *Tzotziles* and *Tojolabales* (who constitute the Mayans of Chiapas), lived on the fringe of the Mayan empire and were subjected to the central rule of a nobility and priesthood based in the Yucatan.<sup>6</sup>

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1 Jorge Castaneda, *Utopia Unarmed: The Latin American Left After the Cold War* (New York: Vintage, 1993).

2 Martin Edwin Anderson, "Chiapas, Indigenous Rights and the Coming Fourth World Revolution." *SAIS Review* Summer-Fall (1994): 141-145.

3 Robert Wasserstrom, *Class and Society in Central Chiapas* (Berkeley, CA: U.C. Press, 1983).

4 John Reed, *Insurgent Mexico* (New York: Simon & Schuster, 1969).

5 Sylvanus Morely, *The Ancient Maya* (Stanford, CA: Stanford U.P., 1946).

However, the Mayans of Chiapas are not entirely passive individuals, according to John L. Stephens, an American whose celebrated diary documented his extensive travels throughout the region in the 1830's:

The Indians submitted to the dominion of the Spaniards until the year 1700, when the whole province, in Chillon, Tumbala and Palenque, apostatized from Christianity, murdered the priests, profaned the churches, massacred the white men and took their wives.<sup>7</sup>

Even after achieving independence from Spain in 1821, the Indian defiance against the state did not subside. While the rest of Mexico was enjoying post-colonial tranquility, Chiapas was full of turbulence sparked by violence between the Indians and Mexican troops. Stephens' experiences provide a vivid picture of an unpredictable and dangerous region constantly on the brink of turmoil.<sup>8</sup>

Nevertheless, though they have exhibited resistance on many occasions, at no time during the Mayans of Chiapas' history have they formed and led a well-organized, wholly indigenous movement against the state. Yet, the Mayans of Chiapas are regarded as quite rebellious indeed.

The largest concentration of Indians in Mexico is in the province of Chiapas (30% of the 2.7 million population of the state), most living in terrible poverty even by Mexican standards.<sup>9</sup>

While the *Mestizo* [people of mixed race] may represent the common Mexican, they are alien to the Mayan in Chiapas. Unlike some other enclaves of Indians throughout Mexico, the Mayans of Chiapas have always held a deep-seated resentment against the Mexican government and have generally viewed themselves as a distinct group. This may explain some of the anger and anguish behind their violent actions of the past, as well as of the present under the EZLN banner.

When placed within a regional context, the Mayans of Chiapas are no different from other native peoples throughout Latin America. Their historical defiance against the state follows a well-known pattern of indigenous and peasant agitation and violence against Latin American states (e.g. the Guatemalan Revolutionary Movement, the Sendero Luminoso of Peru, the Quintin Lame of Colombia).<sup>10</sup> There is no Fourth World Revolution bubbling in Chiapas.

The socio-economic conditions which supposedly provoke these types of indigenous anti-government incidents and inspire guerrilla activity have long existed in Chiapas, as well as other countries in Latin America. However, they cannot serve as an explanation for the roots of organized social rebellion. These so-called preconditions for revolution have also existed in countries where there has been no indigenous-based revolutionary movement (e.g. Ecuador, Costa Rica, Panama, to name a few).<sup>11</sup> Like most indigenous and peasant revolutionary movements throughout Latin America, the Zapatistas are a creation of disenfranchised, non-indigenous leftists searching for a cause. This is where Subcommandante Marcos, the infamous leader of the EZLN, plays a role.

Some Chiapas observers have portrayed Marcos as a subordinate within the supposedly clandestine indigenous hierarchy of the EZLN. However, with the rare exception of Subcommandante David, a Tzotzil Indian leading the current negotiating team for the EZLN, the non-indigenous Marcos is still the most prominent and most favored leader of the Mayan guerrillas.

It is evident that the young, green-eyed Marcos is one of the keys to understanding the origins and formation of the EZLN. The mysterious 37-year-old (whose real name is Rafael

<sup>6</sup> *Ibid.*

<sup>7</sup> John L. Stephens, *Incidents of Travel in Central America, Chiapas and Yucatan, 1841* (New York: Dover, 1969).

<sup>8</sup> *Ibid.*

<sup>9</sup> Todd Robberson, "Non-Indians Lead Mexico's Uprising," *The Washington Post*, 7 January 1994: A12.

<sup>10</sup> Martin Edwin Andersen, "Chiapas, Indigenous Rights and the Coming Fourth World Revolution." *SAIS Review*, Summer-Fall 1994: 143.

<sup>11</sup> *Ibid.* 145.

Sebastian Guillen Vicente) is, in some respects, typical of the traditional Latin American revolutionary leader.<sup>12</sup>

He shares a prosperous, middle-class background and a good education with other revolutionary leaders, such as Fidel Castro, Che Guevara, Abimael Guzman and even Emiliano Zapata.

Zapata, the famous revolutionary who led a peasant revolt in the state of Morelos during the Mexican Revolution of 1910-20, and whose name the Zapatistas appropriated, deserves special mention. Though some Mexican historians like to portray Zapata as a genuine peasant leader, he grew up in a middle-class environment, never worked as a common laborer, and derived his wealth from the inheritance of substantial land and livestock upon the death of his parents.<sup>13</sup> Marcos is no different. He comes from a well-to-do family that owns a chain of furniture stores in northern Mexico.<sup>14</sup> In the early 1980's, attracted by the Marxist ideals of the Sandinistas, he abandoned his comfortable lifestyle and went to Nicaragua to work as a union organizer for farm workers.<sup>15</sup>

Also common among Latin American revolutionary leaders is the phenomenon of the *cult of personality*. Che Guevara, who led a band of rebels in Bolivia in the 1960's, and Abimael Guzman, who was the supreme leader of the Sendero Luminoso in Peru in the 1970's and 1980's, are two examples of the cult mystique in action. Marcos is a 1990's product of the same type. Like Guevara and Guzman, Marcos has attempted to portray himself as a national folk hero, and a messianic savior of impoverished Indians. While his trademark ski mask may be a publicity gimmick, it has not caused a falloff in support. The Mexican government has protested, "If he wears a mask...he's a delinquent."<sup>16</sup> Marcos has responded: "Why such a fuss over the ski mask? Is Mexican political culture not the culture of the veiled? I am willing to take off my mask if Mexican society will take off its mask."<sup>17</sup>

While Marcos is the central figure of the Zapatista movement, the influence of Bishop Samuel Ruiz cannot be overlooked. Though it is not clear to what extent Ruiz has been involved with the rebels, it is well known where his sympathies lie. During his thirty-four years as a bishop in Chiapas, he has learned four indigenous languages and has gained the respect of many Indians.

Viewed by many as a renegade liberation theologian, he has long spoken out about the plight of the Mayan Indians. Since the uprising, he has berated the government for the "great injustice that has been done to our indigenous communities."<sup>18</sup> His public statements have helped to encourage sympathy for the guerrillas and to foment discontent about the central government. Liberation Theology, which Ruiz subscribes to, has played a role in other revolutionary movements like the FMLN in El Salvador, the Lavalas movement in Haiti and the Sandinista Front in Nicaragua. In Chiapas, the influence of Liberation Theology is also evident among the Zapatistas and their supporters.

The EZLN's stated goals are quite similar to other social-revolutionary groups in Latin America: land reform, social justice, democracy and human rights. These goals are vague, the EZLN is simply echoing demands heard from nearly every revolutionary group in Latin America. Though the Zapatistas have called for semi-autonomy for Chiapas, they are not separatists. Their demands have always focused on redressing socio-economic conditions, improving the electoral system and restoring land to native owners.<sup>19</sup>

12 Enrique Krauze, "New Zapatistas Sully Memory of Their Namesake," *Wall Street Journal*, 21 January 1994: A15.

13 John Womack, *Zapata and the Mexican Revolution* (New York: Alfred Knopf, 1969).

14 Rodolfo Garcia, "Nicaraguans Recall Help of 'The Mexican,'" *The Washington Times*, 12 February 1995: A7.

15 *Ibid.*

16 David Clark Scott, "Charming Rebel Shares Mexican Imagination," *Christian Science Monitor*, 16 February 1944: A3.

17 Lucy Conger, "Mexico: Zapatista Thunder," *Current History*, March 1944: 120.

18 Patrick J. McDonnell, "The Roots of Rebellion," *The Los Angeles Times Magazine*, 6 March 1994: 33.

19 *Ibid.* 44.

Unfortunately, whether out of sympathy for the rebels or through a lack of knowledge, a pervasive *Groupthink* in academia and the media has clouded the real motives behind the EZLN. It has been generally accepted that the "EZLN is the first post-modern rebellion in Latin America," which has explicitly renounced the standard leftist goals of leading a revolution and taking over the state.<sup>20</sup> It is also the case that the EZLN does not invoke traditional Marxist rhetoric, and seems more than willing to engage in peace talks. All this seems to place the EZLN in a realm apart from other Latin American revolutionary groups. However, this commonly held view should not be allowed to obscure reality.

Some of the scholars, foreign policy analysts and journalists who have been fooled into believing (or perhaps hoping), that the Zapatistas are somehow different from other Marxist-based revolutionary groups in Latin America, have been duped by Marcos' witty and direct communiques. However, a careful examination of the guerrilla leader's words reveals Marxist thought cloaked in humor and poetry. Marcos realizes that in the post-Cold War era, traditional Marxist jargon no longer appeals to a wide audience--particularly not beyond the borders of Mexico. The anti-American rhetoric prevalent among revolutionaries of the Cold War period is now passe.

The current appeal of the Zapatista cause grows out of the relentless attacks on the reputedly corrupt government in Mexico City, and what are termed as the imperialist consequences of NAFTA.<sup>21</sup>

An essay entitled "A Storm and a Prophecy," was publicly released on January 27, 1994. In it, Marcos takes the reader on an exhaustive tour of Chiapas, describing points of interest as well as the poverty and economic exploitation of the region. Marcos is a humorous tour guide. He opens with: "Welcome to Chiapas! You have arrived in the poorest state in the country: Chiapas!"<sup>22</sup> Beneath the satirical style one may uncover the real Marcos and the EZLN agenda. He bluntly asserts:

Chiapas loses blood through many veins through oil and gas ducts, electric lines, railways, through bank accounts, trucks, vans, boats and planes, through clandestine paths, gaps and forest trails. This land continues to pay tribute to imperialists...the fee that capitalism imposes on the southeastern part of this country oozes, as it has since the beginning, blood and mud.<sup>23</sup>

The so called capitalist and imperialist enemies of Marcos and the EZLN are not only in Mexico City, but also in Washington, London, Amsterdam, Rome and Tokyo.<sup>24</sup> His rhetoric may not be filled with the Marxist-laden terminology of the Cold War days, but the targets of his attacks and his stated goals have been heard before from the hills of Cuba, El Salvador and Peru.

The tactics the EZLN has employed in its struggle against the Mexican state, are similar to those used by other Latin American revolutionary and terrorist groups. While it may be somewhat tenuous to classify the EZLN as a terrorist movement, there is no doubt that they have engaged in terrorist acts which parallel past actions of the FMLN in El Salvador, the Sendero Luminoso in Peru, the Monteneros in Argentina and the M-19 in Colombia.

With a force estimated at nearly two thousand rebels, the EZLN began its uprising on January 1, 1994, by storming and occupying the towns of San Cristobal, Ocosingo, Altimirano and Las Marsaritas. By design, the uprising began on the inaugural day of NAFTA. In the first few days, thirty policeman and soldiers and three civilians were killed. Several public buildings and stores were ransacked and looted.<sup>25</sup> After ten days of fighting, the Mexican Army forced the rebels to retreat to their stronghold in the Lacondon highlands. The total

<sup>20</sup> Lucy Conger, "Mexico: Zapatista Thunder," *Current History*, March 1994: 117.

<sup>21</sup> Essay by Subcommandante Marcos, "Aa Storm and a Prophecy," released publicly on January 27, 1994: A1.

<sup>22</sup> *Ibid.* 5.

<sup>23</sup> *Ibid.* 1-2.

<sup>24</sup> *Ibid.* 2.

<sup>25</sup> Anita Snow, "Fifty-seven People Reported Dead as Rebels, Troops Clash in Mexico," *The Boston Globe*, 3 January 1994: A1.

civilian and combatant death toll after the initial uprising was estimated at 150.<sup>26</sup>

Within a week of the New Year's Day uprising, Mexico was shaken by a small wave of bombings which were attributed to the EZLN. Five bombs exploded in and around the capital and in Acapulco.<sup>27</sup> Fortunately, no deaths or injuries were reported. Though it is uncertain whether the EZLN was responsible for these incidents, the coincidental timing of them does raise some serious questions. If the EZLN were responsible, did they intend to spread fear throughout Mexico and heighten tensions with the Mexican authorities? The bombings certainly did that. As a result, in Mexico City, security forces dramatically increased their street patrols.<sup>28</sup>

Kidnapping has been an important tool in the Zapatista' armed struggle. During the initial uprising, the EZLN took ninety doctors and medical workers hostage in the town of Guadalupe Tepayac. In Ocosingo, they held captive several prominent citizens, including local ophthalmologist Francisco Talango, who was killed. The most notorious kidnapping was the seizing of Absalon Castellano, a retired army general and former governor of Chiapas.<sup>29</sup>

Looting is another activity favored by the EZLN. While banks have been the prime targets of many terrorist and revolutionary groups, the many small shops and stores throughout Chiapas have proven to be modestly lucrative for the EZLN. Since January 1994, the rebels have periodically come down from the mountains to rob businesses in rural towns. An incident which took place in December, 1994, typifies the looting. Thirty ski-masked rebels entered the town of Simjovel at five in the morning, and took up positions in front of the City Hall and the town square. They told residents they had come in peace. The rebels had left town by 11 am, in cars stolen from around the city, having looted City Hall and stolen merchandise and \$5,000 in cash from a local store.<sup>30</sup> This incident is certainly not an isolated one; residents throughout Chiapas have reported several dozen similar raids.<sup>31</sup>

It remains something of a mystery as to how the EZLN is funded and armed. Looting may satisfy their immediate needs, but it does not fill their coffers and caches. There has been speculation that profits from drug smuggling and connections with former guerrillas in Guatemala and El Salvador have helped sustain the EZLN.<sup>32</sup>

Other EZLN tactics have been aimed at landowners and ranchers. On many occasions the rebels have engaged in the theft of cattle and horses, and have instigated illegal peasant occupations of nearly 200,000 acres of private land scattered throughout Chiapas.<sup>33</sup> In addition, there have been reports of EZLN rebels firing upon Mexican Red Cross workers, in one case injuring two medics. They have also used civilians as shields in their battles with policemen and soldiers and have engaged in forced recruitment.<sup>34</sup>

Despite the violent tactics of the EZLN, some observers have tended to try and legitimize the groups grievances by emphasizing the poor socio-economic conditions of the region. It is true that poverty is endemic to the Indians of Chiapas. Land rights are also a highly contentious issue; nearly one-fourth of all Mexican land dispute cases which are put before the land reform ministry are in regard to land in Chiapas.<sup>35</sup> Despite government claims to the contrary, real democracy does not exist in Mexico. Electoral fraud is still pervasive

26 Holger Jensen, "Hidden Motives in Chiapas Turmoil," *The Washington Times*, 21 February 1995: A17.

27 "Forces Patrol Mexico City in Wake of Bombings," *New York Times*, 10 January 1994: A3.

28 *Ibid.*

29 Juan Mendez, "Human Rights and the Chiapas Rebellion," *Current History*, 4 March 1994: 123.

30 Juanita Darling, "Army, Rebels Vie for the Hearts of People in Chiapas," *The Los Angeles Times*, 22 December 1994: A10.

31 *Ibid.*

32 Enrique Krauze, "New Zapatistas Sully Memory of Their Namesake," *Wall Street Journal*, 21 January 1994: A15.

33 David Clark Scott, "Chiapas Ranchers Vow to Take Law Into Their Own Hands," *Christian Science Monitor*, 4 March 1994: 47.

34 Juan Mendez, "Human Rights and the Chiapas Rebellion," *Current History*, 4 March 1994: 123.

35 Patrick McDonnell, "The Roots of Rebellion," *The Los Angeles Times Magazine*, 6 March 1994: 32.

throughout the country and is particularly egregious in Chiapas. And while the EZLN has been called a terrorist organization by the PRI leaders in Mexico City, the government cannot escape blame for human rights abuses committed by the army, including unwarranted detention, abuse, torture and the execution-style killings of suspected rebels.<sup>36</sup> Some human rights observers have accused the government of state-sponsored terrorism. Though the similarities of the origins, motives and tactics of the EZLN and other social-revolutionary groups in Latin America are well established, it is proper to highlight the quantitative differences. In terms of size, the number of men under arms in the EZLN is relatively small, compared to the FMLN in El Salvador and the Sendero Luminoso of Peru (when those groups were at full strength). Moreover, the number of violent incidents and casualties caused by the EZLN is rather low compared to other groups. However, the EZLN is still in its infancy; it is only a little over 2 years old. Though unlikely, the potential still exists for the EZLN to grow in strength and wreak greater havoc upon Mexican society in the near future.

In summary, the EZLN is not some kind of unique group, leading a *Fourth World Revolution* of indigenous peoples in Latin America. Though the end of the Cold War and the mystique of Subcommandante Marcos help invoke the image of a post-modern Latin American revolutionary, the reality is altogether different. The Zapatistas must be recognized as typical of the Cold War revolutionary era. Marcos is a 1990s Guzman, though with a sense of humor devoid of the usual Marxist jargon. His followers in the EZLN are the bargain basement Shining Path guerrillas of Mexico.

The likelihood of the EZLN provoking a revolution, and succeeding is remote. The Zapatistas already have a tacit alliance with the Party of Revolutionary Democracy (PRD), a socialist opposition party. They ought to lay down their arms and work with the PRD, within the system, to achieve their goals. The government, for its part, ought to guarantee free and honest elections in Chiapas, which would allow the Indians and peasants to elect their own people to the town councils and the governorship. Such a scenario would dramatically ease tensions in Chiapas.

Currently, new rounds of peace talks have failed to resolve the conflict. The burden is primarily on the Mexican government to produce change. The recent economic crisis due to the devaluation of the peso, as well as the scandal surrounding the assassination of former presidential candidate Colosio, have been devastating blows to the prestige of the new PRI led government of President Ernesto Zedillo. The continuing turmoil in Chiapas only exacerbates this national instability. The pressure is on the government to do something if it wants to see the EZLN give up their armed struggle, according to Enrique Krauze.

If Mexico makes the most of this malleable moment to launch a program of political reform as far-reaching as its economic reforms, the moral force of Mexican society will disarm the guerrillas and put them back where they belong: in an exhibition room, next to the PRI dinosaurs, in a museum of natural history.<sup>37</sup>

<sup>36</sup> Holger Jensen, "Zedillo's Deepening Dilemma," *The Washington Times*, 7 March 1995: A17.

<sup>37</sup> Enrique Krauze, "New Zapatistas Sully Memory of Their Namesake," *Wall Street Journal*, 21 January 1994: A7.

## NOTES AND COMMENTS

### THE WHITE ROSE ORGANIZATION: A GERMAN ANTI-NAZI STUDENT RESISTANCE GROUP, AND ITS RECEPTION IN THE U.S.A.: 1943-1995

Armin Mruck\*

For several years an exhibit has been traveling throughout Europe and the U.S., making stops at numerous colleges and universities, among them the Carl von Ossietzky University in Oldenburg, Germany, and Towson State University in Towson, Maryland. The exhibit tells the story of the White Rose anti-Nazi resistance organization. The movement was instigated by a few German students and their professor and mentor, with the aim of alerting the German public to the bestial activities and criminal nature of the Nazi government. Everywhere it has been shown, the exhibit has made a deep impression on its viewers. The reaction at Towson State University was no exception. An appreciable number of students and guests of the University viewed the exhibit, and attended panel discussions hosted by experts on German internal resistance groups. The panel included Franz Muller of Munich, an active participant in the White Rose resistance group and present head of the White Rose Foundation. The positive response to the exhibit derives from the emotional involvement of the viewer.

The White Rose exhibition is how about a small number of German students, together with their teacher, were driven by their consciences to protest the crimes of the Nazi Government against innocent human beings, such as Jews, Gypsies, priests, the mentally impaired, the homeless and political adversaries of the Nazi Party. The White Rose organization also protested against the senseless slaughter of the thousands of German soldiers, sacrificed on the battlefields of Europe and the Soviet Union--especially at Stalingrad. The young members of the White Rose dreamed about the creation of a unified Europe, brought together by its commonalities, not divided by its differences. Their uneven struggle, carried out through the distribution of pamphlets in an ever-widening circle of German cities, ended with the apprehension, arrest and eventual beheading of the leaders of the movement. Nevertheless, in the long, dark and troubled night that was Nazi Germany, a few bright stars shone and provided a ray of hope for a better, more decent world.

In contrast to other anti-Nazi resistance groups inside Germany, whose stories only became known in the years after the war, the White Rose resistance organization received early notice in the U.S.

In March, 1943,<sup>1</sup> only five weeks after the event, the Stockholm correspondent for the *New York Times*, George Axelsson, reported the execution of three students from Munich, Hans and Sophie Scholl and Christoph Probst, all leading members of the White Rose movement. Parts of Axelsson's report were inaccurate (He reported that the resisters were hung, when in fact, they had been beheaded, and he reported that the resistance was largely a student movement, while professors were involved), nevertheless, his descriptions of the methods and motives of the group were fundamentally accurate. He identified the White Rose organization as consisting of an idealistic group of mostly young people, who loved their country but hated what was happening to it through the machinations of the Nazi Party, and which was responsible for distributing pamphlets characterizing Hitler and his ministers as murderers and thieves.

Several weeks later,<sup>2</sup> Axelsson corrected the minor inaccuracies in his initial account of the execution of the three students, by indicating that the Scholls and Probst were guillotined. Axelsson's second article also reported the infamous speech made by Munich *Gauleiter* [city official] Paul Geisler, in which Geisler publicly exhorted female students to produce children

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<sup>1</sup> *New York Times*, 29 March 1943: 1.

<sup>2</sup> *New York Times*, 18 April 1943: 26.

for the Fuhrer[Hitler]-illegitimately, if need be. Geisler's remarks provoked hostility among both the students and faculty of Munich University, which led to student riots, and, according to Axelsson's report, prompted graffiti such as: *Revenge for Stalingrad*, and *We Want Our Liberty Back*, on buildings around Munich. Students also distributed pamphlets protesting national socialism [the politics of the Nazis], and against the suppression of independent thinking and what has been termed coercive "Equalization." In their pamphlets, the students pleaded for freedom of opinion and expression, called for a struggle against the Nazi Party, condemned the war, and promoted the idea of the creation of a new Europe. These acts demonstrated that a new belief in freedom and honor was struggling to be born. As Hans Scholl stood on trial for his life, he told public court Chief Justice Roland Freisler that he [Freisler] would soon stand where he [Scholl] then stood.<sup>3</sup> In a later *New York Times* article,<sup>4</sup> Axelsson attempted to interpret the general attitude in Germany. He wrote that the mood in Germany was influenced not only by war conditions, but also by the gruesome methods of the Nazi Party. The Nazi Party and the ordinary people were becoming more and more estranged. A large degree of the will shown by the German people to persist with the war grew specifically out of the conviction that even a limited victory was preferable to defeat, and their belief or hope that the Nazi problem could be taken care of after victory was achieved.

Also, the availability of food was a vital component in aiding the Germans to persist. In this regard, the situation in Germany by 1943, the fourth year of conflict, was much better than it had been in 1917, the fourth year of World War I. In any case, Axelsson's account of the actions of internal resistance groups, especially the White Rose group, clearly indicated the importance of German morale to their war effort.

The highest praise for the White Rose movement appeared in an August, 1943, *New York Times* editorial. The editorial outlined the principal ideas of the movement as expressed in the group's widely distributed leaflets, and concluded with the following tribute:

Six Munich students, one of them a girl of 20, are said have been executed following the issuance of a manifesto. If it is genuine, and there is no reason to doubt that it is, we can see in it the beginning of the end of the nightmare period in Germany itself: it was natural that the older generation, growing to manhood in a civilized country, should be at least lukewarm toward the hideous nonsense of Nazism, but there was doubt as to what could be expected of young people who had never known anything else. An animal brought up in a sty may be expected to behave like a pig. But these Munich students, few or many, representative or otherwise, rose gloriously out of the mud, protesting in the name of principles which Hitler thought he had killed forever. **In years to come, we too, may honor Sergeant Hans Scholl, Sophie Scholl, Christoph Probst, Alexander Schmorell, Karl Huber and William Graf, slain in Munich for a cause that is also ours.** (Author's emphasis.)

In addition to the interest shown by the *New York Times* in the White Rose resistance group, the organization American Friends of Germany conducted a gathering at Hunter College, New York City, in which hundreds of New Yorkers participated "to pay tribute to six heroic victims of the other Germany." Reportedly, Eleanor Roosevelt attended the gathering and delivered a significant speech.<sup>5</sup> Many of the details about the gathering remain unknown. In February 1943, the same month that saw the arrest and beheading of Hans and Sophie Scholl and Christoph Probst, one of the White Rose leaflets was given by Helmut James von Moltke to a Norwegian bishop named Berggrav. Bishop Berggrav delivered the leaflet to British authorities, who used it in broadcasts by the British Broadcasting Company (the BBC). The Royal Air Force also disseminated the leaflet by dropping it in large quantities over German territory. It is likely that U.S. authorities also knew of the White Rose leaflet. On June 27, 1943, in a radio broadcast series entitled *Deutsche Horer* (German Listeners), Germany's literary genius in exile, Thomas Mann, paid tribute to the students of the White Rose. Mann asked that the Allies distinguish between Germans and Nazis, and referred to Sophie and Hans

3 *New York Times*, 25 April 1943: 26.

4 *New York Times*, 2 August 1943: 14.

5 School, Inge. *Students Against Tyranny*. 159.



Scholl, Christoph Probst and Professor Huber as "good, splendid young people, whose lives had not been [sacrificed] in vain; they [will] not be forgotten."<sup>6</sup>

Despite early media recognition of the White Rose student resistance group, the organization has received scant attention in U.S. textbook literature, even in textbooks dealing specifically with German history. Gordon Craig, in his classic book *Germany 1866-1945*, simply states that German resistance movements such as the White Rose organization and the July 1944 Hitler assassination plot group would become a part of the history of the Second World War. However, Craig maintained, these groups were not rooted in the mass of Germans.<sup>7</sup> In any event, those interested in the moving and important story of the White Rose group have ample opportunity to study it. Richard Hanser's 1979 book, *A Noble Treason*, offers a fascinating and detailed account, though there are a few errors and omissions. A popular U.S. American historian, John Toland, praised Hanser's treatise saying: "Until now the remarkable and gallant achievements of the White Rose have been little more than a footnote in history. Hanser's admirable full length treatment, researched in depth, at last gives the White Rose proper credit as a significant force in the anti-Hitler movement." Axelsson's work demonstrates the reception and reaction to the White Rose student resistance group in the U.S.A., during World War II, however a significant dialogue between interested parties in the U.S. and Germany, remained to be started. In an unpublished leaflet, Christoph Probst suggested that meaningful negotiations under the guidance of such pivotal world leaders as Franklin D. Roosevelt would end World War II. This statement provoked the anger of Roland Freisler, the President of the ironically termed People's [public] Court, in Munich.<sup>8</sup>

If one considers Probst's suggestion from a broader point of view, one may deduct that the White Rose students, together with their mentor, Prof. Kurt Huber, as well as the many other German resistance groups (including those within the military), have roots in Euro-American philosophy, ideology and history. Their demands for freedom of expression, for a government that represents the desires of the governed, the right to overthrow criminal and irresponsible government, the right to self-determination for all nations and, most importantly, the right to basic freedoms, are rooted in the ideas of the 17th century English Revolution, the Euro-American Enlightenment, the Declaration of the Rights of Man, the Citizen (of French Revolution fame), and the first ten Amendments to the United States Constitution. Thus, the anti-Nazi students of the German resistance take on a wider significance. The members of the White Rose Resistance were martyrs--not only for **their** Germany, which they loved dearly, but for some of the best ideas that Western civilization has had to offer.

After reading Hanser's book, *A Noble Treason*, a student at Towson State University commented:

After reading about the White Rose group, it occurred to me that the Hitler regime [itself], gave [the impetus for the] beginning of resistance. Therefore, I wondered, if Hitler had not come to power, would the executed members of the White Rose have achieved the same greatness, bravery, and enlightenment [of] spirit in a non-totalitarian Germany? I could not reach a decision, but I realize that to have the basic qualities of those who died for what they believed in is enough. I can only hope to live life [']s promise] to the fullest as Hans and Sophie Scholl, Christoph Probst, Kurt Huber, Alexander Schmorell and Willi Graf did.<sup>9</sup>

**NOTE:** Parts of this article were presented as a paper during the touring of the White Rose Exhibit at the Carl von Ossietzky University in Oldenburg, Germany (Towson State University's partner university in Germany), on July 2, 1994. The author, a member of the White Rose Foundation, was instrumental in bringing the White Rose Exhibit both to the Carl von Ossietzky University, and to Towson State University.

6 *Ibid.* 153.

7 Craig, Gordon. *Germany 1866-1945* (Oxford U.P., 1978).

8 Hanser, Richard. *A Noble Treason* (New York: Putnam, 1979).

9 Shelley, Mathew, unpublished report, Towson State University, 1994.

## THE BOLAND AMENDMENTS AND THE REAGAN ADMINISTRATION'S POLICY IN NICARAGUA: AN INEVITABLE CLASH

Michael Maccini\*

After the Sandinistas seized power from Anastasio Somoza in Nicaragua in July 1979, Somoza's controversial National Guard remained in the area, and linked up with other opposition groups to form the Contras [counter-revolutionaries], with the intention of overthrowing the Sandinistas.<sup>1</sup> The Reagan Administration, seizing a chance for a Cold War victory by removing a hostile Marxist government, funded and supported the Contras, whose numbers grew dramatically in the early 1980s.<sup>2</sup> In 1981 and 1982, the Contras conducted raids on Sandinista patrols and hit and run attacks on communities in the north of Nicaragua.<sup>3</sup> These operations were characterized by human rights abuses: rape, looting, and the murder of civilians.<sup>4</sup>

Members of the United States Congress, led by Rep. Edward Boland (Dem. - Mass.), became skeptical of the Contra War's objectives, which officially were supposed to be limited to stopping arms shipments from Nicaragua to the Marxist guerrillas in El Salvador. When two important bridges inside Nicaragua (which had nothing to do with interdicting arms shipments to El Salvador) were blown up, Rep. Boland attached an amendment to the FY 1983 Defense Appropriations Bill. The Boland Amendment (Boland I) prohibited U.S. aid to paramilitary groups " for the purpose of overthrowing the Government of Nicaragua."<sup>5</sup>

The Reagan Administration stepped up the pressure, making diminutive Nicaragua a top Administration priority.<sup>6</sup> The President framed the issue in Cold War terms, bringing up the problem of having a Soviet military base four hundred miles from Texas.<sup>7</sup> He threatened to hold Congress responsible if Central America fell to Communist rule, asking, "Who among us would wish to bear responsibility for failing to meet our shared obligations?"<sup>8</sup>

In all events, the Contra War did not go well for the Administration during 1984. In April 1984, Congress learned that the CIA had mined Nicaraguan harbors three months earlier, without expressly informing the intelligence committees of such an undertaking, as required by law.<sup>9</sup> The Congress was also made aware of a 1983 psychological warfare manual, written by the CIA, which advocated neutralizing local Sandinista officials (assassinating foreign officials is also against the law).<sup>10</sup> To make matters worse, Nicaragua took the United States to the World Court with complaints about the mining of its harbor and U.S. support for the Contras, but the Administration refused to accept the World Court's jurisdiction.<sup>11</sup>

Thus, on the Contra war issue, the tide of opinion turned against the Reagan Administration in the summer of 1984. Given the pursuit of the Contra War by the Reagan Administration, the actions of the CIA and the actions of the Contras themselves, the second Boland Amendment was almost inevitable. The House adopted Boland II, which prohibited U.S. intelligence agencies from supplying or spending money on the Contras,<sup>12</sup> forcing the Republican Senate to abandon aid to the Contras, at least in the short term.<sup>13</sup> The Senate did manage to get \$14 million in supplemental aid, which could only be used after February 1985, and only with the

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1 Clifford Krauss, *Inside Central America: Its People, Its Politics, and Its History* (New York: Summit, 1991), 144-147.

2 Kathryn Roth and Richard Sobel, "Chronology of Events and Public Opinion" *Public Opinion in U.S. Foreign Policy: The Controversy over Contra Aid* (Lanham, Maryland: Rowman & Littlefield, 1993), 30.

3 Krauss 148-150.

4 Krauss 148-150.

5 Roth 30.

6 Krauss 149.

7 Roth 31.

8 Roth 31.

9 Roth 33.

10 Krauss 149-150.

11 Roth 33.

12 Roth 34.

13 Roth 34.

authorization of a Joint Resolution of Congress.<sup>14</sup>

When Ronald Reagan was elected in November 1980, the Contra War became all but inevitable given Reagan's world-view. Jimmy Carter had viewed the Sandinista revolution as a popular one, and had felt that the best way to influence Nicaragua toward cooperation with America was to extend favor in the form of economic assistance. But for Reagan, "the problem was Soviet expansion, and the solution was American power,"<sup>15</sup> and he preferred the use of force against recalcitrant Nicaraguans. Reagan viewed the stability of Central America as vital to American security. After witnessing the United States relinquish her interests in the Panama Canal Treaty, he was not about to let his country be humiliated by the possibility of a Communist threat in Central America.<sup>16</sup> The Reagan Administration made two crucial decisions in light of this view of the Nicaraguan threat. The first was to not try very hard or very long to obtain a diplomatic solution to U.S. concerns in the region.<sup>17</sup> In the summer of 1981, the Administration offered the Sandinistas a proposal which would allow the Administration to resume the aid that had been canceled in April, but the Administration then canceled the funds it had promised to hold in suspension.<sup>18</sup> Administration personnel could not agree on the proposal,<sup>19</sup> and the Administration interpreted complaints by the Nicaraguan government about the aid cancellation and military exercises off its coast as a rejection of the proposal.<sup>20</sup> By the fall, "the Administration concluded that it had tried negotiations."<sup>21</sup>

The Reagan Administration seemed more disposed to a threatening posture in Nicaragua than to communication, as evidenced by its choice of ambassador to Managua.<sup>22</sup> First it placed a former terrorist expert from the State Department in the post, then replaced him with a cold war warrior, the former ambassador to Soviet bloc Hungary.<sup>23</sup> Other evidence of the Administration's disposition was the White Paper, released only a month into Reagan's presidency, which called Nicaraguan support of the Salvadoran guerrillas a "Kremlin-directed conspiracy to take over the world."<sup>24</sup>

Given this perspective, the Administration must have found it painless to make the second, more crucial decision. The decision to support and fund the Contras was a result of the Administration's view of Soviet power and of Nicaragua's importance to the United States. It was to have significant impact on the direction of American foreign policy towards Central America in the 1980s.<sup>25</sup> The decision was made in the fall of 1981, and in November, Reagan approved \$19 million in Contra aid.<sup>26</sup>

Once the Administration decided to secretly fund the Contras, and especially after that decision became public--in February 1982, President Reagan demonstrated his commitment to the Contras by framing the issue in Cold War terms in a speech to a Joint Session of Congress--it became very difficult for the Administration to back down.<sup>27</sup> One commentator said, "Republicans revel in the patriotic rhetoric of fighting Communists and supporting [so called] freedom fighters".<sup>28</sup> To back down might have appeared like a capitulation.

14 Robert A. Pastor, *Condemned to Repetition: The United States and Nicaragua* (Princeton, New Jersey: Princeton U.P., 1987), 230.

15 Pastor 230-231.

16 Pastor 233-236.

17 Pastor 234-235.

18 Pastor 234-235.

19 Pastor 235.

20 Pastor 234-235.

21 Pastor 235.

22 Pastor 235-236.

23 Noam Chomsky, Morris Morley, Michael Parenti, and James Petras, *The Reagan Administration and Nicaragua: How Washington Constructs Its Cause for Counterrevolution in Central America* (Princeton, New Jersey: Princeton U.P., 1987), 1.

24 Pastor 231-238.

25 Roth 27.

26 Pastor 237-238.

27 Pastor 260.

28 Krauss 147.

However, the Administration found itself on a collision course with Congress over the issue of Contra aid, because of CIA action in support of the Contras and the actions of the Contras themselves. It was in March 1982 that the Contras, led by CIA agents, blew up two economically important bridges inside Nicaragua. Since the original National Security Directive only authorized the Contras to interdict arms shipments to El Salvador, Congress became skeptical of Contra objectives, reasserted itself, and passed Boland I.<sup>29</sup>

Reports of Contra abuses became widespread. The press reported that the Contras were killing civilians, including teachers, coffee pickers, and health workers, during their raids. In 1982, a Contra commander, nicknamed Suicide, "went on a month long binge of murder and rape." And in 1983, the Contras killed fourteen peasants, raping and slitting the throats of two women and a sixteen year old girl.<sup>30</sup> Congress and the American people were appalled, but public opinion was not, at the time, a significant factor in the formation of policy on Nicaragua.

The actions of the CIA did not help the Administration's stand on aid to the Contras. The mining of Nicaraguan harbors and the psychological warfare manual, which had advocated the assassination of Sandinista officials, violated both domestic and international law, and Americans like to believe that their government acts lawfully in the international arena. The actions of the Contras and the CIA between 1982 and 1984 contributed to a widespread distrust within the Congress about the Administration's foreign policy objectives, and led to a reassertion of Congress's demand to participate in foreign policy making.

Congress supported Administration foreign policy in a meaningful way between 1981 and 1984 (and again from 1985 to 1987), despite a growth in negative public opinion. Shortly after the Administration's Nicaraguan policy became public in February 1982, a Harris poll found that 64% of the public disapproved of the Administration's handling of the Nicaraguan situation, yet Congress approved \$19 million in classified aid to the Contras.<sup>31</sup> In November 1983, when Congress approved \$24 million in outright military aid to the Contras, another Harris poll found that only 29% of the public agreed with the Administration's policy in Nicaragua.<sup>32</sup> William LeoGrande found that in the House of Representatives, there was no correlation between individual representatives' voting records on Nicaraguan policy and public opinion in their respective districts.

In conclusion, there were three major factors that led to Congress' decision to adopt the second Boland Amendment. First, the Reagan Administration's worldview and perception of powerplay in Central America, led to a dogged pursuit of a poorly thought-out policy. The administration refused to countenance a Communist victory only a few years after the fall of South Vietnam. This was especially true for the Western Hemisphere, where Cuba was a worrying reminder of America's failure to keep Communism out of her backyard. Second, the actions of the Contras and the CIA in carrying out the Administration's policy in Nicaragua pushed Congress toward Boland II. The secrecy, illegality, and probable immorality of the Contra War helped to prod the American Congress into action.

Congress was forced to act when these two factors came up against the third: Congress' desire to reassert itself vis-a-vis the President and regain power in the formation of foreign policy. After a string of embarrassments, where Congress was shown to be out of touch with hard information on how the Administration was conducting the Contra War, and realizing that it had no control over the war, Congress moved to reassert its powers. The second Boland Amendment, which cut all aid to the Contras from October 10, 1984 to June 12, 1985, was the result of this reassertion of power. The second Boland Amendment led to the Iran-Contra scandal and the downfall of Lieutenant Colonel Oliver North, his associates and immediate superiors.

<sup>29</sup> Krauss 150.

<sup>30</sup> William M. LeoGrande, "Did Public Opinion Matter?: The Impact of Opinion on Congressional Support for Ronald Reagan's Nicaraguan Policy." *Public Opinion and U.S. Foreign Policy: The Controversy over Contra Aid*, edited by Richard Sobel (Lanham, Maryland: Rowman & Littlefield, 1993), 185.

<sup>31</sup> Roth 23.

<sup>32</sup> LeoGrande 185-186.