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AN ANALYSIS OF TRADE RELATIONS AND AID FLOWS IN THE CFA FRANC ZONE

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ABSTRACT

As former French West and Central African colonies gained their independence en masse in 1960, a degree of sovereignty was transferred from the former French colonial administration to the succeeding African governments. To the international community, this wave of independence seemed to indicate French withdrawal from Africa and the beginning of true economic and political autonomy for the nascent states. However, during the process of decolonization, several mechanisms of colonial invention persisted, including the Communauté Financière Africaine (CFA) Franc Zone, a monetary union arranging former French colonies into two regional groups with currencies pegged to the French franc. The performance and structural organization of the zone are still widely debated to this day.

While the CFA Franc Zone has afforded the former French colonies that comprise its membership greater access to the global economy by ensuring direct convertibility with the French franc, it has also rendered the zone more vulnerable to economic perturbations in the global environment. This is increasingly true since France's adhesion to the European Economic and Monetary Union (EMU) and its adoption of the euro as its official currency, which led the CFA franc to shift from a peg to the franc to the euro in 1999.

The following paper will examine how European political and economic integration, and the CFA franc's shift from a peg to the French franc to the euro, have influenced trade and aid relations between France and the CFA Franc Zone. It will analyze International Monetary Fund (IMF) and Organization for Economic Cooperation and Development (OECD) data on trade and aid flows from 1980 to 2010, with an emphasis on the period surrounding the 1999 implementation of the euro. A discussion of the implications for France, Europe and Francophone Africa of maintaining the CFA franc peg to the euro will conclude the paper.

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Chapter One: Introduction

The CFA Franc Zone represents one of the most unique monetary unions in the world. It is comprised of twelve former French colonies and two former non-French colonies, divided into two regional currencies—the West African CFA franc and the Central African CFA franc—that maintain a common fixed exchange rate to the euro and are guaranteed by the French Treasury. While the CFA franc's peg to the euro has been lauded for providing a stable monetary anchor that affords its member-states greater access to international financial and goods markets than non-member countries, it has also been criticized for exacerbating a wide array of economic challenges, particularly in light of the current unpredictable nature of the global economic environment, increasingly characterized by widespread financial volatility, rising capital flows and structural changes in recent years (Agbohou, 1999; Azam, 2005; Gurtner, 1999; Hallet, 2008; Martin, 1986).

A relic of the French colonial era, the CFA Franc Zone served as a tool of the French colonial administration, with the primary objective of creating favorable economic conditions to support French foreign direct investment and other national economic interests in West and Central Africa. Even today, France possesses the power to directly influence the monetary policy of the zone, and consequently the economic policies that the member-states implement, allowing the French government to remain very much active in the affairs of the African states that comprise it (Agbohou, 1999; Martin, 1986). This is due, in part, to the strong French presence on the administrative board of the Regional Central Banks that manage each of the two CFA Franc Zones, prompting many scholars to argue that the French government has used the Regional Central Banks to influence economic policies voted on by the zone's members, thus subverting the national sovereignty of these states in order to advance France's strategic economic interests.

Critics of the CFA Franc Zone cite the decision to devalue the CFA franc in 1994 as an example of such a highly contested policy (Alibert, 1996; Godeau, 1995). It was presented to the international community as a means of boosting exports and reducing imports in order to establish a more advantageous balance of trade and foster export-led growth within the zone. However, several scholars have argued that this policy made exports from the CFA Zone cheaper and more competitive on the world market (to the advantage of France and other advanced economies that import raw materials from the zone members) at the expense of the majority of each CFA Zone member's population who were subject to a doubling in price of all imported medicine, fuel and food staples. It also permitted officials whose power and status afforded them insight into the timing of devaluation to double their investments in the currency by converting their CFA francs to French francs before the decision was officially implemented (Godeau, 1995).

France has maintained strong trade ties with its former colonies from which it has imported the raw materials, minerals, natural energy and agricultural products essential to French society. The CFA franc is thought to have supported and promoted trade in the zone through its fixed exchange rate, which eliminated price volatility and uncertainty caused by fluctuations in the exchange rate—the case in countries with floating exchange rate regimes (Azam, 2005). Yet, as the European Economic and Monetary Union developed and France integrated its economy with those of other European countries, France was presented with two options: continue to engage in preferential trade with its former African colonies or pursue greater European integration through trade within the euro zone. Furthermore, with the implementation of the euro zone, the CFA franc's peg to the French franc switched to the euro, extending the same benefits of trade between CFA Franc Zone members and all countries of the euro zone. This opened a window of opportunity for France's former West and Central African colonies to diversify their trade partnerships among European nations and begin trade relations with other global players such as China, India and the U.S.

At the same time as Europe was undergoing economic integration, it was also building the institutions necessary for European political integration. Under the framework of the European Union (EU), the European Commission established EuropeAid, the organization responsible for designing development policies and delivering European foreign aid to beneficiaries around the world. The creation of these institutions introduced new forms of development assistance to EU donors, including France, giving them the option to continue bilateral aid to their beneficiaries or engage in this new multilateral aid.

These two related changes brought about by economic and political integration in Europe raise a series of important questions. First, to what extent has the expansion of trade between CFA countries and Europe affected trade with France? With the political integration of Europe and the creation of multilateral forms of assistance to Africa, have the EU countries taken advantage of these new sources of aid? If so, has French bilateral aid diminished?

This paper seeks answers to these questions by examining the common economic histories of these two distinct regions, Europe and Africa, and in particular by analyzing data on trade and aid. It aims to reveal how the rise of the euro zone has influenced economic relations between Africa, France and more generally Europe. This study will also provide insights into implications of these changes in light of present-day globalization.

Chapter Two: Historical Context and Literature Review

The Origins of the CFA Franc Zone

The origins of monetary unions in West and Central Francophone Africa can be traced back to the creation of The Bank of Senegal in 1853 by imperial decree of Napoleon III (Godeau, 1995, p. 17). The Bank of Senegal served as a private investment bank that was authorized by the French Government to print currency in West Africa to stimulate French economic activity in the region. At the turn of the century, it was transformed into the Bank of West Africa (BAO) to cater specifically to a federation of eight West African French colonies established in 1895 under the title of "French West Africa" including: Côte d'Ivoire, Dahomey (now Benin), French Sudan (now Mali), Guinea, Mauritania, Niger, Senegal, and Upper Volta (now Burkina Faso). In 1910, the BAO extended its services to the Central African federation called "French Equatorial Africa" including: the Central African Republic, Chad, Gabon and Republic of the Congo (Godeau, 1995, p. 17). While the primary activity of the BAO was to print currency to be introduced in the region, its ultimate goal was to transform the local barter system into a system in which the available raw materials and goods could be traded for the French currency.

In 1939, France began implementing a series of protectionist policies to mitigate the effect of the economic recession in the Metropole and throughout the empire. These policies included the formal creation of the currency union the "CFA Franc Zone" on September 9th, 1939, and the CFA franc currency on December 26th, 1939 (Godeau, 1995, p. 29-31). The acronym CFA stood for French Colonies of Africa, and it referred to France's possessions in French West Africa and French Equatorial Africa. At its inception the CFA Franc Zone was defined as a geographic space within which the CFA franc currency would be convertible to the French franc in order to foster a zone of common protection. The zone was strengthened in 1945 with France's ratification of the Bretton Woods Agreement that established the foundations for the modern economic order following World War II.

By 1955, the CFA Franc Zone had transformed into a highly centralized decision-making entity that upheld four major principles (Martin, 1986, p. 207):

1. The free convertibility of the overseas and metropolitan currencies;
2. The free movement of capital within the zone;
3. The pooling of gold and foreign exchange reserves in a common Fund for Exchange Stabilization; [and]
4. Common rules and regulations for foreign commercial and financial transactions.

In the 1960s and 1970s, a wave of democratization swept over Africa, transforming the colonies into independent states. As nation after nation declared independence from its respective colonial power, President Charles de Gaulle of France sought to negotiate the conditions by which the French colonies would gain their independence. Deeply entrenched in the Algerian War for independence and having just lost French Indochina to a war of independence in 1954, de Gaulle's administration was reluctant to relinquish the substantial African empire over which it presided (Du Cane, 2002; McKesson, 1990). Instead, de Gaulle hoped to recast France's relationship to its colonies in order to maintain the influence it had enjoyed since the beginning of colonization.

In exchange for a gradual transition to African independence, de Gaulle proposed that Francophone African nations "allow the stationing of French troops on their territory, provide France with a steady supply of raw materials at pre-determined prices, assume all colonial-era debts incurred by France, maintain the CFA Franc as their common currency, and grant the

French Treasury veto authority over their sub-regional central banks" (Du Cane, 2002). He also sought to ensure that the core principles of the CFA Franc Zone—developed over the course of the three preceding decades through various bilateral agreements—would be maintained after independence. These proposals would permit France to maintain a significant degree of control over its strategic national economic interests in the countries well past independence, while still ostensibly submitting to the will of the African people. In a referendum issued in 1958, all but one colony agreed to the conditions of the existing political, economic and monetary arrangements, as a part of a larger understanding that their agreement would allow them gradual internal autonomy as a step toward independence. The sole country to refuse the proposal was Guinea whose voters rejected the new political arrangement and demanded immediate and complete independence (Martin, 1986, p. 208).

The transference of political power from the French government to the administrations of the newly sovereign African states was, with a few exceptions, a relatively smooth and peaceful process, in part because there was no change to the pre-existing economic arrangements and institutions of the colonial era (Martin, 1995, p. 12). Moreover, the leaders of the new countries had very close ties to France, many of them having served in the French Legislative as representatives of their colonies and maintaining the same position as the French on the existence of a strong Franco-African alliance. Following independence, the CFA Franc Zone was renamed the Communauté Financière Africaine (or the African Financial Community) in West Africa and the Coopération Financière en Afrique Centrale (or Financial Cooperation in Central Africa). In August 1960, the Central African and West African states concluded separately a number of cooperation agreements with France, which led to a formal treaty establishing the West African Monetary Union on March 12th, 1962 (Godeau, 1995, p. 19). From 1972 to 1973, a series of negotiations conducted between West and Central African states and France were held to define the new monetary cooperation structures, which in effect were mere adjustments of the former arrangements (Martin, 1986, p. 208). The Central African states and France held conventions on November 22nd and 23rd, 1972 to reform their monetary cooperation, while the WAMU member-states signed a treaty with France on December 14th, 1973 to establish an operations account and a new cooperation agreement. By the end of 1973, a revised franc zone constitution reformed the two central banks that assumed policy-making authority from the French Treasury: the Central Bank of West African States (BCEAO) and the Bank of the Central African States (BEAC). These banks assumed authority over their respective regions to design and implement economic policy, issue currency, define exchange rate policies, manage the official exchange reserves and facilitate the operation of the systems of payment (Godeau, 1995). Finally the West African Economic and Monetary Union and the Economic Community of Central African States were established in 1994 to coordinate economic and monetary policies for the regions.

Today the CFA Franc Zone is comprised of Benin, Burkina Faso, Côte D'Ivoire, Guinea-Bissau, Mali, Niger, Senegal, and Togo in West Africa and Cameroon, Central African Republic, Chad, Republic of Congo, Equatorial Guinea, and Gabon in Central Africa—all former French colonies with the exception of Equatorial Guinea and Guinea-Bissau who joined the zone based on their geographic proximity to the other zone members. Through the conditions established by the arrangements following their independence in the early 1960s, France exercises control over monetary and financial regulations, banking activities, credit allocation and the money supply of the CFA Zone, making France a dominant player in the economic stability of the region (Martin, 1995, p. 12). The convertibility of the CFA is guaranteed via a special operations account at the Bank of France that is permitted to run a deficit, offering unlimited overdraft to individual CFA

Zone members (Martin, 1995). This prevents Zone members from encountering problems with their short-run balance of payments. However, the central banks must deposit 65% of their foreign exchange reserves into the operations account to compensate for this flexibility (Martin, 1995). The two zones each host an annual "monetary programming exercise" to establish the credit ceiling of each CFA Zone government with respect to their regional Central Bank.

By agreeing to the membership rules of the CFA Franc Zone—including the oversight of foreign exchange reserves by the French Treasury and the veto power of French administrators on the boards of the regional central banks—the member countries have voluntarily delegated their monetary and fiscal responsibilities to France (Martin, 1995, p. 12). Any alteration of the CFA franc's value in relation to the French franc will certainly affect the economic security of the CFA Franc Zone; and yet, the French government possesses absolute power over devaluation decisions, since it carries the weight of a veto on the administrative boards of the Regional Central Banks. Therefore, many scholars have argued that the CFA franc has served as simply an extension of the French franc—and now the euro—that undermines the monetary sovereignty of these member-states (Agbohou, 1999; Martin, 1995).

The 1994 Devaluation

Throughout the history of the CFA franc in West Africa, the CFA Franc Zone has been credited with providing relative macroeconomic stability to the region, compared to other regions of Sub-Saharan Africa without such structures in place (Azam, 2005; Gurtner, 1999; Hallet, 2008). The economic benefits of the zone have been in large part attributed to the credibility rooted in its direct convertibility with a global currency. One exceptional period throughout the existence of the CFA Zone was the economic turbulence of the 1980s and 1990s caused by declining terms of trade that ultimately led to the 1994 devaluation of the CFA franc by 50 percent.

On the 11th of January, 1994, following a Franco-African summit meeting in Dakar, the CFA franc was officially devalued from CFA 50 franc = 1 French franc to CFA 100 = 1 French franc with immediate effect (Godeau, 1995, p.5-6). This was the first time the CFA had been devalued since 1948, following WWII and the Bretton Woods Agreement (Dearden, 1999, p. 1). The French government reached this decision based on a variety of factors including (Martin, 1995, p. 18-9; Godeau, 1995, p. 105-30):

- the gross overvaluation of the CFA franc, which made goods from the franc zone uncompetitive on global and African markets and stimulated cross-border smuggling with non-CFA countries;
- the sharp increase in capital transfers between francophone states and European banks over the preceding year-and-a-half, draining the French treasury and forcing the monetary authorities to suspend the free convertibility of the CFA franc on August 2nd, 1993;
- the death of President Houphouët-Boigny of Côte D'Ivoire, a major ally of the French yet an ardent opponent of the devaluation, who passed away in 1993; and
- the petitions from the many francophone states to the French government for fiscal bailout packages consisting of direct, debt-relief packages aimed at paying off IMF and World Bank loans, which in most cases had fallen into arrears. They totaled some FF 1,500 million over the six month span from December 1992 to May 1993.

Eventually, the deepening burden of supporting Francophone Africa in the midst of its economic and financial crises while the Metropole was suffering from a severe recession of its own led France to reevaluate its economic relationship and responsibilities to its former colonies. Amidst this economic instability, the French Prime Minister announced that “France alone cannot solve all the economic and financial problems of all the African countries. The international [financial] institutions must become much more involved in Africa than they are at present” (Martin, 1995, p. 18). On January 1, 1994, the French declared that any additional French development assistance to CFA Franc Zone countries would be conditional upon agreements with the IMF and the World Bank to reciprocate their support (Martin, 1995, p. 18).

To the French Government, the devaluation of the CFA franc signified the most rational economic decision in light of the dire circumstances of its own economy and the economies of the Franc Zone. It allowed them to transfer the burden of the immense foreign debts of several of the CFA Zone’s member-states from the French Treasury to the IMF and World Bank. However, for the African member-states the decision has drawn mixed reviews. On the one hand, it has improved the competitiveness of CFA Zone goods on the global and African markets and has been attributed with stimulating export-led economic growth in these countries. On the other hand, it has been charged with reducing foreign-exchange earnings, increasing the cost of essential foreign imports including medicine, fuel and several food staples and, in turn, further marginalizing the poorest of the CFA Zone countries and undermining social and human development in the region (Agbohou, 1999, p. 110-12; Alibert, 1996; Alphandery, 2004; Noble, 1994; Uku, 1995).

The Implementation of the euro and its implications for the CFA Franc Zone

The launch of the euro as a new European currency in 1999 represented the second defining moment for CFA Zone member-states in the 1990s. With the creation of the European Central Bank (ECB) as the authority that controlled monetary policy throughout the region, the initial eleven member countries of the European Economic and Monetary Union (including France) fixed their pegs against the new currency. The euro proceeded to replace the national currencies of the member-states in transactions between financial institutions, including the banks through the European Central Bank Clearing System and trades on the euro zone equity markets. All public loans after 1999 were denominated in euros, and the euro replaced all member-state currencies in daily circulation.

For the CFA Franc Zone, this transition to the euro in Europe led to the replacement of the French franc-CFA fixed parity with a euro-CFA fixed parity. On January 1, 1999, the CFA franc's external peg was moved from the French franc to the euro at a rate of CFA 665.957 = EURO 1—a condition for the adoption of the euro within the European Economic and Monetary Union (Agbohou, 1999). While the parity would be fixed to the euro, the French Treasury (and not the European Central Bank) would still be responsible for providing a guarantee of convertibility for the CFA Zone (Martin, 1995).

Furthermore, the French government would be required to report to the EU's Economic and Financial Committee to justify any decision to alter its exchange rate policies with the CFA Franc Zone, given the direct consequences for the operation of the Eurozone's monetary and exchange rate policies. Any changes to the CFA agreements would also need to be submitted to and approved by the European Council, after prior consultation with the ECB (Healy, 2003).

Since the implementation of the euro in the EMU represented a major economic shift in Europe, one in which Africa would feel the direct repercussions of its success or failure, the euro was surrounded by as much uncertainty and controversy in Africa as it was in Europe. Economically, arguments that the CFA Zone would experience benefits in output effects (in terms of increased production), price effects (in terms of price stability), and improved access to world capital markets (in terms of CFA convertibility to the euro) were offset by claims that linking to the EMU would make the CFA Zone more susceptible to external shocks (Wyplosz, 2001). With respect to Franco-African relations, some scholars believed the peg to the euro would sever some of the historical economic ties—fostered by the peg to the French franc—between France and its former African colonies (Martin, 1995).

In the lead-up to the adoption of the euro in the EMU, a debate emerged over what would become of the CFA franc once its peg was moved to the euro. Confident euro-enthusiasts claimed that the creation of the EMU would produce a stable euro, which in turn would reduce inflation and interest rates and improve output growth in EMU countries. Such gains would spill over to the CFA Franc Zone by means of increased bilateral trade with and foreign direct investment (FDI) from EMU countries (Zafar, 2005). On the other hand, euro-skeptics claimed that any missteps in the process of forming the EMU, or the creation of an unwieldy or strong euro, would decrease CFA Zone attractiveness to FDI and export partners, resulting in a decline in external competitiveness for the region (Zafar, 2005). In addition, external shocks would present a greater risk to CFA Zone countries than to EMU countries, due to the CFA Zone's "dependence on the production and export of several primary commodities priced in US dollars, and the still limited intra-zone trade" (Zafar, 2005).

For the CFA Franc Zone, the most direct consequence of the shift from a French franc-parity to the euro-parity would be the effect of potential euro exchange rate volatility. Since several members of the CFA Zone have engaged in significant trade outside the CFA Zone and euro zone in recent years (see **Table 1**, in Chapter 6) and possess a large quantity of debt denominated in U.S. dollars, changes in the euro-dollar exchange rates would affect both the trade relations and debt payments for the CFA Zone (Wyplosz, 2001). For example, a decline in the value of the euro would increase the international competitiveness of CFA Zone exports and augment the debt payments they owe. Alternatively, an increase in the value of the euro would offer price stability; however, the substantial interest rates associated with this monetary policy would deter investment.

Moreover, greater access to EMU countries and their money markets for CFA Zone countries by means of a euro peg would lead to greater capital movement between the two regions, just as the CFA franc's former peg to the French franc promoted free capital movements between France and the CFA Zone (Irving, 1999). Each additional country admitted to the EMU, specifically the central and eastern European and Mediterranean countries, would expand the area in which the CFA Zone could potentially engage in capital movements. Today the Eurozone is comprised of 17 member-states that use the euro as their national currency, including: Austria, Belgium, Cyprus, Estonia, Finland, France, Germany, Greece, Ireland, Italy, Luxembourg, Malta, the Netherlands, Portugal, Slovakia, Slovenia, and Spain.

This broadened liberalization of capital movements would not only support positive price effects, but also increase openness and permit the CFA Franc Zone to begin integrating more deeply into the world economy in the long run. As long as the CFA Franc Zone implemented and maintained sound macroeconomic and structural policies, it could not be marginalized in an increasingly globalized world.

Potential risks in moving the peg from the franc to the euro included periods of euro volatility in both the long and short term, during which CFA franc countries would be more vulnerable to asymmetric external shocks (relative to the EMU countries) as well as among themselves (Irving, 1999). Furthermore, complications in the EMU process would have dire implications for economic activity and the financial markets in EU countries, which would consequently affect the CFA Franc Zone by means of the declining export markets. Concerns were also expressed that the strong appreciation of the euro (against the dollar) since its adoption in the EMU would reduce the competitiveness and growth perspectives of the CFA Franc Zone (Zafar, 2005).

Considering that the ECB is not directly accountable to the CFA Zone countries when it comes to the monetary policies they enact, it is essentially left up to chance whether their policies create a monetary environment that is appropriate to the individual economic conditions of each country of the CFA Franc Zone. Yet, unlike the members of the euro zone, the CFA Zone has the opportunity to devalue its currency against the euro in order to establish a more favorable monetary environment—as was the intention, but not necessarily the result in 1994. Adopting a policy of devaluation creates as many problems (price instability and uncertainty) as it aims to redress.

Chapter Three: Theoretical Framework

Much of the literature on the CFA Franc Zone has focused on evaluating the macroeconomic indicators of the zone and drawing conclusions about its effectiveness as a monetary union (Zafar, 2005; Healy, 2002). While many scholars have examined changing relationship between France and its former colonies, and how the CFA Franc Zone has been involved in this changing relationship, there has been in large part an omission of the question of the impact of the euro on the CFA Franc Zone. My research strives to explain the unique overlap in the interwoven economic histories of France and CFA Zone member-states based on their shared stakes and unique interests in the CFA Zone. It explores the following questions: how has the shift from the CFA Zone's fixed peg to the French franc to the euro influenced trade relations and aid policies between France and each of its former West and Central African colonies? How has the rise of EU development institutions affected bilateral aid from France to its former colonies? To achieve these objectives, I have employed a hybrid quantitative and qualitative approach, using quantitative data to demonstrate how trade and aid policies have changed and qualitative historical accounts to explain why the changes took place.

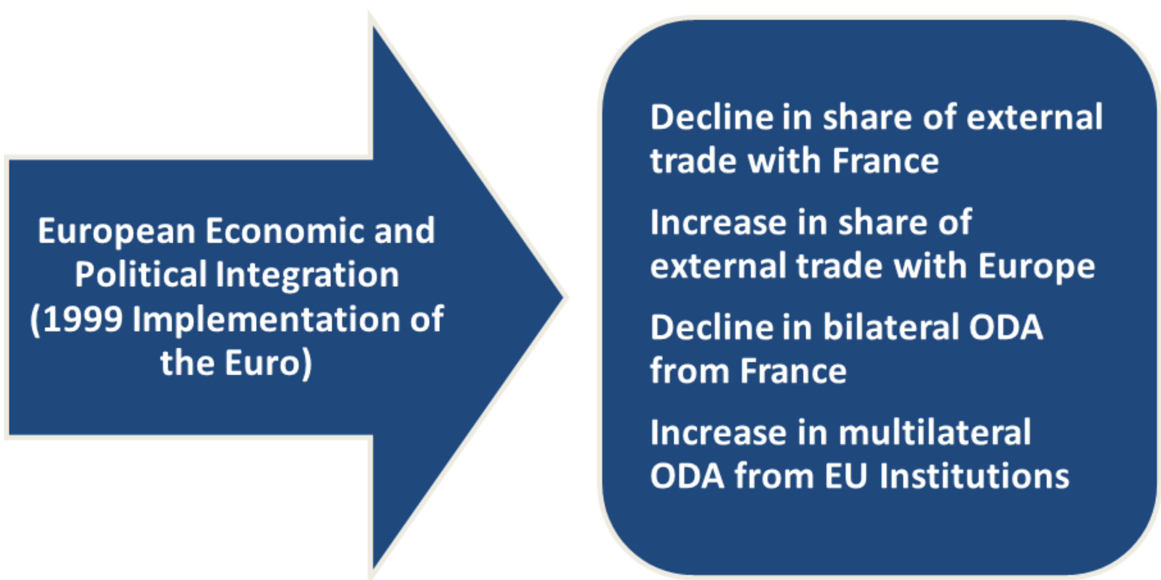
I have operationalized my independent variable, European economic integration, by following a timeline of economic integration from 1980 to 2010 as outlined in the European Commission's document "Economic and Monetary Union – A timeline." I will focus my attention on the year 1999, when the euro currency was officially implemented in the EMU, as the inflection point in my study. I selected the timeframe from 1980 to 2010 because my sources have an almost complete set of data on trade and aid available during this period, and it includes all stages of EMU development such as the pre-implementation period, the implementation and relative stability of the first decade of its use and instability of recent years caused by the global economic crisis and European debt crisis.

The operational definitions of my dependent variables, trade relations and aid policies, will be as follows: trade relations will be identified through the volumes (in millions of dollars) of imports to and exports from the CFA Zone, as well as the overall share in the zone's external trade. Foreign aid will be characterized according to the OECD's definition of official development assistance (in current U.S. dollars) to the CFA Zone. While economic relations are an aggregate of a large number of interactions between former colonies and France, the ones I would like to focus my study on are trade and aid because these two variables play an integral role in the balance of payments for countries. Therefore understanding changes in these factors serves as a sound foundation for evaluating the economic stability of a country. Moreover, both qualitative and quantitative data are most readily available on these topics. Other links that would be interesting to study include foreign debt and investment ties between France and its former colonies.

The units of analysis will be the current 14 members of the CFA Franc Zone. These include: Benin, Burkina Faso, Cameroon, the Central African Republic, Chad, the Republic of Congo, Equatorial Guinea, Gabon, Guinea-Bissau, Ivory Coast, Mali, Niger, Senegal, and Togo; although it should be noted that Mali left the CFA Zone in 1962 and rejoined in 1984 while Equatorial Guinea joined the zone in 1985 and Guinea-Bissau joined in 1997 (Godeau, 1995). I will exclude Comoros from my project because of the unique nature of its relationship to France, particularly the fact that it has a currency separate from the rest of the CFA franc countries.

Since the switch in the peg from the franc to the euro provides a fixed exchange rate regime (and the corresponding price stability and low transaction costs that are so advantageous to this type of currency exchange,) my hypothesis is that a switch in the peg from the franc to the euro in 1999 will serve as an inflection point along the timeline of trade flows for CFA Zone countries, demarking a decrease in the share of external trade between France and CFA Zone countries as the share of external trade between CFA Zone countries and countries of the Eurozone increase. Similarly, I hypothesize that France's share of official development assistance to the CFA Zone will fall as official development assistance donated through EU institutions will rise.

Figure 1: Conceptualization of Hypotheses on Trade and Aid



Chapter Four: Analysis of Trade Relations

Exports

Exports from the CFA Zone to France increased in absolute terms between 1980 and 2010—from US $1,997,878,900 in 1980 to US $2,422,696,162 in 2010. However, in relative terms, France's share in the exports of CFA Zone members has declined since 1980. **Figure 2** illustrates the decline in the proportion of exports from WAEMU countries to France (as a function of total exports from WAEMU countries) which on average decreased from 26.57% in 1980 to 5.77% in 2010. While certain countries such as Burkina Faso and Niger have experienced extreme volatility in their shares of exports sent to France, most WAEMU countries have demonstrated a steady decline in their shares of exports sent to France.

Figure 2: France's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Exports from WAEMU Countries to France as a Percentage of Total WAEMU Exports

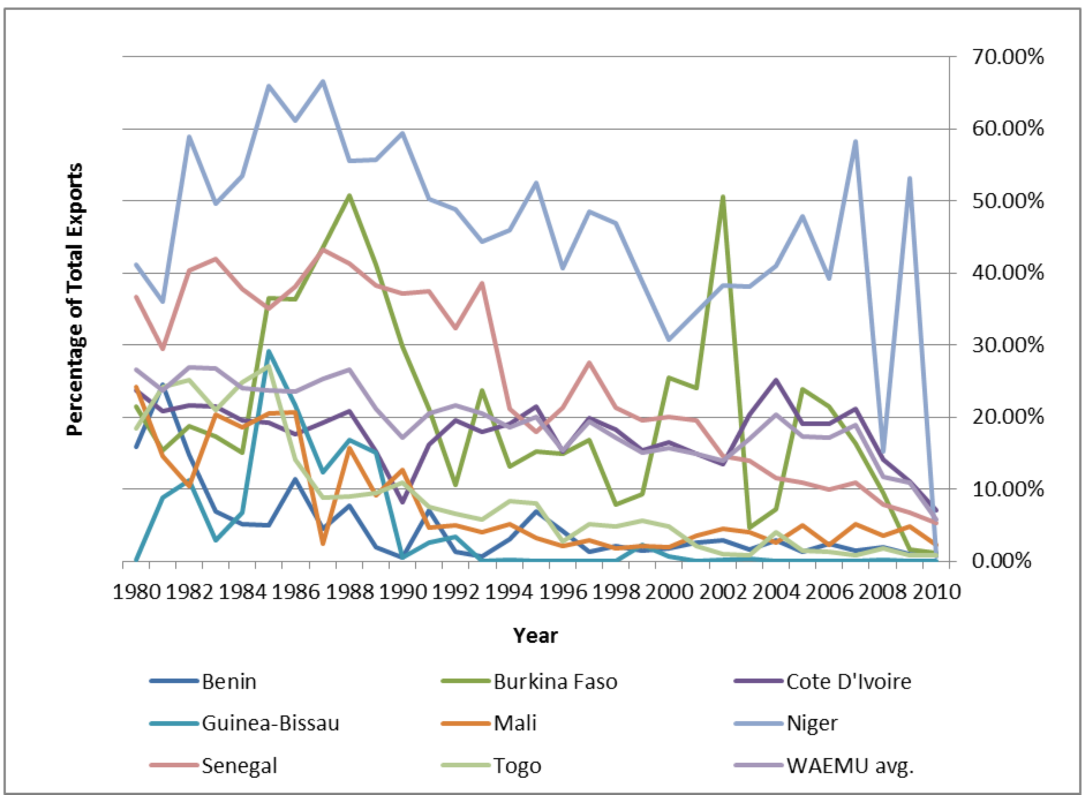
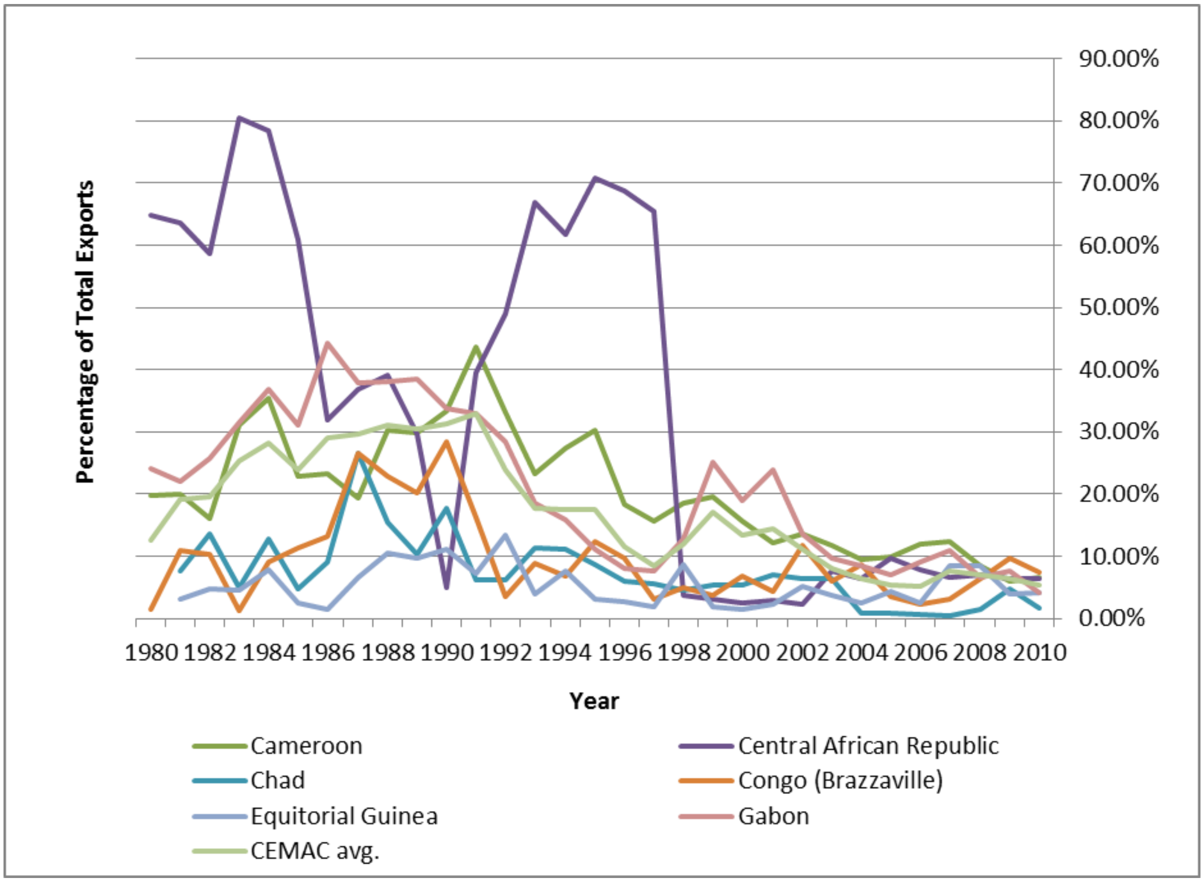


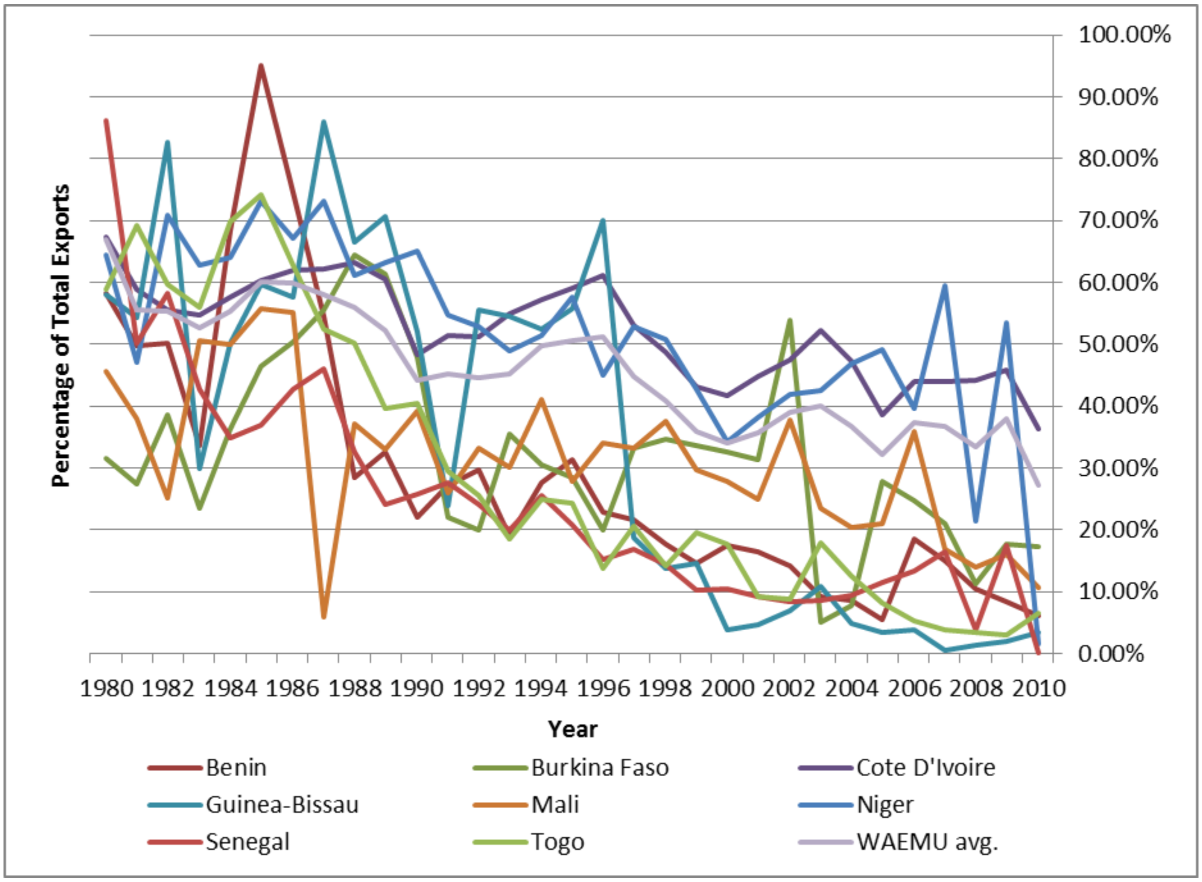
Figure 3: France's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Exports from CEMAC Countries to France as a Percentage of Total CEMAC Exports



For CEMAC countries, France's share in total exports declined on average from 12.63% in 1980 to 5.31% in 2010. **Figure 3** exhibits how, since the mid-1980s, almost all CEMAC countries have undergone a steady decline in the proportion of exports they send to France, with the exception of the Central African Republic which experienced a hike in its proportion of exports to France between 1990 and 1998 before resuming fairly stable trade.

With respect to the euro, neither **Figure 2** nor **Figure 3** illustrates a distinct drop in trade immediately following the 1999 implementation of the euro. However, it is interesting to note that post-1999 none of the CFA Zone members have experienced a sustained increase in the proportion of exports sent to France, excluding Burkina Faso (which experienced a hike in 2002) and Niger (which has experienced increases in 2007 and 2009).

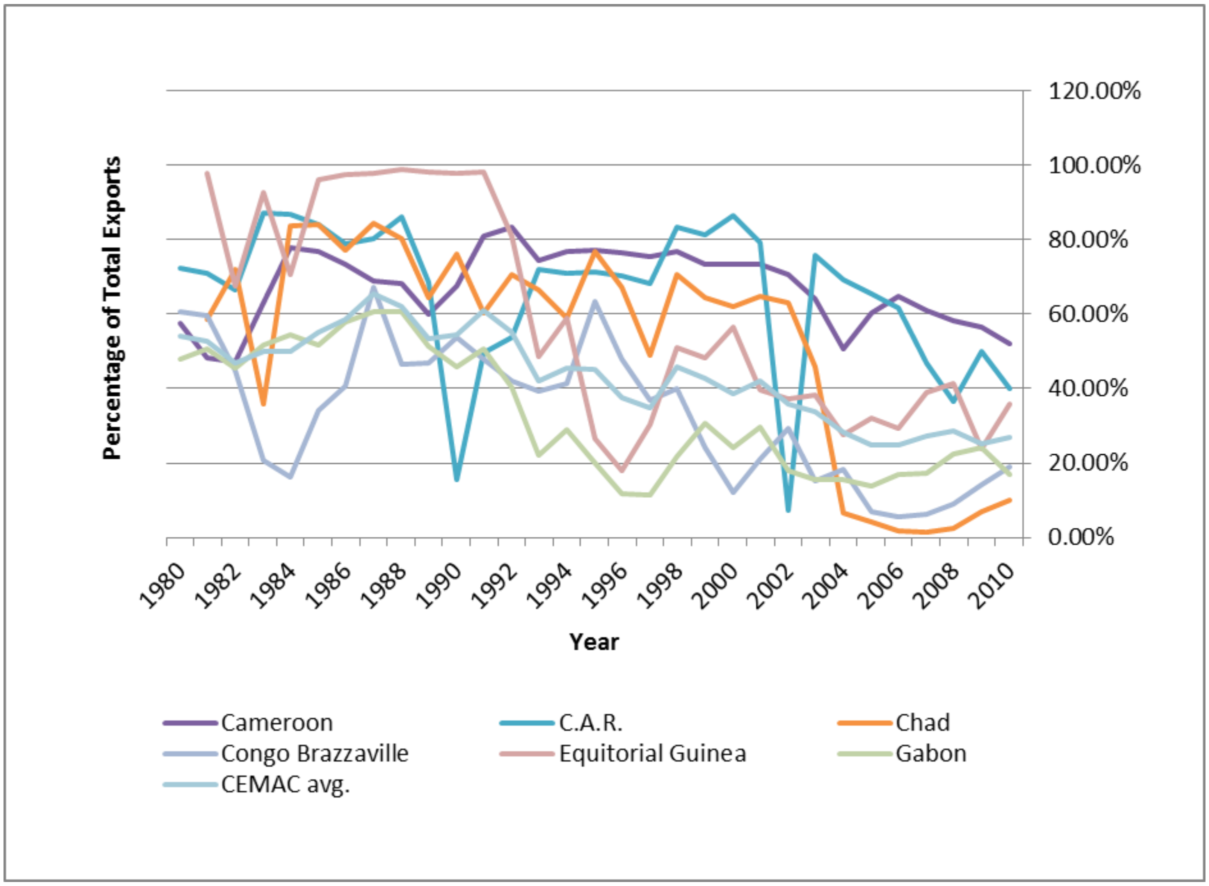
Figure 4: Eurozone's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Exports from WAEMU to Eurozone Countries as a Percentage of Total WAEMU Exports



Similarly, Exports from the CFA Zone to the euro zone have increased in absolute terms from US $5,303,954,254 in 1980 to US $12,029,119,939 in 2010; however, the euro zone's share in the exports of CFA Zone members has declined drastically since 1980. **Figure 4** highlights the euro zone's share in the exports of WAEMU countries, which has declined from 66.91% in 1980 to 27.22% in 2010. This represents a much larger decline than France's decline in the share of CFA Zone exports.

Exports from CEMAC countries to the euro zone exhibit the same general pattern of decline, as demonstrated in **Figure 5**. From 1980 to 2010, the euro zone's share in the exports of CEMAC countries decreased on average from 53.92% to 27.03% although the total volume of exports increased from US $2,361,495,254 to US $8,152,742,928. On average, CEMAC countries experienced the largest drop in 2010. From 2003 to 2004, Chad experienced the largest decline of all CEMAC members of 39.18%.

Figure 5: Eurozone's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Exports from CEMAC to Eurozone Countries as a Percentage of Total CEMAC Exports

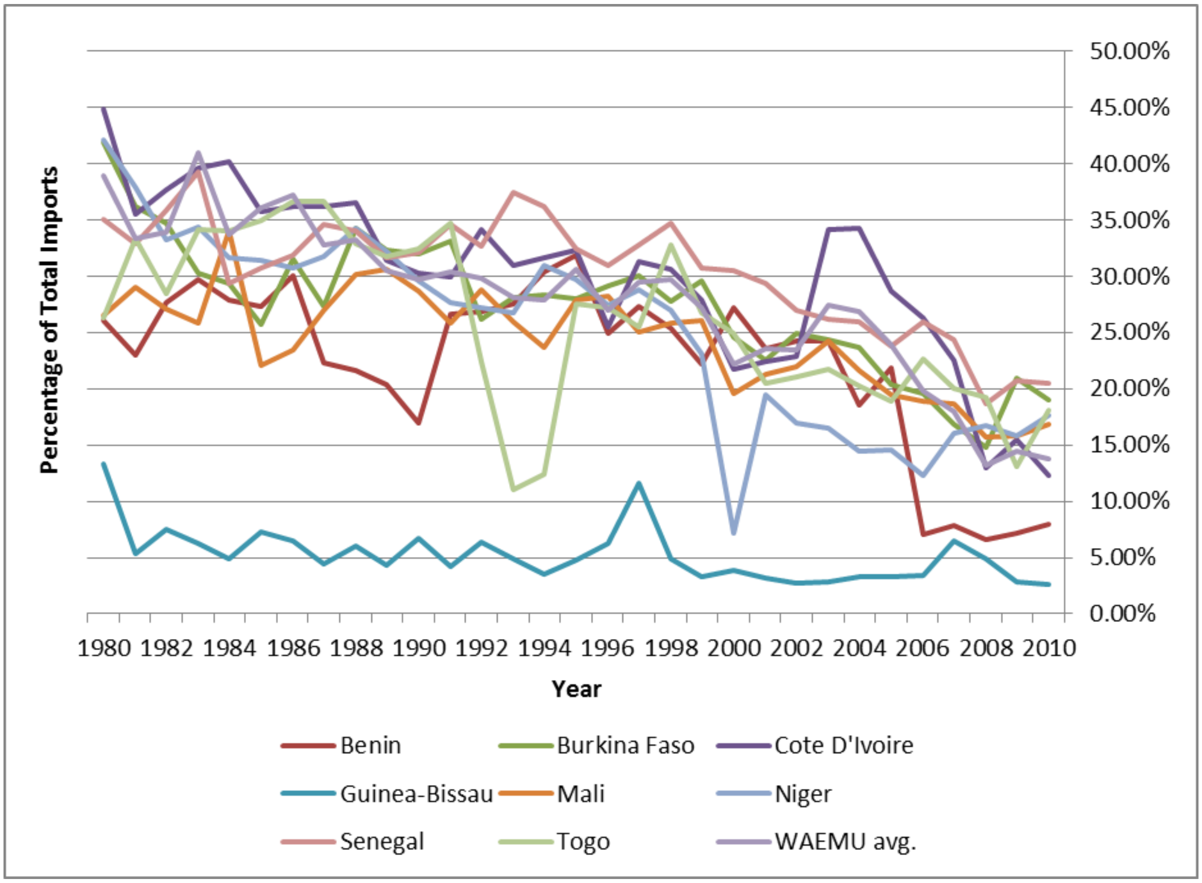


Imports

Imports from France to the CFA Franc Zone have also increased from US $3,452,168,000 in 1980 to US $ 6,375,471,500 in 2010. Yet in relative terms, France's share in the imports to CFA Zone members has declined since 1980. **Figure 6** shows the reduction in the proportion of imports from France to WAEMU countries, which on average decreased from 38.93% in 1980 to 13.82% in 2010. Almost all WAEMU countries exhibit the same declining trend, except for

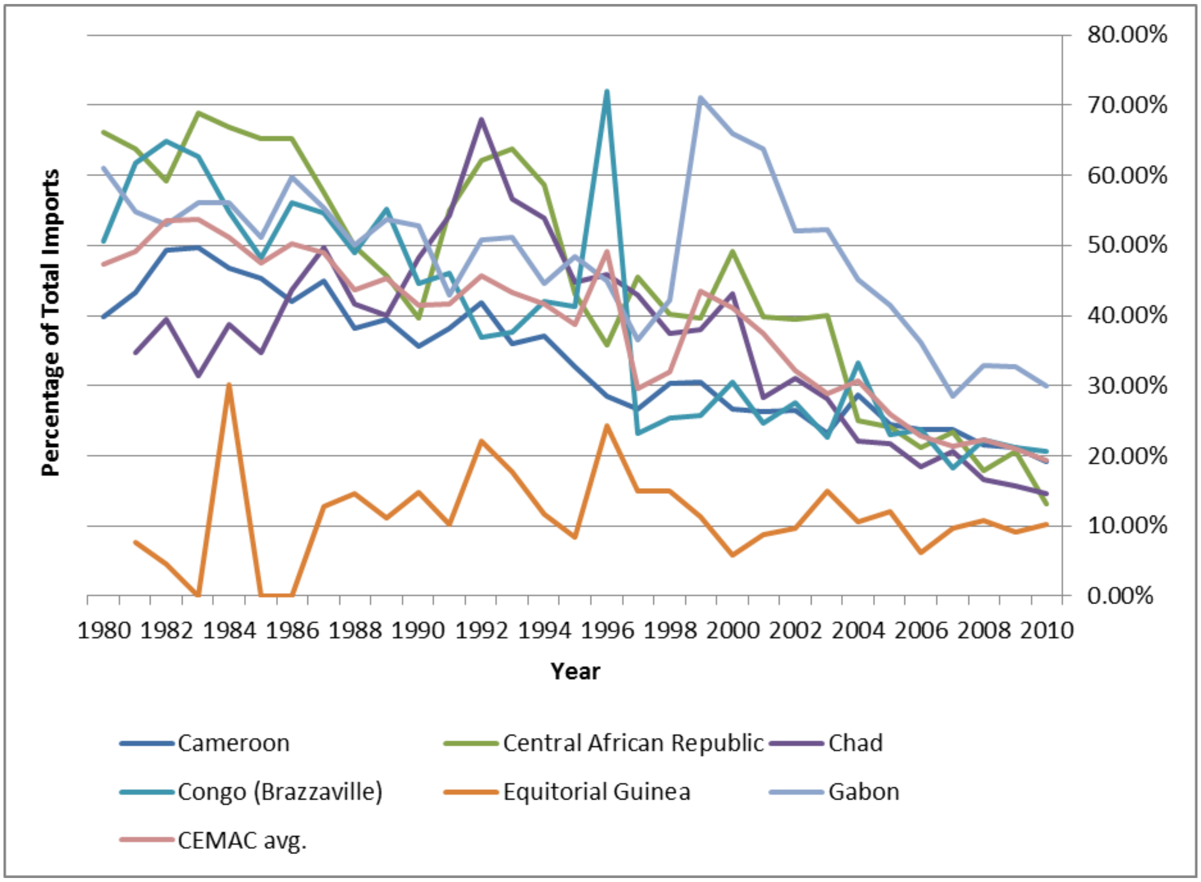
Guinea-Bissau which started out with the lowest proportion of imports from France and has declined at a much slower rate.

Figure 6: France's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Imports from France to WAEMU Countries as a Percentage of Total WAEMU Imports



For CEMAC countries, France's share in total imports decreased on average from 47.25% in 1980 to 19.36% in 2010. **Figure 7** shows how CEMAC countries have followed a declining trend in the proportion of imports they receive from France, with the exception of a few anomalies for Congo which experienced a hike in and 1996 Gabon which is still descending from its 1999 increase. Equatorial Guinea has exhibited the most erratic behavior caused in part by several years of missing data.

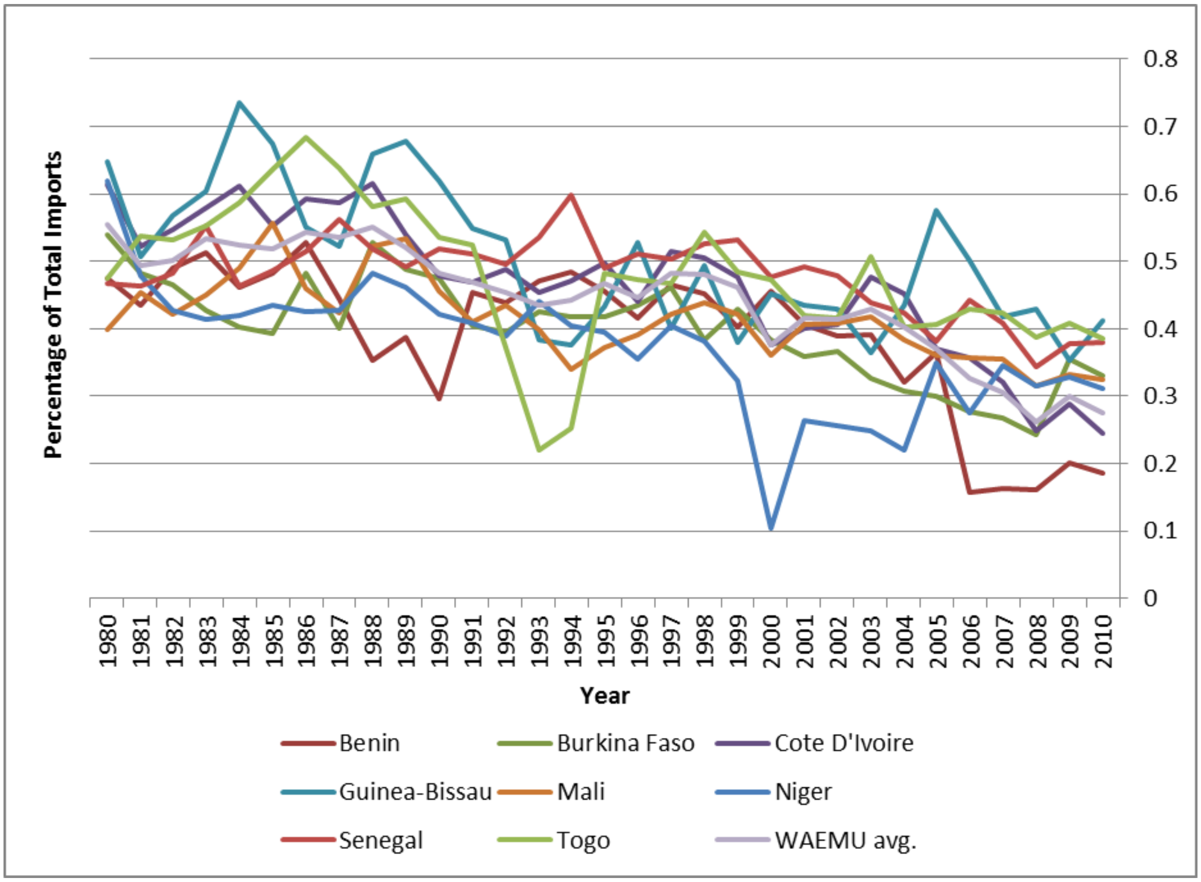
Figure 7: France's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Imports from France to CEMAC Countries as a Percentage of Total CEMAC Imports



Again, neither **Figure 6** nor **Figure 7** reflects the 1999 implementation of the euro with a consequent, marked decrease in trade. It seems as though the 1999 implementation of the euro simply reinforced a pre-existing declining trend in the proportion of total imports coming from France, rather than serving as a catalyst for an extreme decline.

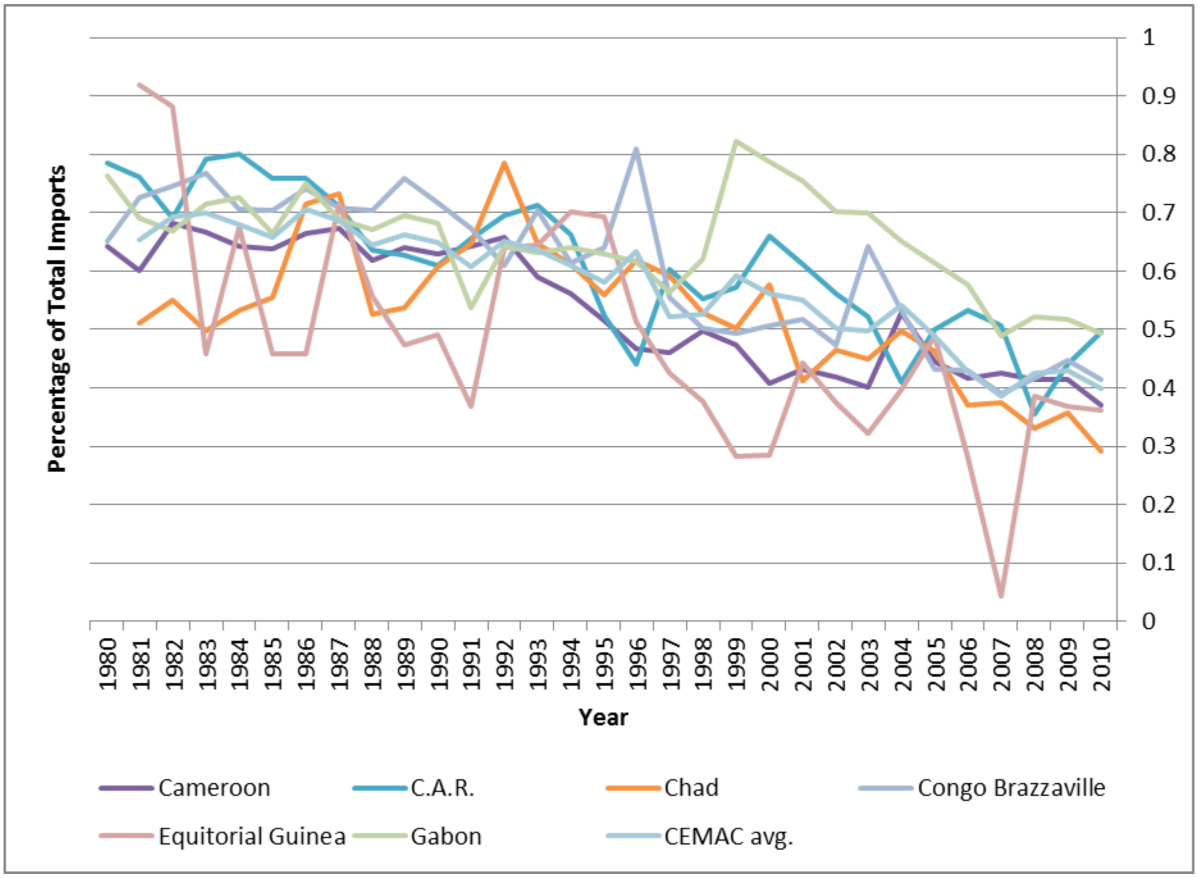
While imports from Europe to WAEMU Countries have increased in absolute terms between 1980 and 2010—from US $3,132,333,000 to US $7,155,717,546, Europe's share in the imports of CFA Zone members has declined by approximately 28% since 1980, from 55.46% to 27.51%. **Figure 8** illustrates the decline in the proportion of imports from Europe to WAEMU countries. WAEMU countries have almost exclusively demonstrated a steady decline in their shares of exports sent to France, with little deviation (except briefly for Niger around 1999) from the overall trend.

Figure 8: Eurozone's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Imports from Eurozone to WAEMU Countries as a Percentage of Total WAEMU Imports



Imports from Europe to CEMAC Countries have increased from US $1,796,613,012 to US $5,730,059,800 in the period from 1980 to 2010. However, Europe's share in the imports of CEMAC members has declined by 31.19% since 1980, from 71.07% to 39.88%, as indicated in **Figure 9**. Europe's share in the imports of CEMAC countries represented the largest decline of the entire CFA Zone, although both CEMAC and WAEMU countries derived the vast majority of their imports from Europe throughout the 1980s.

Figure 9: Eurozone's Share in the External Trade of CFA Franc Zone Countries 1980 – 2010
Imports from Eurozone to CEMAC Countries as a Percentage of Total CEMAC Imports



Figures 2 through **9** seem to indicate that both France's share in the external trade of the CFA Zone and Europe's share in the external trade of the CFA Zone have experienced a decline since 1980. Neither France nor Europe demonstrates an increase in the share of external trade in 1999 around the implementation of the euro, although in certain cases, it appears that the decline may have slowed slightly after 1999**.**

Chapter Five: Analysis of Aid Flows

French official development assistance (ODA) to the CFA Franc Zone has increased, in absolute terms, from US $680,100,000 in 1980 to US $1,823,700,000 in 2010. Today it represents more than 20% of total official development assistance to the region. Yet, as a proportion of France's total official development assistance, France's share of ODA to the CFA Zone has declined in the period from 1980 to 2010. For WAEMU countries, **Figure 10** demonstrates that France's share in the total official development assistance has gradually declined on average from 27.32% in 1980 to 12.65% in 2010. **Figure 11** shows that France's share in the total official development assistance to CEMAC countries has also declined from 42.93% in 1980 to 26.91% in 2010. French official development assistance to the CFA Zone as a whole has declined from 42.93% in 1980 to 26.91% in 2010.

Figure 10: France's Share in Official Development Assistance to WAEMU Countries

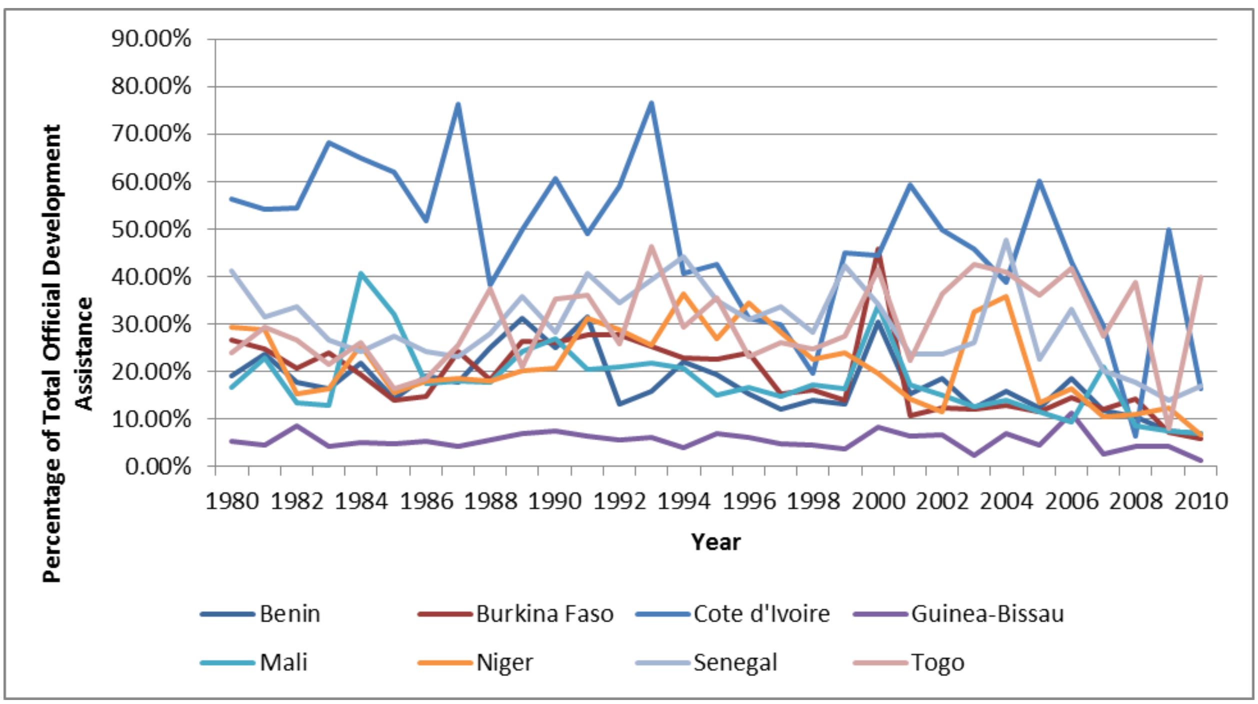
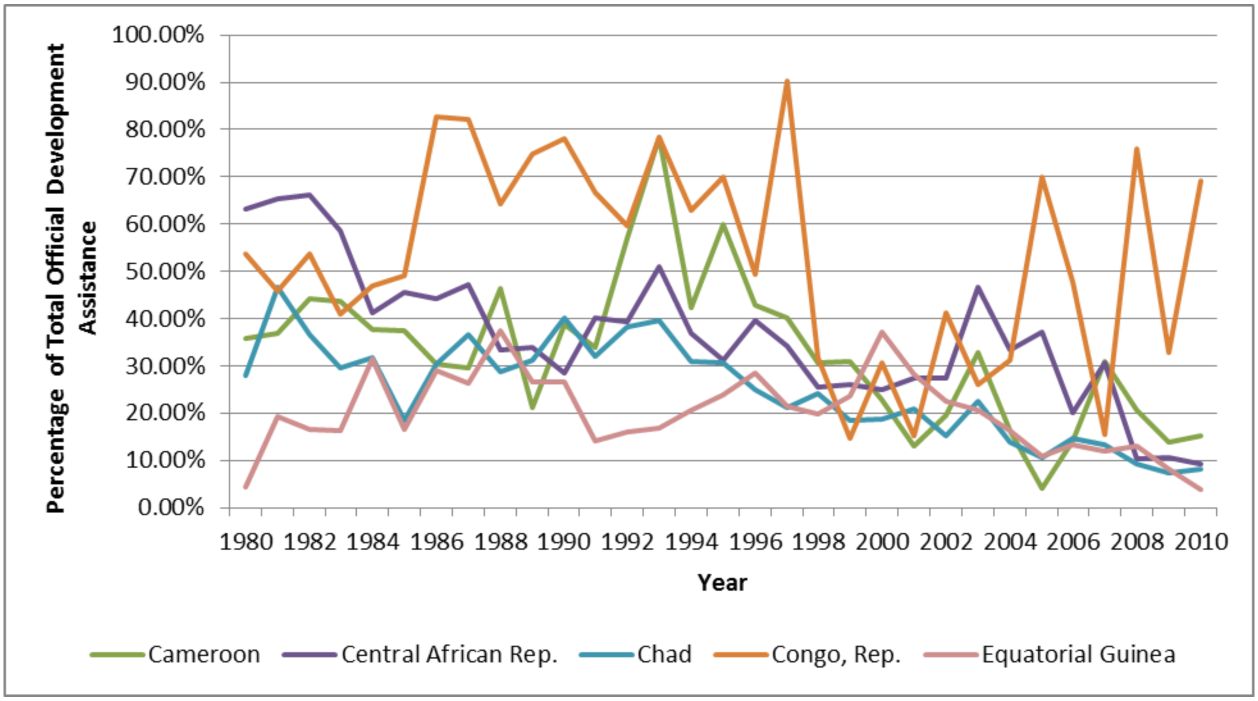
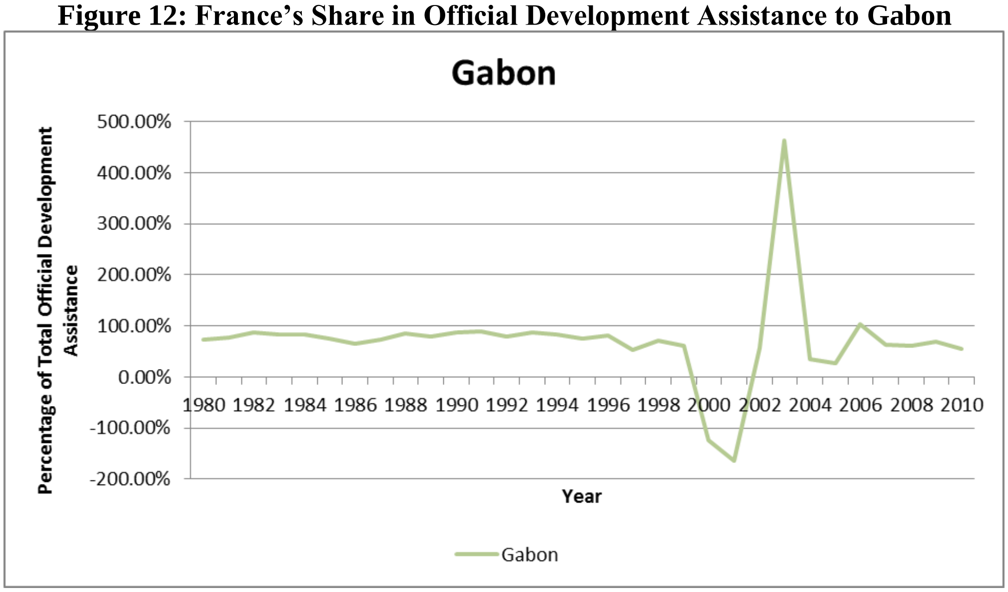


Figure 11: France's Share in Official Development Assistance to CEMAC Countries (Excluding Gabon)



Gabon has been omitted from **Figure 11** because it is not only an exception to the general trend, but also exhibits seemingly impossible behavior. As indicated in **Figure 12**, Gabon experiences *negative* official development assistance from 2000 to 2003 followed by official development assistance from France that exceeded the total amount of official development assistance

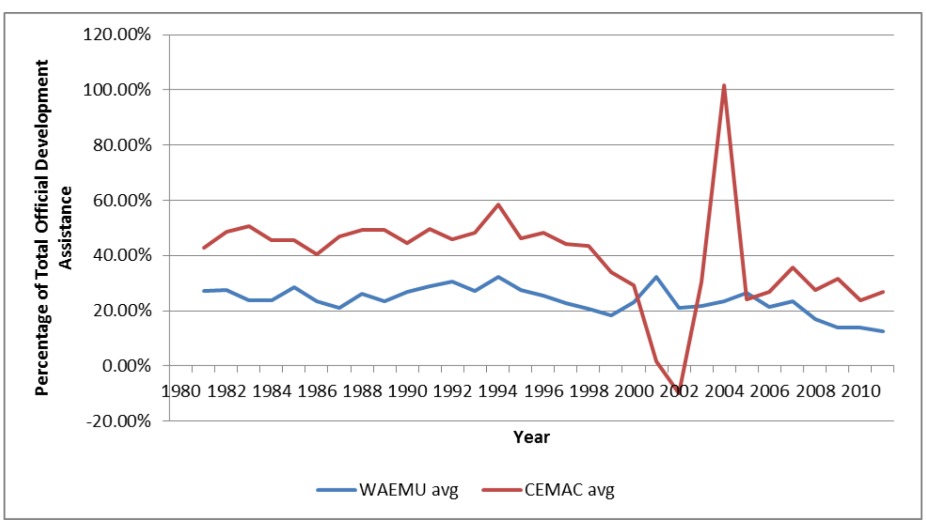
Figure 12: France's Share in Official Development Assistance to Gabon



received in the region. I confirmed the data several times to ensure that no error had occurred during the collection process. While there has been no mistake in the data reporting or collection, the data for Gabon cannot be accurately represented in a chart alongside the other CFA Zone countries because it has experienced negative ODA flows unline any of the other countries.

To address the point of negative ODA values, it is possible for a beneficiary (such as Gabon) to experience a net negative flow of official development assistance if the beneficiary is paying back a private loan to a donor country. In 2000, 2001 and 2003, Gabon experienced net negative flows of official development assistance from France. However, in 2000 and 2001 its total aid was positive while in 2003 its total aid was negative. This could explain in large part the jump between 2001 and 2003, during which France received repayment on a loan while total development assistance remained positive and then total development assistance trasitioned to a negative flow. Furthermore, for France's share of Gabon's official development assistance to surpass the total official development assistance to the region, France had to receive a large repayment on a loan, while total official development assistance remained low, even when it became negative in 2003.

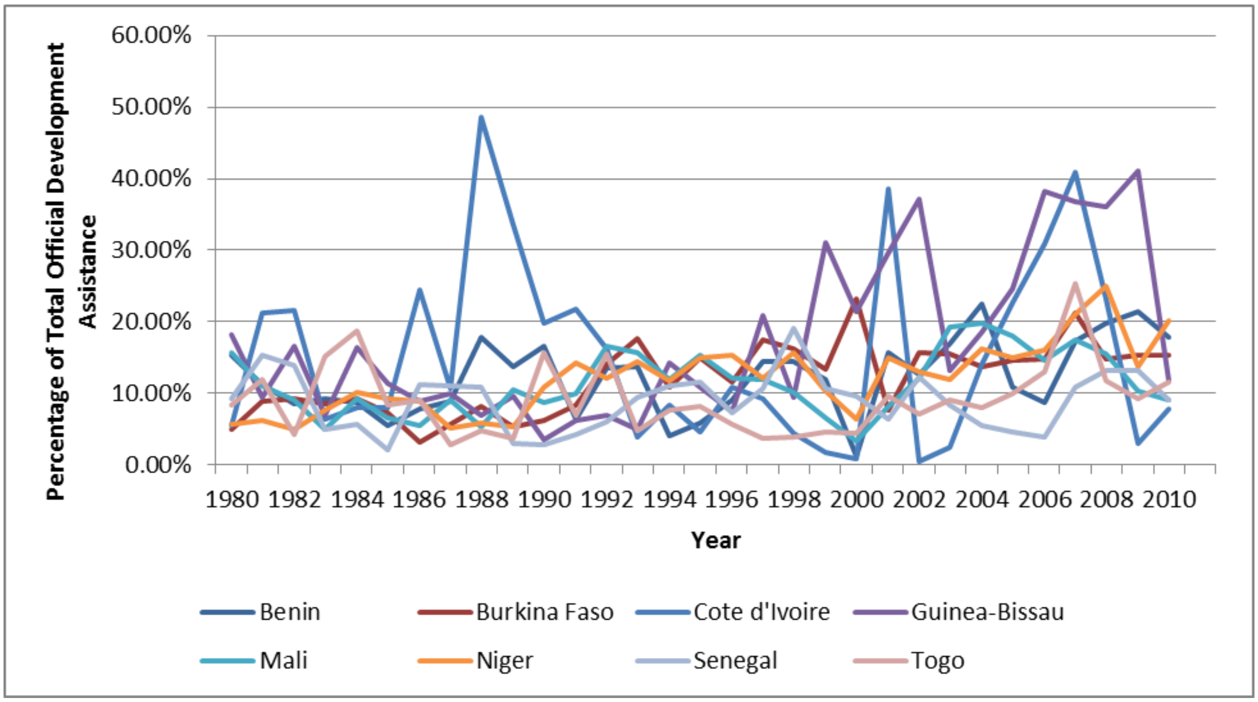
Figure 13: France's Average Share in Official Development Assistance to the CFA Franc Zone



Overall, France's share in the total official development to the CFA Zone region has declined slightly, yet perceptibly for both WAEMU and CEMAC countries as shown in **Figure 13**.

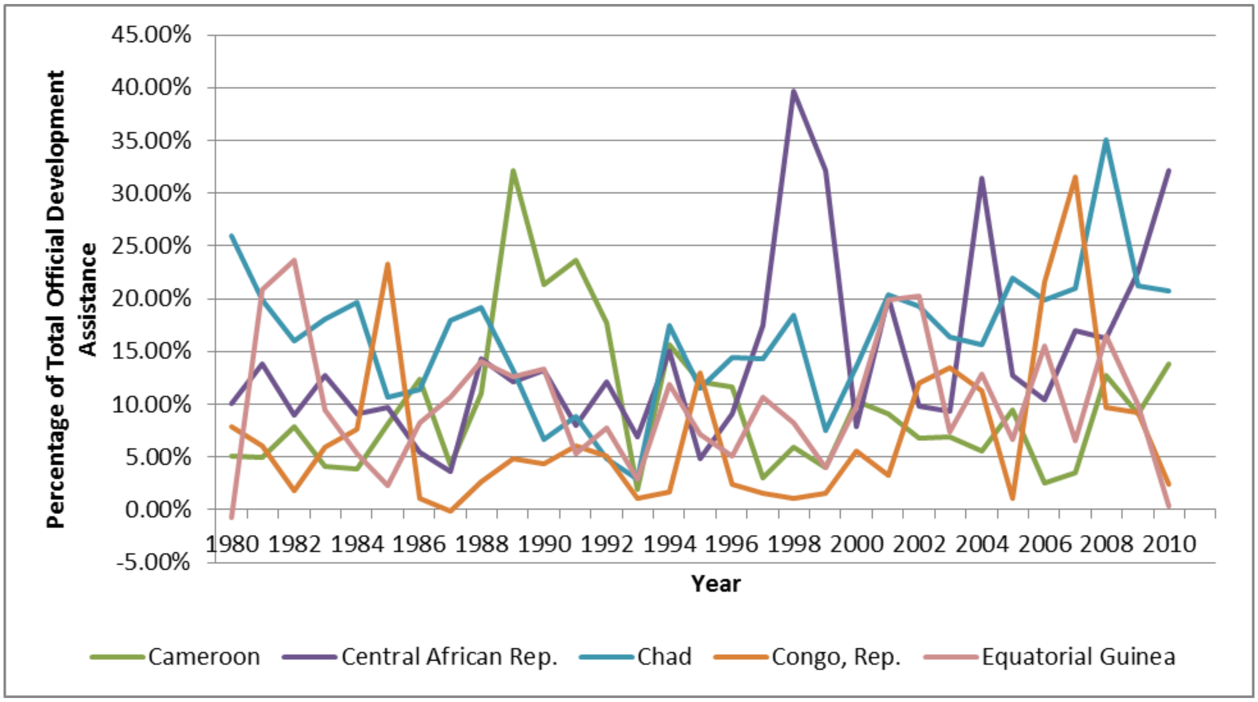
On the other hand, **Figure 14** indicates an increase in Europe's share of official development assistance to WAEMU countries over the period from 1980 to 2010. Although slight, the official development assistance from EU institutions increased from 10.38% in 1980 to 12.83% in 2010.

Figure 14: Europe's Share in Official Development Assistance to WAEMU Countries



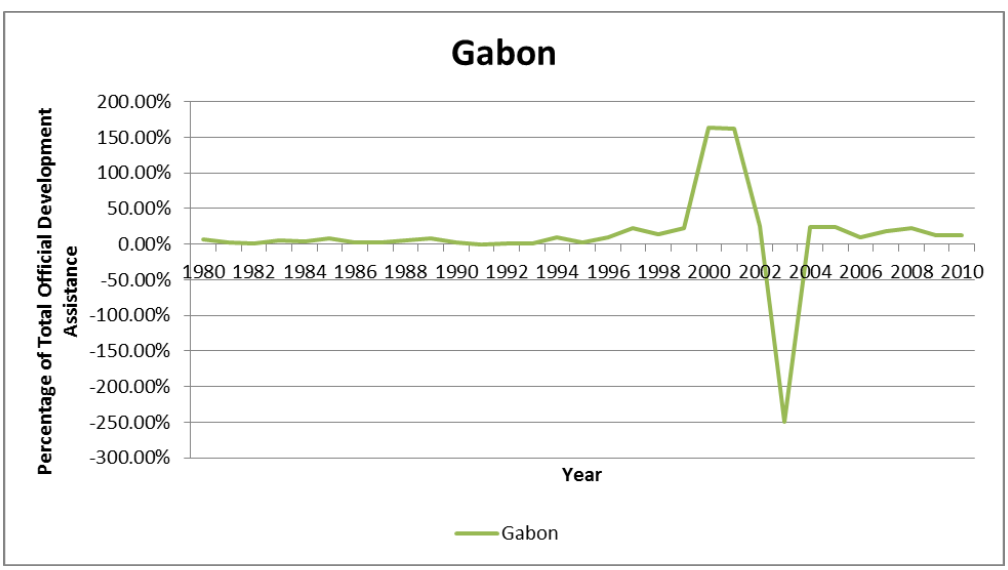
CEMAC countries (excluding Gabon) followed the same trend as WAEMU countries, increasing from 9.07% in 1980 to 13.68% in 2010 as exhibited in **Figure 15**. This demonstrates that CEMAC countries received slightly larger shares of EU institutions' official development assistance over the period 1980 to 2010.

Figure 15: Europe's Share in Official Development Assistance to CEMAC Countries (Excluding Gabon)



Again, Gabon exhibits some peculiarites that distinguish it from the general increasing trend. In 2000 and 2001, Gabon received a larger share of European aid than it received total aid to the country. This can be explained again by the fact that Gabon's total official development

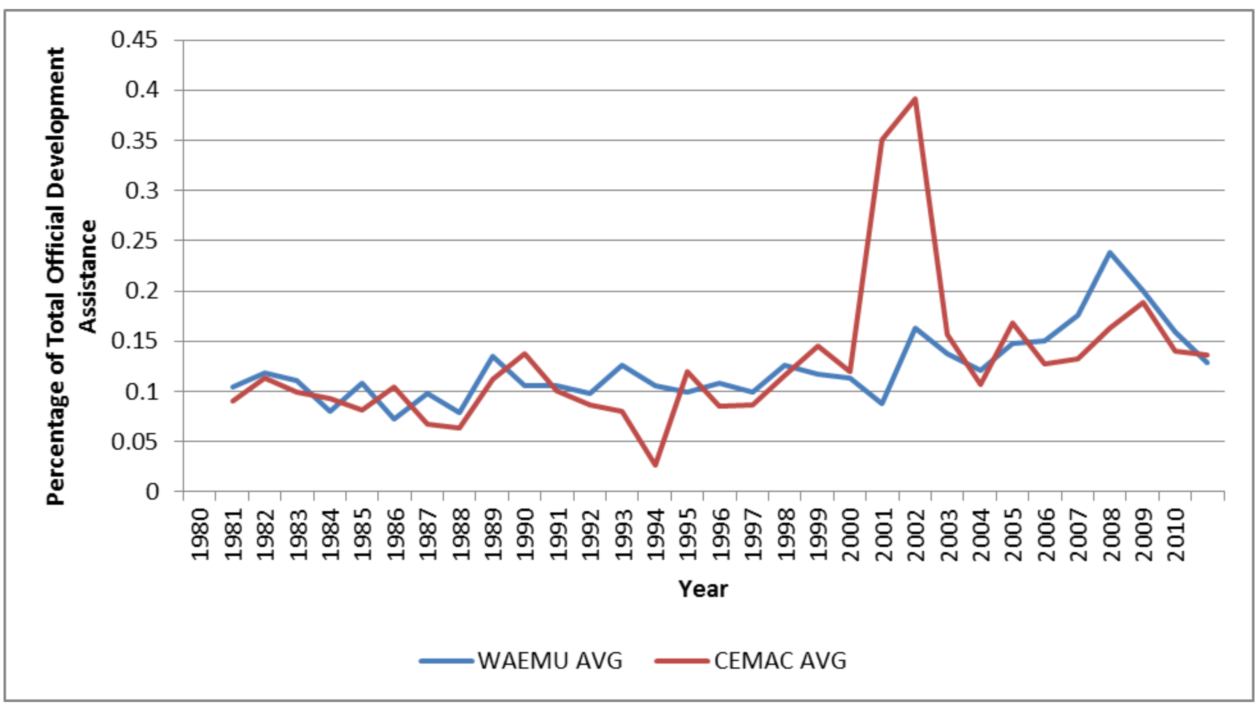
Figure 16: Europe's Share in Official Development Assistance to Gabon



assistance, must have been reduced by an outflow of official development assitance from Gabon, allowing the official development assistance from EU institutions to surmount it. In 2003, total official development assistance to Gabon was negative, allowing the positive flow from European institutions to become a negative spike on the chart.

In general, the CFA Zone experienced an increase in official development assistance from European institutions over the course of 1980 to 2010. CEMAC countries received a slightly larger share of European official development assistance, although the proportion of European official development assistance to WAEMU countries is very comparable as indicated in **Figure 17**. So although France's share in the total offical development assistance to the CFA Zone has decreased since 1980, the total development assistance furnished by European institutions has risen.

Figure 17: Europe's Share in Official Development Assistance to the CFA Franc Zone



Chapter Six: Discussion

<u>Trade</u>

Trade with Europe

Drawing from the IMF's Direction of Trade Statistics data on CEMAC and WAEMU countries over the period of 1980-2011 the peg to the euro can be expected to have supported trade in terms of volumes of trade between the euro area and the CFA Franc Zone, as we see an increase in the volumes of trade between CFA countries and Eurozone countries, from US $5,303,954,254 in 1980 to US $12,029,119,939 in 2010 for exports and from US $4,928,946,012 in 1980 to US $12,885,777,346 in 2010 for imports.

At the same time, the euro zone's share in the external trade of the CFA Franc Zone has diminished significantly over this period, by as much as 26.89% for exports and 31.19% for imports of the CEMAC and by 39.69% for exports and 27.96% for imports of the WAEMU on average. In 2010, only 15.79% of all imports into the CFA Franc Zone were French products, with a declining trend from almost 54.15% in the early 1980s. The same can be said of France's share in CFA Zone exports, which has declined from 21.42% in 1980 to 5.46% in 2010. Most of this long-term trend, which might have been even stronger in the absence of the peg to the euro, can be attributed to adjustments from former colonial economic ties. However, the trend can also be explained in terms of increased competitiveness on the global market which has given rise to the importance of China, India and the U.S. as major trade partners to the CFA Zone.

Competitiveness in Global Markets

Since the introduction of the euro in 1999, the CFA franc's peg to the euro has made it possible for CFA Zone countries to trade with euro zone countries without the uncertainty and risk of price volatility associated with trade under a floating exchange rate regime. One assumption of the peg to the euro was that the favorable conditions enabled by the peg would promote trade flows between the euro zone and the CFA Zone, which the peg certainly has achieved in terms of absolute volumes of imports and exports. However, it is evident that France and the euro zone at large are occupying increasingly smaller proportions of external trade in CFA Zone countries, and that the CFA Zone countries have been diversifying their trade partnerships in recent years. **Table 1** on page 35 demonstrates how in 2010 every member of the CFA Franc Zone engaged in external trade with the U.S., China and/or India. These superpowers have acquired a growing presence in the external trade over the past ten years.

Although there are many factors that influence trade relationships, one of the most guiding forces is competitiveness of a country's goods, or the attractiveness of their goods based on the exchange rate environment and terms of exchange. In fact, by observing the changes in the exchange rates between the euro and some of the other most prominent global currencies, it is possible to understand why trade has shifted away from France and the euro zone, particularly in the last decade. If we examine the exchange rate between the euro and three other global currencies—the U.S. Dollar, the Chinese Yuan (Renmimbi) and the Indian Rupee—in ***figures 18, 19*** and ***20*** we can see that the euro has predominantly appreciated against these currencies.

Figure 18
Federal Reserve Board

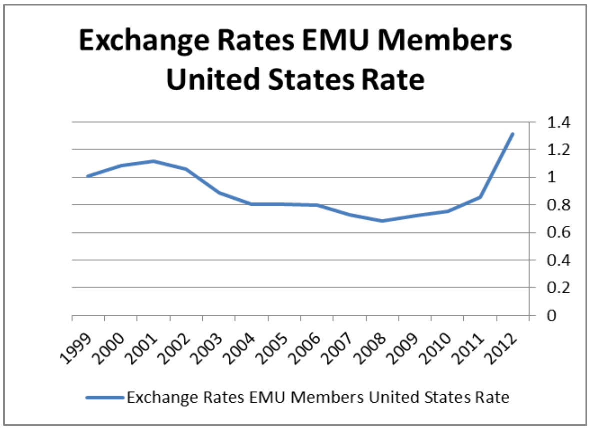


Figure 19
Federal Reserve Board

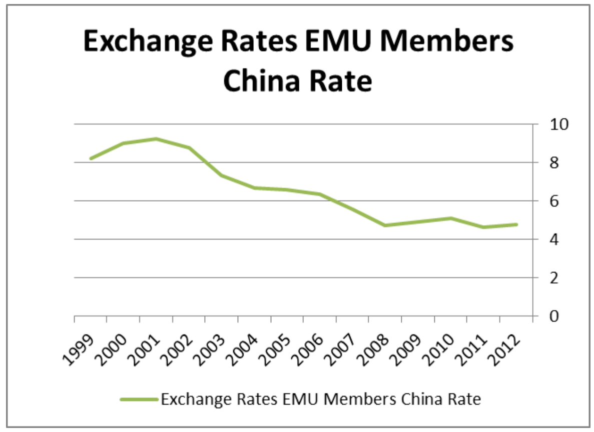
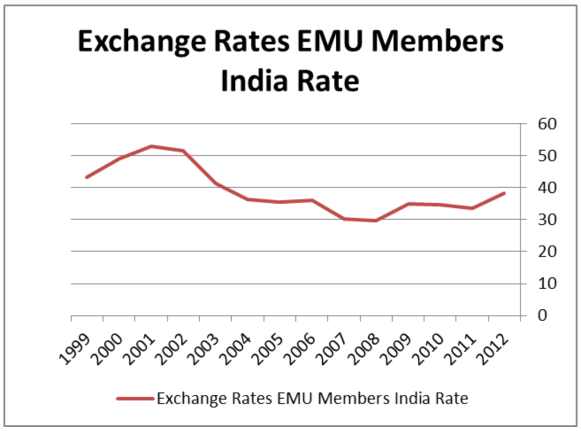


Figure 20
Federal Reserve Board



However, at the outset, the euro experienced drastic depreciation and has felt it again more recently at the onset of the global economic recession and European debt crisis in 2008 and 2010, respectively. From 2008 to 2012, the euro depreciated by 23.01% against the dollar, but only 0.21% against the yuan and 7.14% against the rupee. This, in part, explains why in recent years the U.S. as well as China and India are gaining increasingly larger shares in the external trade of the CFA Zone. If the euro continues to depreciate against these currencies, it is possible that these global economic powers will be looking to capitalize on increasingly greater shares of the CFA Zone's competitive goods.

Table 1: Major Trade Partners for CFA Franc Zone Member-States, 2010
CIA World Factbook

Country	Export Partners	Import Partners
Benin	India 26.4%, China 21.4%, Niger 6.5%, Nigeria 5.6%, Indonesia 4.4%	China 35.2%, France 8%, US 7.2%, Malaysia 5.9%, UK 4.8%, Netherlands 4.3%, India 4.1%, Thailand 4%
Burkina Faso	China 17.3%, Belgium 11.6%, Singapore 9.3%, Indonesia 7.6%, Turkey 6.4%, Thailand 4.8%, Japan 4.2%	Cote d'Ivoire 26.1%, France 16%, Togo 5.3%, Ghana 4.7%
Cameroon	Spain 15.1%, Netherlands 12.8%, China 9.4%, Italy 9.3%, France 6.5%, US 6.4%	France 19.1%, China 13.3%, Nigeria 12.4%, Belgium 5.5%, Germany 4%
Central African Republic	Belgium 25.6%, China 17.5%, Morocco 12.1%, Democratic Republic of the Congo 8.1%, France 6.1%, Indonesia 4.9%	Netherlands 27.8%, France 11.9%, Cameroon 8.3%, China 5.1%
Chad	US 71.9%, China 16.9%, Netherlands 4.6%	China 29.4%, France 14.3%, Cameroon 12.2%, US 8.1%
Cote D'Ivoire	US 10.2%, Netherlands 10%, Nigeria 7.7%, Ghana 6.7%, Germany 6.2%, France 6.2%, Burkina Faso 4.5%	Nigeria 22.4%, France 12.6%, China 7.1%, Thailand 4.8%
Equatorial Guinea	US 24.3%, Italy 10.3%, Spain 10.1%, South Korea 8.3%, Canada 7.6%, China 6.3%, Netherlands 6.1%, Brazil 5.9%	China 21.4%, Spain 13.8%, US 12.7%, France 10.9%, Cote d'Ivoire 6.7%, UK 6.3%, Italy 5.2%
Gabon	US 30.4%, China 12.7%, Australia 5.5%, Malaysia 5.3%, Trinidad and Tobago 4.4%, Spain 4.4%	France 29.4%, US 9.9%, China 9.2%, Belgium 5.2%, Cameroon 5.1%, Netherlands 4.2%
Guinea-Bissau	India 76.9%, Nigeria 16.6%	Senegal 21.8%, Portugal 20.5%, Brazil 5.6%, Cuba 4.1%
Mali	China 27.2%, Indonesia 8.2%, Thailand 5.3%, Burkina Faso 5.2%, Morocco 5%, South Korea 4.9%	Senegal 13.6%, France 11%, Cote d'Ivoire 10%, China 6.8%, South Korea 5.2%
Niger	Nigeria 68.3%, US 12.2%, Ghana 9.8%	China 17.8%, France 16.5%, French Polynesia 7.2%, Nigeria 6.7%, Algeria 5.3%, Cote d'Ivoire 4.9%
Republic of the Congo	US 31.1%, China 29%, France 6.8%, India 6.1%, Spain 4.4%	France 19.6%, China 11.7%, US 8.5%, Italy 8%, India 7.9%
Senegal	Mali 21.6%, India 9.6%, France 4.5%, Gambia, The 4.2%	France 15.9%, UK 13.6%, China 8.6%, Nigeria 8.6%, Netherlands 5.2%
Togo	India 12.7%, Germany 12.2%, Benin 9.8%, Ghana 9.7%, Burkina Faso 9.1%, China 5.1%, Belgium 4.9%, Niger 4.6%, Nigeria 4.3%	China 48%, France 8.3%, US 6.1%

The depreciation of the euro against the dollar, yuan and rupee over the past four years has prompted many scholars to explore the implications of further euro depreciation for the CFA Franc Zone, especially since the euro seems poised to experience more depreciation as a result of the European debt crisis. Vera Songwe, a Brookings Institution Senior Fellow believes that additional depreciation of the euro could produce positive dividends for the CFA Franc Zone (2011). A weak euro translates to an improvement in competitiveness for the CFA Zone member-states, which in turn could create more favorable conditions for stronger export-led growth than the zone is currently experiencing. Yet, to fully capitalize on the potential export gains from the weak euro, the member-states will need to enact a series of market reforms to complement the favorable exchange rate. For example, the CFA Zone countries will need to reform their labor markets and overhaul their business and trade environment to take full advantage of the depreciation. If there are not enough facilities (or the business environment and fairly open trade model) to mobilize the vast quantity of labor available in the CFA Zone, improvements in the production of goods to export will not be feasible. There is the potential, however, that even with the appropriate reforms that the CFA Zone will suffer negative consequences from the European debt crisis if the euro begins to appreciate and the EU market demands switch to more competitive markets for their intermediary inputs. So the CFA Franc Zone countries need to be prepared to implement the appropriate policies to derive a net positive impact from the crisis.

The European debt crisis will affect WAEMU and CEMAC countries in different ways since CEMAC countries are predominantly oil exporters that stand to benefit from depreciation while WAEMU countries by and large do not export oil and will not reap the same dividends as CEMAC countries. The depreciation will make imported food and fuel more expensive, which is not as large a concern for CEMAC countries as it is for their WAEMU counterparts that import their fuel. Although the depreciation will most likely result in higher import bills for both WAEMU and CEMAC countries, it is possible that a more higher-performing export system brought on by increased competitiveness of CFA goods could not only offset, but surpass the increased import bills. For this to happen, the CFA Zone governments must coordinate an "export push" to ensure greater export earnings than import costs.

While the euro zone remains the largest trading partner with CFA Zone countries, accounting for nearly 27% of all exports from the CFA Zone and 39.91% of imports from the euro zone in 2010, the fact that its relative share of exports has gradually declined especially within the past decade indicates that CFA Zone countries are exploring and diversifying into other markets. Since, in the past, export gains in the CFA Zone have been a result of demand effects, the euro's depreciation could help raise the competitiveness of the zone to meet the demand effects. Yet, without serious reform and strengthening of the CFA Zone's labor markets, trade environment and governance institutions to support the export potential, it will be nearly impossible for the zone meet the demand created by the increased competitiveness of its goods.

Aid

Quantity, Quality and Multilateralization

French official development assistance to the CFA Franc Zone has increased in absolute terms from US $680,100,000 in 1980 to US $1,823,700,000, but diminished somewhat in relative terms (as a proportion of total French aid) from 35.51% in 1980 to 20.88% in 2010. In keeping with France's political integration into the European Union and economic integration into the European Economic and Monetary Union, a gradual process of multilateralization of aid has taken place, in which France has channeled increasingly larger proportions of its aid to the CFA Zone through EU Institutions as opposed to conventional bilateral aid. EU Institutions have increased their share of official development assistance in the region from 9.04% in 1980 to 12.03% in 2010. This is thought to have occurred because France can contribute less in total quantity of aid through EU institutions, but will have contributed to an overall larger sum of money which will potentially have a greater impact than the much smaller amount of conventional bilateral aid (Alesina & Dollar, 2000; Chafer, 2002). This pooling of resources into EU Institutions has enabled France and other EU members to effect greater change at a fraction of the cost. At the same time, EU members lose direct control over what and where their funding will be allocated, but they can always refuse to submit their support (or withdraw it after the fact) if they find that their funding is being allocated in a way that opposes their strategic national interests.

Chapter Seven: Conclusion

Since the colonial era, France has been a major foreign player in Africa. Its political, cultural and economic motivations for colonizing the region led it to become the key trading partner of the CFA Franc Zone and one of the largest sources of economic assistance to sub-Saharan Africa, with particular privilege granted to CFA Franc Zone countries. Before independence, General de Gaulle stated, "United to its overseas territories France is a great power. Without these territories, she risks no longer being one." More than fifty years later, France still actively participates in the economic development of the region. However, the analyses of the data presented in this study lead to the conclusion that its influence and direct involvement has substantially diminished since independence. This loosening of ties has led France to occupy increasingly smaller proportions of the total CFA Zone trade and pursue official development assistance through multilateral as opposed to bilateral means.

Following the implementation of the euro, predictions of increased trade in between EMU and CFA Zone countries in terms of absolute values proved to be true. To this day, the euro zone remains the self-proclaimed "most important trade partner" for CFA franc countries. In recent years, however, the share of the Euro Area in the CFA Zone's external trade has been on the decline, which is attributed to growing trade relations with other global powers such as the U.S., India and China, in addition to the continually declining colonial economic ties between France and its former colonies. The fixed peg of the CFA franc to the euro does not appear to be the defining factor in whether or not countries from the CFA Zone choose to engage in trade partnerships with countries from the euro zone; if this were the case, Europe's share in the external trade of the CFA Franc Zone would have increased significantly since 1999. However, the peg to the euro has allowed CFA members to become more competitive on the global market thanks to its depreciation against the dollar, yuan and rupee. Therefore the CFA franc has indirectly promoted trade between CFA Zone members and the U.S., China and India.

With respect to aid, a marked decline in the proportion of French bilateral official development assistance complemented by a distinct rise in multilateral aid donated through EU institutions illustrates France's growing commitment to contribute to CFA Zone members through EU institutions in its development endeavors. This represents a defining moment in the history of French development assistance to the zone, since in the past French aid had been used explicitly to advanced French commercial interests in the region—subsidizing industries for the production of goods to be exported to France, building roads and ports for the transport of goods, etc... By combining its contributions with those of other European nations France will assume the legitimacy and credibility of a multilateral force whose pooled resources will constitute a much more concerted and powerful effort. However, France will also relinquish some of its direct influence via aid to the region since it will no longer be able to singlehandedly dictate the terms by which it will donate its aid.

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Academic Vita

Amy Copley

EDUCATIONAL BACKGROUND:

The Pennsylvania State University University Park, PA
The Schreyer Honors College, Paterno Liberal Arts Fellow in International Politics
Anticipated Graduation date: **May 2012**
Primary Major: Bachelor of Arts in International Politics
Secondary Major: Bachelor of Sciences in Applied French
Minor: Information Systems and Statistical Analysis

West African Research Center Dakar, Senegal *January 2011 – May 2011*
Minnesota Studies in International Development, Environment and Sustainable Agriculture Track

Georgetown University Washington D.C. *Summer 2010*
Semester in Washington Program, International Affairs

Sciences Po Lille Lille, France *January 2010 – May 2010*
Completed coursework exclusively in French on the European Union and sustainable development

RESEARCH EXPERIENCE:

Undergraduate Honors Thesis Project University Park, PA *April 2012*

- An Analysis of Trade Relations and Aid Flows in the CFA Franc Zone

Africana Research Center: Student Research Grant *February 2012*

- Funding to conduct a study on food value chains in East Africa during May and June of 2012

Research Intern, The Hudson Institute Washington D.C. *June 2010 – August 2010*

- Contributed a 50-page document to research on the future of European security and defense systems

WRITING SAMPLE:

"Food for Thought: A student reflects on her study abroad internship promoting organic agriculture in Senegal." Stream August 2011. < http://stream.it.psu.edu/story5/v1/i3 >.

WORK EXPERIENCE:

French 003 Tutor, Penn State Learning Center University Park *September 2011-Present*

- Worked with intermediate-level French students on their grammar, composition, and aural comprehension

Intern, Agrécol Afrique Sessène, Senegal *April 2011 – May 2011*

- Assisted the technical specialists in collaborating with local farmers to integrate organic farming practices into their production systems
- Collected data for studies and reports on the effectiveness of a diverse array of organic farming techniques

Intern, Pennsylvania Literacy Corps State College, PA *September 2010 – December 2010*

- Worked with a Korean adult learner to improve her understanding of the English language and American culture

Intern, Centre County Democrats for Change State College, PA *August 2008 – November 2008*

- Organized volunteer placement for canvassing outings in College and Harris Township
- Canvassed, registered students on- and off-campus to vote, and made persuasive phone calls daily
- Coordinated a voter registration drive at the local high school and gave presentations on the election process
- Served as a poll observer and watched for voter fraud on election day

Part-time Admin. Support Staff, PSU Center for Nanotech. Education and Utilization *2007 – 2010*

- Prepared student, educator, and industry workshop materials and evaluated post-workshop surveys/feedback

LEADERSHIP AND ACTIVITIES:

Paper Presenter and Panel Chair, 2011 African Studies Association Meeting *November 2011*

- Presented a paper entitled "The Implications of an Increasingly Global Economy on the CFA Franc Zone"
- Chaired the Africa and Regional Power Panel and the Stresses and Strains in New Democracy Politics Panel

President, Le Cercle Français *September 2008 – Present*

- Coordinated weekly French conversational hours and monthly dinners to enhance our appreciation and understanding of French language and Francophone civilization and culture

Vice President, The Penn State Chapter of Oxfam America *September 2008 – December 2011*

- Collaborated with the Division of Student Activities to plan Oxfam's signature Hunger Banquet, 50+ attended

Tutor, Volunteers in Public School – State College Area High School *February 2007 – Present*

- Worked with nine high school students (on French and Math topics) at the After-School Tutoring Center

SCHOLARSHIPS, HONORS AND AWARDS:

2011 Milking the Rhino: Innovative Poverty Solutions Showcase *November 2011*

- Received the Most Sustainable Business Model award for our team "Affordable Greenhouse Venture" video pitch

SKILLS:

Computer

Software Proficiency: SPSS, Minitab, Microsoft Office (Word, Excel, Access, Expression Web, Visual Web Basics), Dreamweaver, Adobe (Acrobat, Photoshop), Pinnacle Studio Software, iMovie, Windows Movie Maker, Votebuilder

Language

- Fluent in speaking French; Proficient in reading/writing French
- Basic speaking, reading, and writing skills in Wolof (50 hours of language training in Senegal)