EFF WELCOMES THE 8 WEST AFRICAN COUNTRIES THAT HAVE BROKEN AWAY FROM FRENCH COLONIAL ERA CURRENCY

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The EFF welcomes the collective decision taken by former French colonies of West Africa to break away from the CFA franc, a French backed regional currency that dates back to the colonial era. This is a significant move, long overdue, that asserts total financial decolonisation and dependence on the imperialist state of France.

The West African CFA franc currency was used by Benin, Burkina Faso, the Ivory Coast, Guinea-Bissau, Mali, Niger, Senegal and Togo. It limited the monetary sovereignty of these countries. Essentially, France guaranteed the value of the CFA franc and in return, the West African countries were required to keep 50% of their foreign exchange reserves with the French treasury.

Due to the fact that the exchange rate between the CFA Franc and euro is fixed, the central banks of the two CFA franc zones need to follow the monetary policies of the European Central Bank. In essence, the European Central Bank sets interest rates for countries that use the CFA franc.

This decision must therefore be welcome to afford the West African region monetary sovereignty and trade advantage. Above all, we welcome the decision to replace the CFA franc with the ECO; a Economic Community of West African States (ECOWAS) currency which is planned for implementation in 2020.
The EFF calls for the former French territories of the Central African countries that still use the CFA franc and keep 50% of their foreign reserves in the French Central Bank to also follow in the example set by West Africa. All other regions, in particular our own SADC, should have been the first to adopt a single regional currency to allow and inspire integrated regional trade, development and growth.

ISSUED BY THE ECONOMIC FREEDOM FIGHTERS

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