



## ANGLAIS

### Text: Enabling economic development in Africa – do payment systems matter?

In over 400 years of global economic engagement in Africa – from slavery through colonialism, primary resource development and ultimately development aid – there has been little focus on payment methods. Payment systems overwhelmingly relied upon cash, reflecting the extractive nature of most relationships. Until now, Public policymakers know that a healthy, growing economy cannot rely solely on a cash-based payments system.

The world's most advanced economies have the largest proportion of electronic payments in the national payments infrastructure. Attempts to promote national development that ignore the "plumbing" – the way value moves around a national economy and between it and its major trading partners – are likely to be frustrated by costly inefficiencies and large financial risks. Getting this right is not an economic silver bullet, but it is a necessity.

Accordingly, African national governments, regional economic groupings and international aid agencies are all focusing on, and investing in, non-cash payments infrastructure. Lead times are long, but **this** will ultimately bear fruit for African economies, societies and citizens. The better the payments infrastructure, the more economic opportunity for all. SWIFT's insights into cross-border flows tell part of the story. Collected data shows that cross-border flows reflect two key vectors:

Intercontinental flows remain dominated by US dollar-denominated, US-routed movements, although Europe remains the most likely destination for outward flows. **Both of these phenomena** are reducing, as the euro and local currencies increase in significance and Asia becomes a more significant payments destination. Regional economic groupings are gradually increasing in importance, reflected in increased payment flows within groupings as the regional payment infrastructures gradually improve.

The more efficient both intercontinental and regional flows become, the better the prospects for economic development across Africa's 55 national governments. Efforts by the Southern African Development Community (SADC) and its counterparts to improve regional payments, plus international developments like SWIFT's global payments innovation (gpi) service, need vigorous support.

**Adapted from:** *Africa Payments: Insights into African transaction flows* Page 26.

I. **READING COMPREHENSION** (8 marks)

A. **Which of these statements are true (T) or false (F)? Choose T or F and justify by quoting the text.** (3 marks)

1. Economic growth can be achieved if a basic cash payments system is established. T / F

**Justification:** .....

2. African leaders and partners resort to infrastructure investment based on non-cash payment. T / F

**Justification:** .....

3. The most efficient economies in the world are characterized by a huge amount of electronic payments. T / F

**Justification:** .....

B. **Which proposals (a, b or c) can be chosen as equivalent to the sentences below?** (1 mark)

4. **Payment systems overwhelmingly relied on cash** means:

- a. Payment systems generally depended on cash.
- b. Payment systems entirely depended on cash.
- c. Payment systems more or less depended on cash.

5. **Intercontinental flows remain dominated by US dollar** means:

- a. US dollar is still getting back to intercontinental flows.
- b. US dollar is still leading in intercontinental flows.
- c. US dollar is still dominated from intercontinental flows.

C. **Complete the following sentences with the equivalents of the words in brackets.** (1 mark)

6. Economic growth can be achieved (only) ..... (see paragraph 1) by combining non-cash and cash payments systems.

7. Payment flows with some countries are increasing (little by little)..... (see paragraph 4), and Africa's economy in general is becoming more efficient.

D. **Which sentences of the text translate the following sentences in French ?** (See paragraphs 3 and 5) (1 mark)

French Sentences	Equivalents
Plus les flux intercontinentaux et régionaux deviennent efficaces, meilleures sont les perspectives de développement économique en Afrique.	8. .... ..... .....
Plus l'infrastructure de paiement est bonne, plus il y a d'opportunités économiques pour tous.	9. .... ..... .....

E. What do the following words refer to in the text ?

10. **This** (Line 13) : -----

11. **Both of these phenomena** (Lines 18 & 19) :-----

II. **LINGUISTIC AND COMMUNICATIVE COMPETENCE** (7 marks)

F. Complete the interview below with the relevant questions. (2 marks)

**Journalist:** Welcome, Sir, to our today's "Hello Africa". You agree with me that Africa's economy is determined by the euro and US dollar currencies, 12. ....?

**Economic expert:** You're absolutely right!

**Journalist:** 13. ....?

**Economic expert:** I think that African countries can come out of these difficulties perhaps by creating their own currency and using it for the continent's transactions.

**Journalist:** The truth is that African leaders find it difficult to agree on using a single local currency for the continent, 14. ....?

**Economic expert:** It is so because many of them are only motivated by self-interest.

**Journalist:** 15. ....?

**Economic expert:** No, a currency related to colonialism can only slow down Africa's development.

**Journalist:** We are not out of this vicious circle yet. Anyway! Thank you very much, Sir, for answering our questions.

**Economic expert:** Thanks for having me.

G. Reformulate these following sentences by using the prompt words. (3 marks)

- Africans will continue to rely on a non-cash payments system, if they do not reinforce their local currencies.

16. **Unless**.....

- Experts say that the euro and US dollar play an important role in intercontinental flows.

17. **The euro**.....

- "How can African countries raise their economies to international exchange standards?" the journalist asked.

18. **The journalist asked** .....

- There has never been any two or three African countries sharing the same local currency.

19. **Never**.....

H. Complete the paragraph using the right form of the words in brackets. (2 marks)

The 20. .... (promote) of a local African currency can help develop the economy of our countries. If this happens, it will prevent western countries continuing to focus on

21. .... (pay) strategies that slow down Africa's economic development.

22. .... (create) a strong economic system in Africa is not a silver bullet, but it is a necessity. Africans should be 23. .... (courage) to minimize trade barriers in order to boost intra- as well as inter-continental exchanges.

III. **WRITING: Choose one topic and write 150-200 words about it.** (5 marks)

**Topic 1:** Would you advise our leaders to create a unique currency for all African countries? Give your reasons mentioning any advantages and/or drawbacks that, you think, may result from such a decision.

**Topic 2:** Write a letter to the Minister of Finance of your country to tell him/her about the difficulties your country's economy is facing and suggest solutions that could help to change things.