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# The Niger Delta: 'Petro Violence' and 'Partnership Development'[1]

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**This article examines the globalisation of corporate strategic philanthropy as played out in the Niger Delta of Nigeria – a region that has been marked by a history of state and petroleum industry collusion both in social repression and environmental destruction. Social control of the Delta has rested largely on what Watts (2001) conceptualises as 'petro violence', the joint security imposed by the Nigerian military and oil companies to police their installations and the environment of social unrest that surrounds petroleum extraction. In examining the extractive industry's response to social dislocation, this study focuses on the adoption of a model of partnership and participatory development by Shell Nigeria. The implementation of the social stabilisation project promoted by Shell's partnership model and facilitated by international donors and state institutions (understood in corporate strategy as a 'leveraged buy in'), exemplifies the reciprocal formation of the corporate social governance projects and development assistance in the Nigerian context. Yet this new model's attempt to achieve social consent is partially contradicted by the corporate requirement of profit maximisation served by rising prices associated with perceived and real threats to oil supplies. The oil companies' pursuit of a social 'licence to operate' thus rests uneasily with an industry whose underlying logic profits from the upward movement of oil prices, dependent on instability and violence.**

> *They wanted me to implement the (major community project) through the CD (community development) model so that I would be responsible for 40 million Naira. I refused, I am a poor man* (former CDC Chairman, Niger Delta community).

> *With education the children of the poor will Dine With Princes and Shake Hands with Kings* (sign on wall, office of oil industry-funded NGO, Niger Delta).

> *Big business is being misrepresented. There is a great deal of mutual distrust which we have to get over … We believe in good international governance for issues like climate change and trade. It is a myth that we are not in favour of regulation* (Sir Mark Moody-Stuart, former chairman of Shell and chairman of the Business Council for Sustainable Development at the Earth Summit in Johannesburg, 2002).

Until the 1990s Nigerian state control over the population of the Niger Delta region, or the 'oil minorities', was largely achieved through political marginalisation. This marginalisation is most apparent in the transfer of locally-derived oil industry profits to the federal level, a marked lack of basic infrastructure connecting popular classes of the region to Lagos, including inadequate roads and insufficient phone lines, as well as ongoing military and police repression of local claims on, and

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resistance against, the oil industry (Obi, 2001). In a context of social inequality, ecological destruction and general crisis, social control of the Delta region has rested largely on what Michael Watts conceptualises as 'petro violence', the joint security imposed by the Nigerian military and oil companies to police their installations and the environment of social unrest that surrounds petroleum extraction.

Since 1999, under the so-called democratising regime of Obasanjo, Nigeria has experienced an almost permanent socio-economic crisis – one that has been characterised as late-capitalism's/post-modernity's general condition (Hardt, 2001) and that has been particularly associated with developmentalism in Africa (Hoogvelt, 1997). 'We now have the freedom to assemble', some Nigerians say, 'but people do not have enough to eat'. In this context the construction of an economy based on petroleum is reinforced by a society that increasingly depends on it to fuel the proliferation of motor vehicles in one of Africa's most urbanised, polluted, and highly mobile, countries.

Given the ongoing crises, the Delta region has been singled out by the oil majors and the aid industry for attention, regulation and stabilisation. In response to considerable social unrest and bad press in the mid-1990s, Shell, the main player in the oil industry, adopted a new approach dealing with the Niger Delta in 1998, known as *partnership development* (Lapin, 2000). This model aims at achieving community consent that is referred to in the corporate world as a company's 'social licence to operate'. The construction of a large community development bureaucracy within Shell Nigeria, and the mushrooming of local civil society organisations as sub-contractors for particular community development interventions – youth training, women in development, micro-credit and conflict resolution – have formed part of the programme's implementation. The partnership approach has also been accompanied by a renewed engagement of international development agencies which had cut ties with the Abacha regime following the 1995 execution of Ken Saro-Wiwa and eight other Ogoni rights leaders. Since 1999, bilateral actors with significant development initiatives in the Delta region include the European Union and USAID.[2]

Herein, I examine how the turn to 'partnership development' and participatory practice is a manifestation of the broader penetration of individualised regulation in flexibilised, or late-capitalism, a form of management and rule associated with post-Fordist economic systems and post-structuralism. This post-structural form of regulation may be understood through the Foucauldian conception of the gradual transition from the 'society of discipline' – based on social norms and sanctions, to the 'society of control' – based on self-discipline and the penetration of norms into citizens' daily habits (Foucault, 1976).[3] This transition accompanies a discursive and material merging of developmental/humanitarian interventions with global security (Duffield, 2001), a project that has deepened in the post-9/11 climate. Within the Niger Delta the move towards post-modern social regulation has accompanied a blurring of development for communities or regions with compensation for individuals or groups, and devolution of responsibility for developmental interventions from state and corporate institutions to non-governmental and community-based organisations.

The so-called transition to the society of control, or post-modern governance, is facilitated by technologies of communication and production that are constantly shifting, in a setting in which labour is easily displaced by the movement of industry to new locations. Thus, the 'globalised' information economy has been described as de-territorialising, and has the potential to free capital from social opposition in sites of production. As Zygmunt Bauman explains:

> *capital can always move away to more peaceful sites if the engagement with otherness requires a costly application of force or tiresome negotiations. No need to engage, if avoidance will do* (Bauman, 1998:11).

Yet as the post-September 11 conjuncture makes clear, the spread of the globalised economy is very much tied to territorially-fixed forms of resource extraction, petroleum being the quintessential example. The territorial rootedness of this resource means there is no simple departure from the violence associated with primary resource extraction; petroleum must be exploited in its geographical/social setting as investments in exploration and productive infrastructure make movement too costly to be viable. This rootedness also produces its own logic of capital accumulation since it contributes importantly to the perception that petroleum supplies are threatened by 'localised' territorial disputes, thereby driving up oil prices (Nitzan, 2004).[4] In the Niger Delta these are largely constructed as inter-ethnic and inter-community conflicts, increasingly fragmented into disputes between neighbouring clans. These disputes are thus a reflection of how class relations are obscured by identity politics under the post-structural economy.

In Nigeria, as elsewhere in Africa, identity politics emerge from colonial policies that hardened fluid ethnic delineations through the granting of communal authority in rural areas (Mamdani, 1996**)**. According to Mamdani, colonial indirect rule in Africa was 'customary although untraditional' in its tribal control over rural subjects, and modern and racialised – between Europeans and African elites – in its urban rule over citizens. Given this bifurcated governance structure, post-colonial African states have been largely successful at deracialising rule but have failed to detribalise state politics. Although Mamdani's position has received some critique for its tendency to encourage a reductive understanding of post-colonial Africa (Ifeka, 2001), his fundamental argument is of considerable relevance to the present conjuncture of *partnership development*: the colonial legacy contributes to shaping Nigeria's political fragmentation, deepened through the creation of new states and local government areas that has accompanied neo-liberal decentralisation. By making relationships to authorities more 'localised' through participatory strategy involving oil industry agents and contracted development NGOs, the subject relationships of patron-client that Mamdani associates with tribalism are in fact entrenched. Hence, despite the post-modern and neo-liberal rhetoric of self-help, decentralisation and privatisation continue to promote paternalism, albeit in a localised form, through devolution of authority to traditional governance structures. Since their access to centres of power is far greater than most Niger Deltan residents, community development agents may also reinforce this tendency.[5]

The following analysis begins by contextualising Nigerian struggles over oil revenues and their relationship to state fragmentation and the Niger Deltan conflict. Such contextualisation serves as a backdrop for demonstrating how rising violence in the Niger Delta, and recent transparency scandals (Okonta, 2004) concerning both Shell's Nigeria reserves and the role of corporate activities in regional violence, reflect contradictory tendencies in global capital accumulation and social regulation in extractive zones. These tendencies are manifest in the merging of security and development practices in the Niger Delta, observable in the oil industry's contribution to international aid interventions and resource-related violence since the Nigerian civil war.

Moving from this historical backdrop, the article draws from field research in 2003 as a basis for analysing how the broad adoption of the partnership approach conjoins corporate demands for security with the attempt to achieve social consent through participatory practice. This objective, openly recognised in the business literature on corporate philanthropy (Burlingame, 1996; America, 1995; Lapin, 2000), leads to contradictions in social regulation due to the divergent requirements of local rural development versus the expansion of the 'modernised' oil economy. The analysis herein centres on a number of problematic manifestations of the community development (CD) model in the Niger Delta: participatory practice and the devolution of responsibility for management to communities, the displacement and ongoing social erosion induced by aspects of vocational training programmes, and the incorporation of the NGO sector and the donor community into these processes through the 'leveraged buy in'. As will be discussed below, these phenomena overlap with the blurring of aid and compensation to communities affected by extraction.

## The Oil Industry & the Nigerian State

The international oil industry's significance to Nigerian state revenues has been detailed by numerous researchers (Forrest, 1995; Ake, 1997; Ibeanu, 1999; Turner, 1980; Watts, 2001). The state receives between 70-80% of its resources from the oil industry and Nigeria is among the lowest-cost sites of oil extraction internationally (Ashton-Jones, 1998). At various moments the state has introduced legislation claiming more or less control over the oil sector and indeed the Nigerian National Petroleum Corporation (NNPC) holds the majority of shares in both onshore and offshore ventures. Operationally, however, foreign companies have run the industry – Shell in particular – with protection from the Nigerian military.[6] This arrangement has meant that individual government agents can profit immensely through 'rents' or bribes accruing from oil contract kickbacks, while in terms of productive capital and as an agent of development and security, the Nigerian state has remained largely incapacitated and often a force to be feared (Omoweh, 1996). As expressed by Nigerian political scientist Claude Ake, the resulting Nigerian socio-political milieu is one in which politics is equated with warfare and corporate interests.

> *Because everyone places the highest priority on controlling (power), political competition becomes immensely intense and unrestrained, indeed, Hobbesian … The importance of the struggle is that the state disappears in a process of parceling and privatisation, its place taken by communities and ethnic groups, nationalities and subnationalities* (Ake, 1997:306).

In Nigeria (as elsewhere), oppressive dictatorships accompanied a deepening economic crisis shaped by debt burdens, corruption and industrial stagnation. Power holders attempted to address the tensions resulting from economic dislocation through a combination of populism – particularly the creation of new states, and violence – a carrot and stick approach to appeasing elites and controlling the disenfranchised. As the number of Nigerian states has mushroomed from 3 to 18 to 36 since independence, new state administrations serve as conduits for channeling resources directly to regional and ethnic power holders. Yet until the 1990s the Niger Delta was continuously excluded from these federal arrangements. With ongoing tensions in the region however, Cross River, Akwa Ibom, Edo and Delta states were created in the early 1990s and in 1996 Rivers state was split into two, creating the new Bayelsa state. Unfortunately new territorial boundaries merely re-inscribe ethnic divisions by replicating minority politics at the state level.

Although minorities have sought the creation of states as a means of re-directing resources towards them, the resulting struggles for power within the new administrations only exacerbate communal tensions through an additional level of minority-majority relations. The result today is 36 'starving states' and now close to 800 local government areas 'struggling over diminishing resources' (Ake, 1997:306).

The distribution of oil revenues (in Nigeria called the 'derivation formula') from the Niger Delta has always been a hotly contested subject. During the 1950s, in an attempt to convince the bread-basket of northern Nigeria (where most of the country's food was grown) into joining the confederation, the pre-independence Nigerian constitution called for a derivation formula which returned 100% of regional revenues to the then North, West and Eastern regions. Yet, the sudden displacement of agriculture by oil shifted the interests of elites in the North of Nigeria and derivation was decreased by half, to 50% in the 1960s. Indeed oil struggles between identity groups were behind the civil war of the late 1960s. Resentment against Igbo commercial dominance contributed to the decision of many of the Delta minority groups – including the Ijaw and the Ogoni – to side with the Federal Government against Biafra (Igbo secession). Yet the civil war did not improve the lot of the Delta region and derivation was further diminished to 20%, then to 1.5%, further disenfranchising oil minorities. Only with recent pressure from the new Niger Delta states was derivation increased to 13% under the 1999 Constitution. Monitoring of the derivation budget is haphazard at best, however, and a 2002 report to the Federal Government indicated that only 7.8% of the accrued revenue from oil resources had in fact been paid to the Niger Delta states (Manby, 2002). Additionally, as Omoweh suggests, official statistics on oil production and sales are themselves dubious figures (Omoweh, 1996:149, fn. 7).

A recent incarnation of the derivation dispute was motivated by a federal government move to grant revenues accruing from offshore oil to the Federation rather than to coastal states. This led to a move by representatives of the Niger Deltan states to impeach Obasanjo. Given the impeachment threat, Obasanjo proposed an onshore/offshore bill allocating deposits within the continental shelf to the State level. The ensuing protest by Northern governors in December 2002 however, resulted in back-pedaling by Obasanjo (Akhaine, 2002). The ongoing attempt of Northern states to find oil deposits in the Chad basin (Omoweh, 1996), as well as their resistance to increased federal revenue allocations to Delta region through the NDDC (Niger Delta Development Commission) are further examples of unresolved tensions (*Lagos Guardian*, 2002).[7]

In the Delta, popular resentment to derivation of oil industry profits has manifest itself in anger towards Nigerians from other parts of the country, particularly the ruling ethnic majorities: Yoruba (South West), Hausa-Fulani (North) and Igbo (East). Historically and until today non-Deltan outsiders, a significant proportion of the country's educated elite, have been the ones most likely to benefit from lucrative high skill employment in the petroleum sector. To protect oil installations and their 'foreign' staff, whether Nigerian or expatriate, the Nigerian mobile police and military have acted as security forces, committing numerous human rights violations in the process (Frynas, 2000; Obi, 2001, Manby, 1999). The role of the security forces in defending the region's 'black gold' concentrates power in the federal state. Yet as oil shapes and strengthens the state militarily, the state's popular legitimacy is correspondingly eroded (Watts, 2001).

## Territorial Control & Petro Violence

For the past ten years community conflict with foreign oil companies has been largely directed at Shell and Chevron. The former, as the oil company with the longest history in the country, referred to as its 'first mover' advantage (Frynas, 2000), has far broader contact with the communities of the Delta than its counterparts whose installations are primarily offshore. Shell's activities were defended through the state's monopoly over hostile means – most notably the means of violence, the 'Mobile Police'. As the purveyor of 'compensation' for mineral extraction, and the administrator of certain public services, Shell remains the most visible manifestation of social control and regulation in a region that is otherwise bereft of basic services, including transportation infrastructure. As Niger Deltan residents and social activists explain, 'in the Niger Delta Shell is the state'. Similarly, Shell Nigeria (SPDC – Shell Petroleum Development Company of Nigeria) states in its 2001 *People and Environment Report* that their community development work has left communities in the area with the impression that 'Shell is the only government we know' (SPDC, 2001:16).

Following Ken Saro-Wiwa's execution in 1995, the Niger Deltan pressure for revenue derivation has been channeled through youth movements who challenge both the Nigerian State and the oil companies for social accountability and environmental damages. Violent standoffs against these companies, particularly Shell and Chevron, have occurred throughout the Delta. The controversial Kaiama Declaration of Ijaw Youth in December 1998 called for the oil companies to leave Ijaw territory unless the multinationals and the Nigerian state met demands for compensation and derivation. Bayelsa State declared a state of emergency in response and shortly thereafter numerous protesters were shot dead. Oil installations were placed under military guard and a

> *reign of terror unleashed in the creeks, swamps and villages of Ijawland … Lives were lost, many people were injured, displaced, houses were burnt and people were arrested or threatened* (Obi, 2001).

Human Rights Watch and the Nigerian Human Rights Law Service have documented these abuses, including the sacking and burning of the town of Odi in November 1999 (Huri-Laws, 1999).

The relationship between oil industry practices and inter-community conflicts were revealed in an internal Shell Nigeria report leaked in June of 2004. This 93 page report details the conflict-inducing context surrounding the oil industry previously reported by the advocacy community (Manby, 1999, 2001; Kemedi, 2003) and describes how Shell companies in Nigeria contribute to violence through an overlapping web of relations between its own staff, contractors, community members and government agents. The report also indicates that these problems have less to do with recently adopted policies, which the report's authors on the whole commend, but rather ongoing practice.[8]

Nevertheless some long-standing policies have had a major impact on shaping Niger Deltan violence. Analysis of the negotiation of industrial land access, for instance, which researchers have highlighted as central to the Niger Deltan struggles, indicates how communities and individuals become competing claimants over territory on which oil installations are constructed or pipelines pass. What is referred to as the 'host community' policy, that preferentially benefits communities where oil installations are sited, thus contributes to ongoing conflict (Knight and Alagoa, 2002). The author's interviews with oil industry managers in 2003 confirmed that CD allocation decisions are indeed related to the value of production carried out on a given community's territory, although these manager's were not so forthright as to precisely how these allocations are determined.

For Shell and other MNOCs in Nigeria, the move towards a community-driven developmental approach has contradictory implications due to the financial incentive that is the industry's bottom line: an optimal level of security is necessary for maintaining production, at the same time 'threats' to production contribute to rising oil prices and thus rising profits. In terms of the profit maximisation logic that guides Shell as a 'public company' (owned by its shareholders) in the global economy, it is unsurprising that the oil industry's practices contribute to shaping the political economy of conflict in the Delta. The threat of oil shortages is itself based on an empirically dubious discourse of diminishing oil supplies and resource scarcity associated with the new global security initiatives (Watts and Peluso, 2001). It is also an essential justification for historical and contemporary imperialism.

The relationship between war profits and relief operations in the Niger Delta dates back to Shell's activities during the Nigerian Civil War. The Biafran famine that resulted from that war (1967-1970) was one of the first African humanitarian crises to be beamed into Northern households through the mass media, creating a demand by the Northern public for a humanitarian response (Benthal, 1993). The role of the oil industry, and the European governments behind it, has long been understood as significant to the outcome of the civil war favouring the federal authorities (Okonta, 1997). Recently released documents at the British Public Records Office confirm this. Shell's profits from fuelling both the Nigerian Federal forces and the Biafrans are revealed in 1969 correspondence between British High Commissions in West Africa and the Foreign and Commonwealth Office in London (FCO):[9]

> *You will, I imagine, already be aware from your close relations with Shell in the context of the Nigerian war, that Shell are also fuelling the planes carrying the airlift into Biafra from São Tomé. This presents them with a minor conflict of interest.*
>
> *As far as I can make out Shell are the only company who have been supplying aviation fuel at São Tomé. When the war began they supplied the few planes staging there with fuel. This represented a small amount. As the war continued the amounts became larger, and in a modest way represented what appeared to be a money spinner for Shell. One of their customers was the American gun-runner, Wharton, who a year or so ago was flying arms into Biafra via Portugal and São Tomé. Shell were apparently unwise enough to give him credit and he has left them with the bad debt of 5 million escudos (say £75,000).*
>
> *According to the local and newly arrived Shell manager here his head office told him in London that the less they knew about the Shell operations in São Tomé the better. They are evidently willing to do business there as long as this does not attract unfavourable publicity. Should they now cease to supply aviation fuel at São Tomé this would presumably attract unfavourable comment about Shell in the world press for having deliberately held up the relief supplies being flown in by the church organisations.*
>
> *Reflecting on this, we have been wondering whether any interruption or reduction of the airlift from São Tomé into Biafra could help to bring about the end of the war? If so, then Shell could perhaps be prevailed upon to cut off their supplies of aviation fuel to São Tomé for a short period …*

The FCO's response to the this letter reads as follows:

> *This is a slightly tricky problem as I see it, in that the question of supplying aviation fuel for flights of all kinds from São Tomé is a matter of Shell's commercial operations and interests. We should therefore have to be on firm ground of national interest if we were to seek to move Shell to change their present commercial practice.*
>
> *On this criterion I should have thought that we should encourage Shell to provide fuel for the relief flights, but that (if this could be done separately) they should be dissuaded from assisting the arms flights. Inter alia, I should have thought that the Company's standing in Nigeria generally would suffer substantially were the Nigerians to become aware of the assistance given to arms flights by Shell in São Tomé.*
>
> *In these circumstances I should have thought that we could reasonably have sounded Shell about their prospects of discrminating between their clients. Could they, for example, on the basis of their bad debt on the Wharton account, decline to supply arms flights further? Could a 'Head Office decision' be used to justify a change locally? Clearly, if it were not possible for Shell to discriminate between customers, we should not be in a good position to urge that they cut off all supplies, since this would affect relief flights …*

Shell thus pursued its commercial interests through petroleum sales to both sides during the civil war, while supporting the effort to 'relieve' the Biafran famine. The relief effort was itself a political instrument for ending the war, the humanitarian agenda determined by the security interests of global powers and mediated by the oil industry. Contradictions regarding the role of humanitarianism as a form of social mediation for industry and for foreign powers seeking to control the region thus emerged in the late 1960s. These contradictions reemerged in the 1990s in response to Ogoni and Ijaw social mobilisations against both industry and the Nigerian state and on this occasion met with Shell's new 'partnership development' approach.

## From Petro Violence to Partnership Development

Shell points out that it has engaged in social welfare activities in the Delta since the 1950s, through school scholarships and an agricultural extension programme. Shell claims to have been the principal donor in Nigeria in the mid-1990s, with an approximate $30 million annual budget for Niger Delta development.[10] However, the programmes, based on what Shell refers to as the *Community Assistance* approach, had not garnered a positive response from the communities by the 1990s,[11] prompting the decision to move from *Community Assistance* (CA) to *Community Development* (CD). The latter, according to the programme's initiator Deirdre Lapin, is more strategic as it engages other donors and various levels of government so as to increase programme effectiveness. It was based on the '4 Ps: Peace, Partnership, Progress and Prosperity'. Embracing the current move towards capacity-building in participatory development, the programme employed joint implementation with local civil society organisations (Lapin, 2000). In theory, a Participatory Rural Appraisal process involved people in six areas: education, agriculture, community health, micro-credit and business development, water and sanitation, and women's programmes. Lapin made a distinction between the new CD approach, based on *partnership development*, and the 'Activist Development Model'. The latter, writes Lapin, can indeed yield gains for communities. Under this Activist Development Model,

> *Young leaders will typically apply highly visible and destabilizing methods of violence or mass demonstrations to achieve quick political gains and meet specific social demands. These outcomes are rarely sustained, but they sometimes achieve longer-term political goals. SPDC's former community assistance (CA) approach, which focused on 'giving things', encouraged activism through its short-term, ad hoc approach to meeting community demands. Production managers continue to consider the approach useful in circumstances that are highly adversarial and confrontational* (Lapin, 2000).

Nevertheless, the disruptions caused by activism led to Shell's switch to the partnership development or CD model which is 'generally peaceful***, leverages community and donor resources***, and builds constructive ongoing relations with partners' (author's emphasis). This is not to suggest that the new model does not depart from the entrenched organisational interests of extractive capitalism. Lapin indicates that the activist and partnership model are not mutually exclusive, important, she says, because one of the most difficult areas in which to gain allies will be the oil industry itself. According to Lapin,

> *achieving buy-in from development partners – for whom such development concepts are familiar – may be easier than gaining the continuous support of many staff, whose immediate concern is the producing of oil and gas* (Lapin, 2000).

Despite Shell's stated move towards participatory, non-hierarchical development and empowerment, however, the format of Shell's own workshops suggest that the model continued to rely on long-standing social authority structures rather than a modern concept of 'empowerment'. An interesting example is given in a guide to a 2001 workshop in the Delta that could be interpreted as promoting respect for authority, or as anti-entrepreneurial depending on the perspective of participants. Drawing on Nigeria's oral tradition, Lapin contrasts 'Mr. Do-it-Alone' with 'Mr. Takes-Good-Advice'. The two are faced with the problem of how to preserve the hindquarter of a cow for 8 days in order to return it to the King in perfect condition. In the story 'Mr. Takes-Good-Advice' succeeds whereas 'Mr. Do-it-Alone' fails. The King says, 'Thank you, Mr. Takes-Good-Advice, I accept your offer. Clearly, to work with others and take their advice is best. To Do-it-Alone is the enemy of progress.' Lapin goes on to explain how 'Mr. Takes-Good-Advice embodies three requirements of partnership in our age of globalisation: a focus on solutions, rather than on problems; respect and inclusiveness, rather than exclusiveness and competition; tolerance and trust, in the place of suspicion and arrogance'. This seems a transparent example of what theorists like Watts have called the appropriation of 'societal practices and meanings into the modern realm of explicit calculation' through which the developmentalist discourse is inserted into local social systems in increasingly pernicious ways (Watts, 1999; Ferguson, 1994).

As such, partnership development under the CD approach appears to be have been less about empowerment and more about promoting non-confrontational, respectful negotiations with authority. In practice, it has sought to move beyond modernity's initial basis in the rule of law towards 'self-disciplining' through norms of 'civil discussion', thus replacing compensation with consent-based social regulation and stabilisation. Indeed, the very project of conflict resolution aims at averting compensation. An organisation that receives funding from Shell for conflict resolution for example, explained their work to me as follows:

> *our project is to assist the communities to shift their focus away from Shell and external problems and to look inward, to their own internal conflicts.*

By promoting greater attention to internal conflicts than 'external ones' the image of the multinationals in the Niger Delta has improved since the late 1990s. The Niger Delta is now often described as an exceedingly 'difficult' operating environment in which the oil companies are but an external actor. Companies active in the Delta have received awards for corporate social responsibility and environmental practice. Shell's public relations strategy, including well-placed ads on network television and its embrace of 'best practice' in social performance, has made it a global leader in corporate social and environmental responsibility (Wheeler, 2002). The Shell Environmental Fund offers awards for community-driven environmental projects, and the Shell Foundation supports sustainable transportation projects in strategically important sites for future development like Mexico. Shell and ChevronTexaco are participants in the Extractive Industries Transparency Initiative that aims to lessen corruption in the oil industry, even as the internal practices outlined in the Shell conflict report suggest that corruption has roots deeply embedded in the oil industry's organisational sociology.[12] In a similar vein, the oil majors in Nigeria are also signatories to the Voluntary Principles on Security and Human Rights, a code of conduct I interpret as describing rather than modifying the security apparatus surrounding extraction (Zalik, 2004).[13]

In October 2003 Chevron Nigeria was granted the Secretary of State's 'Corporate Excellence Award' for its conduct during the inter-community violence in the Warri area in March 2003. The violence was sparked by a dispute over electoral zoning of wards that were to be contested in Nigerian National Elections a month later. This dispute, dating back to at least 1997, arises from ethnic conflict over territory on which oil installations are sited, and is thus an illustration of the effects of the host community policy (Imobighe, Bassey and Asuni, 2003) as embedded in the legacy of colonial indirect rule. Made on the basis that the company had evacuated thousands of displaced villagers from the area during the Warri conflict and applauding the $90 million that Chevron claims to have spent in the country since 1992, it was quickly condemned by human rights organisations in the Niger Delta (ERA, 2003). In the second quarter of 2003, Chevron declared profits of $1.6 billion on international net revenues of $29.4 billion. This figure, 16 per cent above the same period in the previous year, resulted from rising prices due to both the war in Iraq and threats to production in the Warri area. According to some representatives of the Niger Delta advocacy community, the Chevron award was not announced widely in Southern Nigeria, due to fear it would cause significant protest. To be sure, the award contrasts markedly with legal proceedings under the US alien torts act charging Chevron and Shell for complicity in human rights violations.[14]

Despite the improved image of the oil majors in the Niger Delta internationally (at least until the recent Shell reserve and conflict scandals) over the last four years mounting violence in the region indicates that the partnership approach has not resolved the socio-environmental context of violence surrounding operations. From a stated high of $62 million to Community Development in 2002, Shell's CD spending in 2003 was cut by half to $30 million. According to Shell Nigeria, this was the result of its inability to follow through on projects in the Western swamp area due to the crisis in the Warri region as well as budget cuts by the Nigerian National Petroleum Corporation (NNPC), for whom Shell is the operator of the country's largest Joint Venture.

NNPC's cuts to Shell's production and community development budget reflects the uncertainty associated with monies allocated to this area. As various commentators have pointed out, a key incentive for the transnational companies to produce in

Nigeria is the ability to inflate operating costs so as to increase their profit margin (Okonta, 2004).[15] Shell's auditor in Nigeria, KPMG, stated its inability to confirm Shell's Community Development activities as described in the 2003 *People and Environment Report*. The following statement is printed at the end of the same document:

> *As more fully explained on page 25, the CDMIS (Community Development Management Information Strategy) used as the basis for compiling project activity included in this report has significant control weaknesses that impact on data integrity. Consequently, we are unable to form a conclusion on SPDC's CD (Community Development) project activity reported on pages 18 to 21* (SPDC, 2003).

Hence while prizes for social and environmental responsibility and declarations of transparency are made at the international level, in the Nigerian context ongoing problems are obscured. In a similar vein, the *Shell Report 2003* (International) cites the Community Development manager for Shell Nigeria as recognising the company's embeddedness in the Niger Delta conflict. Shell's Nigerian subsidiary, in contrast, makes almost no reference to this in its 2003 *People and Environment Report* (SPDC, 2003). Rather, volatility in the region is blamed on criminal activity around oil bunkering (oil theft and contraband oil sales) and inter-tribal violence. The report describes monitoring system problems in its Community Development programme as primarily organisational in nature and lists 13 new rules guiding community relations in the Delta. Among these there is one significant policy change in rule number 9: 'No payment for ghost workers or stand-by employment', a practice that has been widely criticised as promoting dependency and funding arms sales. The majority of the 13 rules, however, read as guidelines for internal restructuring. For instance:

> *1) SCD sets the corporate direction and strategy of community interactions and manages corporate CD activities in the SCiN;*
>
> *2) All community development projects/programmes must be in accordance with the agreed/approved five-year rolling SCiN community development plan, which is aligned to the Niger Delta master plan where appropriate …*
>
> *10) Contractors/sub-contractors working under contract with SCiN must strictly adhere to the SCD policy and procedures for community interaction;*
>
> *11 SCiN must deliver on SCD commitments;*
>
> *13) The Sustainable Community Development Controls Committee (SCDCC) must approve any deviation from the above rules.*

The rules also construct illegal activities as primarily problems of corporate organisational management and monitoring:

> *3) All community budget and expenditure must be approved and accounted for in accordance with SCD procedures ...*
>
> *8) There shall be no payments to communities other than those specified for legitimate business reasons …*
>
> *12) SCiN will strictly adhere to SCD guidelines/policies at all times, even when operational continuity is threatened.*

The language of internal restructuring obscures the general context of individual and corporate incentives that contributes to shaping conflict in the Delta. Since the late 1990s community development activities were meant to ease some of the tension around oil extraction. Yet at the macro-level, the broader corporate drive for profits that benefits from threatened supplies is served by ongoing conflict. In terms of micro-politics, the livelihoods of community development practitioners, including NGOs and environmental clean-up contractors, also depends on the need for ongoing remediation of humanitarian and environmental crises.

Based on the failure of the CD model to sufficiently reduce conflict between the oil industry and communities, SPDC's 2003 *People and Environment Report* discusses the next shift in its public affairs procedures from Community Development towards Sustainable Community Development (SCD). Initially it is not clear what is discursively new about the SCD approach, as SPDC's partnership approach always emphasised community participation. The report implies that the change is primarily around the internal organisation of CD interventions and policy implementation, as discussed above in reference to the 13 rules.[16] Emphasis is made on partnerships with Government and with 'strategic international NGOs and local NGOs'.[17] Various pages of the report cite representatives of prominent civil society organisations saying that this new approach represents a 'new Shell'.

Interviews conducted with representatives of Niger Deltan civil society organisations in 2003, while restructuring was underway, suggested a number of specific changes: a shift to greater outsourcing, in particular to the non-profit sector (so much so that some for-profit contractors to Shell's community training programmes were seeking to establish NGOs in 2003); an emphasis on 'human development' including 'attitudinal change' programmes directed at youth; a move away from the host community policy to a 'whole community approach' already in evidence in the area around the new Soku Gas plant; and a transferring of responsibility for infrastructural programmes to state agencies, in particular the Niger Delta Development Commission. The latter was apparently connected to the non-functionality of the great majority of water and electricity projects, as indicated in interviews with informants involved in the Independent Stakeholders Review in 2002, the author's own observations, and SPDC's *People and Environment Report 2003*.[18]

## Participatory Practice, Compensation & the Devolution of Responsibility

The determination of a community's basket of needs under the CD approach is reportedly a multi-day process involving community members in participatory assessment. In 2003, observations at Shell CD events suggested that the programme is participatory in that 'people must participate', as announced by a Shell CD manager at a stakeholders forum attended by the author. According to one NGO representative, the shift to SCD represents a reaction against this 'command and control' model for community development which bred resentment and suspicion against the oil industry. The new SCD model thus aims to 'develop a whole new language' that focuses on 'processes rather than the blueprints understood by engineers'. The issue according to this NGO representative, is therefore not the size of the CD budget, but rather 'how to deliver and how to report'. Sufficient monitoring of the CD programme, however, remains a target of concern under the new model. A community leader is cited as follows in the 2003 *People and Environment* report:

> *SPDC has tried to improve the lot of the communities. To empower the community development process, SPDC is shifting from Community Development (CD) to Sustainable Community Development (SCD). This puts the ownership with the communities. The only snag in the SCD process is the supervision. I am praying that the supervision be strengthened (16).*

Indeed in 2003 the CD programme showed minimal involvement by Shell CD staff. Community members and consultants interviewed stated that they had not seen a permanent Shell Community Development or Community Affairs staff stay overnight in a community due to security and health requirements; these security and health considerations do not apply to NGOs or consultants.[19] This general 'lack of supervision' has contradictory effects. In terms of delivering the fruits of 'modernity', the projects are largely failures because of institutional disinterest in ensuring success of basic community infrastructure projects: water, roads and electricity. This is compounded by the reality that some staff may gain kickbacks through another round of contract awards to complete projects should they be abandoned by the first contractor. However, as we will discuss in a subsequent section, this lack of supervision may also allow community members to creatively shift the focus of a particular community development intervention, as such avoiding the 'command and control' model.

Prior to the 2003 restructuring, CD projects were supervised by a production staff person, rather than by Community Development staff, leading to contradictions between the goals of production and profit maximisation versus 'social performance'.[20] Problems have resulted from the fact that Shell's capital projects department (referred to as CAPEX) has a separate budget for community development yet the criteria for evaluation of staff from this department is their ability to meet production targets, not community development. They sign their own Memoranda of Understanding (MOUs) with communities in order to gain land access for major construction and installation projects and thus had a significant say in determining which projects would be promised and/or carried out. Community members and production staff negotiate these MOUs based on previous complaints or claims for compensation, which may or may not be under judicial review.

In 2001 and prior to the 2003 restructuring, Shell staff stated that compensation and community development were separate departments within the company. On the level of implementation, however, they recognised that the two areas clearly overlapped.[21] Indeed, the Community Development programme promotes the productive investment of compensation monies through micro-entrepreneurship (SPDC, 2001).[22] Community members indicate that MOUs are often prepared following a spill or shut-down as a means of assuaging the community and that therefore, the 'activist' development model has not been displaced. The youth then argue that only through 'violence' (i.e. confrontation or shut-downs – not necessarily physical violence) are CD commitments made or implemented. Indeed some claims lawyers argue that communities should negotiate out of court settlements as cases often drag on and on. Through a shut down, for instance, a community can insist on negotiating an MOU when Shell has a target to meet. Face-to-face contact also occurs at the time of a spill, as these require a visit from a 'joint investigation team' made up of oil company staff and government representatives to determine the spill's cause. What the oil industry refers to as 'sabotage' or 'third party intervention' (i.e. tampering) may thus be interpreted as means of gaining an audience with oil company staff. This may explain why sabotage-induced spills appear to have increased even with the implementation of a Nigerian government and oil industry policy of non-compensation in such cases. It should also be observed that the determination of sabotage is at times arrived at coercively as clearly documented by at least one NGO operating in the Niger Delta.[23]

A public relations allocation is also included in the budget of Shell sub-contractors who have thus acted as another supplier of CD projects, generally made on an ad hoc basis with communities.[24] On the latter, point one may note that the 13 rules now call for contractors to strictly adhere to Shell's SCD policies and procedures for community interaction. In addition, the 2003 report indicates that responsibility for CD programmes now rests with the Area Teams (as opposed to the Project Managers responsible for production), as an attempt to address the contradiction between the motive of producing oil and gas and the goal of sustainable community development. Despite these changes, the general context of corruption and clientelism described in the leaked Shell report indicate a pervasive set of relations that are passed onto communities.[25]

Shell's financing for community projects is made through a 'milestone' system through which those community members responsible for a project are paid once a particular phase is complete; these 'project management committees' are in general responsible for selecting and paying contractors. Relatively low-cost projects like the construction of simple structures – market stalls, training centres, classroom blocks – seem to fare better in terms of management through the milestone system given that a person without engineering training may more easily 'monitor' the completion of project tasks. In contrast, ensuring proper installation of water or electricity infrastructure, or administering the amounts of cash required for the proper construction of road projects, is a technical task more suited to an engineer. These are projects that the oil companies and government agencies have often left incomplete, partially due to the economic incentive to community development contractors to abandon projects and pocket unused funds. This is then compounded by the more recent trend of granting contracts to inexperienced community members who bid below project cost. By transferring large amounts of cash directly to local representatives and monitoring committees Shell (and the oil industry in general in the Niger Delta) fosters distrust and replicates corrupt or poor management at the community level. This practice, and resistance by community residents to potential conflict-inducing effects, is suggested by the opening quotation from a former CDC chairperson:

> *They wanted me to implement the [major community project] through the CD model so that I would be responsible for 40 million Naira. I refused, I am a poor man.*

Community electricity projects are another area in which responsibility for a generally unsustainable system is passed onto communities. Communities are usually responsible for providing diesel for generators and are made responsible for their frequent maintenance and upkeep. Shifting responsibility for the upkeep of such basic services to communities would be highly unlikely in the more 'developed' regions of Shell operations. In 2003 Shell representatives indicated that with large-scale infrastructural development like electrification, there is a concern that if such services were provided to 'one community they would have to be provided to all'. This clearly reflects the general cost control directive and the company's desire to distance itself from the community view that 'Shell is the only government we know'. Yet when the company's image is under fire, discourse in this area appears to change – as noted in the SPDC 2003 report citing 'community electrification projects' across entire oil fields.[26] Some competition between multinationals in the area of public relations may have also influenced this shift. Chevron, for instance, is sometimes praised for making electricity from their flow stations available to their host communities.

## Displacement & the Erosion of Community Organisation

Under Shell's CD participatory practice model, community members may put themselves forward for the 'Project Management Committee' to manage programmes for the community or its sub-groups (community infrastructure, women, youth). Indeed, some community residents state that the doors to Shell are much more open than they were prior to 1998. They are invited to attend evaluation meetings and open forums at which a per diem is provided for an overnight stay in an urban centre. For a primary school teacher, this may be equivalent to 30% of his/her monthly income.

Officially, the Chairperson of the local Community Development Committee, usually a resident, assumes some responsibility for infrastructural projects. However, as the Chairperson's term is most often annual, a more permanent contact for community projects may be appointed in the form of a 'Project Management Committee'. For instance, Shell's Women's Action Committees act as facilitators of Shell projects and become responsible for the management of market stall or training centre projects over a number of years. The individuals who act as the key contacts for these projects are often perceived as project 'owners'. While they are not officially compensated by Shell, they are invited to attend training meetings in and outside the community for which a per diem is provided. The culturally expected practice that companies and contractors will give 'homage' (usually in cash) to community leaders, may figure into the personal benefits received for participation. The degree of community resentment for these benefits may increase when these leaders reside outside the community. Indeed community leaders often do not reside in the riverine villages although they may keep homes there but instead are residents of Warri, Port Harcourt and other urban centres. In addition to being the most economically successful of community members, their urban residence makes them the most efficient interoluctors with oil companies and government whose offices are also located in these urban centres. If they reside outside the community, however, they are unlikely to be present when companies or contractors arrive to conduct work; their role thus becomes a distributor of payments for projects rather than a monitor of progress. Similarly, their position as an intermediary may create a vested interest in good relations with the company, rather than the assurance of infrastructure to the community

Community solidarity and developmental objectives are further compromised by the CD training programmes and educational subsidies. In order to encourage science teachers to stay in more isolated parts of the Delta, Shell has provided top-up salaries in some host communities. Teachers responsible for non-science subjects report feeling devalued by this programme, and the tiered pay scale undermines collaborative work having an obvious impact on labour solidarity among educators. Like other programmes, these top-up payments are subject to the vagaries of Shell's operating budget from the NNPC. According to interviews in June of 2003, science teachers who had been promised these benefits in three communities in Bayelsa State – some who had in fact moved from schools elsewhere to receive them – had not, by the end of six months, received their top up salaries. SPDC's explanation, according to one of the school Principals, was that they were 'broke' due to NNPC budget restrictions.

In addition to this private intervention in the public system, Shell sponsors vocational education programmes at facilities within the community. Among the activities promoted via the Shell Women's Action Committees, for example, are youth training centres. These generally promote a fixed set of skills: tailoring, auto mechanics, hair-dressing, carpentry and soap making. Given the limited cash economy in most rural communities, however, these youth are unlikely to find sufficient clients in the communities where the centres are sited thereby encouraging youth out-migration to urban centres where they are faced with stiff competition. The training centres are also intended to act as income-generating projects for women's groups, a goal unlikely to be met in communities with limited cash-flow.

Despite the various drawbacks, some positive outcomes have resulted from weaknesses within the CD monitoring system. As observed during field work in 2003, a structure built for an alternate purpose served as a nursery school for children. This school was opened with the approval of the local Community Development Committee but without the knowledge of the company. It employed six community members as instructors and provided additional income to the community leader who had initiated the project with Shell. This example suggests that community groups will most likely succeed at building sustainable economies and systems if they retain 'ownership' of the development process. Nevertheless, the nursery school example also indicates how the structure of training and micro-credit projects supports basically neo-liberal principles by linking them to entrepreneurship and income-generation.[27] Youth training programmes prepare community residents for urban employment, and thus the oil economy, even as formal jobs in the oil sector are increasingly restricted due to cost cutting (i.e. profit-maximisation) requirements.

Given the lack of formal sector jobs, programmes that offer youth training are often geared towards the informal sector, or 'self-employment'. Shell-sponsored certificate training programmes for 'immediate self-employment', for instance, are offered at centres like the Rivers State Polytechnic (RivPoly) in Bori, Ogoni, and the Government Training College in Ekowe, Southern Ijaw. Since 1998 at RivPoly, Shell has contracted the Nigerian Opportunities Industrialisation Centre (NOIC) to train approximately 100-300 youth from Shell host communities in particular skill areas.[28] The RivPoly project provides additional income to the Polytechnic, including a top-up salary to some instructors involved in the programme. An instructor stated that the programme alleviates the burden of unemployed youth in the community. Criticism revolves around the short length of the course – one year consisting of 10 months of theory and two months of practice. Courses are offered in six areas: carpentry, bricklaying, sewing/fashion design, auto mechanics, computer studies and hairdressing. An instructor indicated that rural youth would likely choose the SPDC training programme over university if presented with both options, since no tuition payment is required and a stipend is provided. These youth are selected directly from the village level and approximately 70-80% of them, according to the instructor interviewed, end up working in Port Harcourt or in nearby urban areas – in some cases with support of a Shell small business grant. These programmes favour youth from host communities over youth from communities without oil installations. The youth solidarity – central to Niger Deltan social mobilisation against the oil industry – is thus fragmented through differential access to opportunities. Uneven access to corporate-sponsored educational opportunities is further reinforced by the limited number of trainees. Differential access is also manifest in the programmes of institutions such as the Ekowe Government

Training College (GTC) in the riverine area of Southern Ijaw, which houses the Bayelsa State branch of Shell's Youth Oil and Gas Training programme. This is a 12-month programme, from which those who receive highest qualifications enter Shell's Intensive Training Programme for an additional 12 months. There is a dichotomy with the students in the regular certificate programme at the GTC, however, in that the students in the regular programme complete a three-year training in order to write the same exam as the Shell-sponsored students. The Shell students, in contrast, receive an allowance of 7,000 naira (approximately US$55) per month while participating in the one year programme. According to interviews, in 2003 sixty-five students were enrolled in the Shell programme and 110 in the regular programme. As Ekowe is without phone or road connections, problems arise in managing the programme. When Shell scholarship payments to youth do not arrive on the date scheduled, the local school administration must mediate disputes between angry students and the company. Although the short length of the programme is the subject of criticism, it fits well into the benchmark numbers that Shell employs for evaluating its CD programmes. According to the *2002 Shell Report*, the Youth Training Scheme trained 13,447 youths between 1995-2000. If the programme had followed the regular 3-year curriculum, approximately one-third of this number would have received training in the same period.

These examples are a recent manifestation of how private aid influences developing country educational institutions (Berman, 1984). Just as post-World War Two foreign aid was critiqued for promoting capitalist approaches to economic development during the cold war, structural adjustment programmes promote neo-liberal privatisation of post-secondary education and vocational training. In the case of Shell Nigeria's CD model, there is a clear dichotomy between promoting self-employment through vocational skills marketable in cities, or entrepreneurship as traders of commodities imported from urban centres, versus the strengthening of a local economy that would in fact develop the riverine communities. Projects focusing on local production, eco-tourism or value-added agricultural processing have been discouraged or avoided by the multinationals (Okpanku, 2003). From the standpoint of profit-oriented accounting, costs for the oil industry, including land access and environmental compensation, would increase if non-oil economic activities in the communities became more lucrative and if the local residents' advocacy abilities were strengthened. A respected academic in Port Harcourt[29] hence describes the new aid agenda in the Niger Delta as one of 'economic fundamentalism', to which the advance of neo-liberal goals is central. Through this process a donor-driven agenda becomes the real agenda of Nigerian civil society. As manifest in both youth training programmes and micro-enterprise development and further explored below, the engagement of NGOs as partners shapes civil society as a facilitators of this agenda.

## The Leveraged Buy-In

Throughout military rule, the Nigerian NGO sector served as a significant arena in which oppositional groups could sustain themselves through international funding. Yet with the re-channeling of ODA towards government channels, the sector is threatened and becomes a consenting arena via which the principles of post-modern regulation are extended. Edwin Madunagu, a well-known Nigerian academic and activist, calls the depoliticisation of the left/revolutionary socialist movements through their dissolution into the NGO sector one of the 'tragedies which befell the left in the last 15 years of the 20th century'. As he explains,

> *Until two decades ago groups that today would be called NGOs were associated with revolutionary socialist movement … not the right or imperialism. Since then not only has the Nigerian left shrunken. Indeed, the Left has dissolved not tactically but strategically and completely into the NGOs … From the NGOs as refuge, the left re-emerges as atomised individuals united only by material and professional benefits, and the politically limited language of the NGOs. Even if one may not convincingly argue that the new imperialism is the creator of this tragic phenomenon, no one I think can doubt that imperialism and its Nigerian detachment are its beneficiaries* (Madunagu 2000:404).

This depoliticization is a clear objective of the move from community activism to community development. In an article for the Society of Petroleum Engineers in 2000, Deirdre Lapin referred to the building of partnerships with non-corporate bodies as the 'leveraged-buy in'. As Lapin's article explains, broadly speaking the aim of Shell's partnership development strategy is to seek out support from other institutions, including communities, government and international agencies, to 'leverage' Shell's efforts. In both marxist and neo-classical terms 'leveraging' might be seen as a form of government subsidy – an interesting subversion and exposé of the practical implications of neo-liberal ideology.

The employ of NGOs as consultants to the oil industry also serves to subsidise the cost of attaining a 'social licence to operate'. NGOs involved in facilitating micro-credit programmes for Shell indicate that Shell's direct overhead support for these programmes is much lower than that provided by other international donors (25% of what other donors give, according to one estimate). NGOs must therefore subsidise Shell projects with funding from other international agencies. The international donor community encourages this trend by promoting 'inter-sectoral' collaboration among granting agencies and grantees.[30] Concerning opportunities presented by Shell's new model, well-established Niger Deltan NGOs distinguish between those-who-will and those-who-won't work with Shell. But they also emphasise that newer organisations and individual community development practitioners lack the structural options or funding base that allows institutions to be discerning in their source of financing. This was most marked in my encounter with an academic in Port Harcourt who identifies as a marxist political economist and contracts as a facilitator of micro-credit programmes for the oil industry. Like the aforementioned case of the nursery school, devolution of provision of public services to private sector actors forms part of the CD model. NGO and community member incorporation into the 'leveraged buy-in' is the natural result of the individualisation of the CD incentive structure, and the opportunistic approach to social welfare provision that it fosters.

## Conclusion

In addition to ongoing standoffs in the Delta region – hostage taking, terrorism (as the Nigerian state calls it), sabotage and vandalism as referred to by the oil companies – there are empowering aspects to devolutionary trends in the new economy. For instance, local claims against industry may be asserted in the domestic and international juridical arena, thus employing liberal rights institutions. Two noteworthy examples arise here; one is the recent attempt by Deltan activists to sue Shell in the US (Sierra Club, 2002). Interestingly, a senior Shell staff person in an interview fervently protested not only the grounds, but also the location, of the suit. 'They may sue us in the UK or the Netherlands, but why the US?', he asks. 'Everyone knows it's because under US law, grievances can be assigned under the ability to pay'.[31] As a contrasting example, in October of 2001 Shell launched a lawsuit in

Benin City against Nigerian villages claiming $25 million in damages since 27 September of that year in addition to $800,000 of daily losses (Odunfa, 2001). The BBC described this situation as the 'first such action by a multinational against a local community' (Ibid.). In interviews, Shell staff indicate that it would have set a bad precedent had they not taken legal action. Together these suits demonstrate how the shift from disciplinary (legal) to pervasive, self-regulation is hardly linear.

Juridical claims such as Shell's against the communities are perhaps greased by the petro-paranoia of post-Sept 11th. The backdrop of the 'endless war' in Central Asia – and its accompanying project of liberal peace – overshadow the inequity and violence of the Niger Delta and easily label shut-downs and 'sabotage' by youth as terrorism. But paradoxically, Shell's position was undermined by the Enron debacle and growing worldwide demands for corporate accountability. There is evidence for this in a US federal court decision of February 2002 which found that Niger Delta activists could indeed hold Royal Dutch Shell liable in the US for complicity in persecution and execution, and most recently in the exposure of false reserve estimations in Nigeria. A Nigerian probe against Halliburton for bribery of government officials was also recently exposed in the global media.

This article has demonstrated contradictions in the corporate pursuit of the social licence to operate and practices of the oil industry in the Niger Delta. The community centered approach to social regulation constituted through Shell's partnership model reflects two discursive moves away from disciplinary forms of rule and social regulation: the first is the engagement with community groups and individuals rather than communal authority structures; the second is the 'focus on solutions rather than problems', suggesting a turn away from legal forms of 'claims-making' through the blurring of development and compensation. Despite these moves however, some 'disciplinary' or even 'pre-modern' practices remain commonplace in negotiating the industrial 'licence to operate', in particular violence and siege. If discursive practice is mutually constituted with the material, the persistence of this form of social regulation may be understood as intertwined with both Deltan youth movements' insufficient incorporation into the Nigerian state's 'petrolic modernity' (Watts, 2001) as well as the territorial rootedness characteristic of the extractive industry's dependence on socio-environmental resources. Additionally, the potential threat to oil supplies that accompanies this violence boosts oil prices and therefore corporate profits; thus partnership development based on social consent and stability is contradicted by the profit maximizing logic of the private company. Shell's leaked conflict report indicates that this contradiction can no longer be covered by claims to social responsibility. It suggests that in order to comply with Shell's global principles of 'best practice', its Nigerian subsidiary may be forced to move its operations offshore, a costly prospect in the short-term for territorially-bound operations. Nigerian environmental rights organisations and their international allies, in a sense anticipating this move, have themselves gone offshore – seeking court adjudication and lobbying fora outside of national boundaries.

Within the Niger Delta, social movement organisations and popular resistance continue to engage in direct confrontation with state institutions and oil companies. Yet these movements, like the oil industry, also continue to employ national juridical claims on oil resources, whose base is obviously territorial, and thus material (rather than immaterial like informational capitalism). The spatial boundedness of petroleum extraction therefore highlights the saliency of the state's monopoly over the means of violence to continued extraction as well as the formation of national subjects as subjects of the oil state. The latter project requires the progressive conditioning of subjects to desire the 'fruits' of cheap oil, through their incorporation – however meager – into its incentive structure. Indeed, as a commodity, petroleum is largely related to individual, independent mobility and long-distance transportation. In Nigeria, any empirical case must trace capital's hybrid of protection based on a combination of autocratic power (i.e. state or privatised security in somewhat militarised zones of petroleum extraction) and an emergent one of 'self-regulation' – through the (re)construction of the local disputes via 'partnership development'. The legal/conflictual and individualised modes of social regulation coexist and at times contradict one another, strongly influenced by the equally contradictory projects of capital accumulation and social compliance with industrial practice.

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## Endnotes

1. The author thanks Philip McMichael, as well as Hannah Wittman, Linda Farthing and three anonymous reviewers for helpful theoretical and editorial comments on this paper. I am grateful to colleagues, community members and NGOs throughout the Niger Delta for their support to this project.

2. The European Union Niger Delta Micro-Project Programme remain at 63m Euro (according to 2002) information.. Between 1999-2003 the USAID bilateral programme with Nigeria came to a total of US$320. From 2004-2009 the budget is estimated at US$350 (approximately $70m per year for the entire country). In November of 2003, USAID signed a 5 year strategic partnership with Shell (SPDC Nigeria) for Nigerian development geared primarily at the Delta region. This is USAIDs largest strategic agreement and consists of $15m from Shell and $5m from USAID under USAID's new business model, the 'Global Development Alliance' employing public-private partnerships. At the same time as the USAID partnership was signed, Shell and Africare agreed to joint support of a healthcare/malaria control programme for six core Niger Delta states ($4.5m to $3.4m from Shell, with Africare contributing $1.1m). In both instances, if Shell's budget here is through the joint venture (which I assume as all spending by SPDC must be approved by the joint venture partner) than over half the $15m comes from the NNPC (Nigerian National Petroleum Corporation) and other joint venture partners (TotalFinaElf). An earlier version of this paper, focusing on the conflict resolution programmes of the bilateral donors, was published as 'Keeping the Peace in the Niger Delta: From Petro Violence to Partnership Development' in the *Nigerian Journal of International Affairs,* Vol, 31, No. 1, 2004.

3. The personal interiorization of these norms may also be understood as the merging of public (community) and private (corporate) interests in the Niger Delta.

4. The 'offshore' has become the point of escape and is indeed the site of most current oil industry development in West Africa, although the abandonment of onshore installations implies a costly move.

5. This problem is of course not specific to the Niger Deltan or African context and is associated with many forms of social development interventions. Nevertheless, the position of the oil industry agent or developmental practitioner, no matter how well intentioned is privileged due to far greater access to transportation to urban centres, particularly for riverine communities of the Niger Delta.

6. Shell produces almost half of Nigeria's production onshore in conjunction with the NNPC, Total FinaElf, and Agip. Shell is also destined to be the major player in the deep offshore due to its licence for the Bonga site which it discovered in 1995. Current major offshore actors include Chevron-Texaco and Exxon-Mobil.

7. For a concise summary of the recent debates on derivation and NDDC financing see Manby, 2000, pp. 24-26.

8. With regard to the context of poverty and marginalisation that leads to violent conflict, the report states the following in its overview: 'It is easy to conclude that any type of company or trade bringing resources to the Niger Delta will be confronted with the same problem (of conflict and resentment). While this view is valid, it is also true that the manner in which the SCIN operates and it staff behaves creates, feeds into, or exacerbates conflict. After over 50 years in Nigeria, it is therefore reasonable to say that SCIN has become an integral part of the Niger Delta conflict system' (WAC Global Services, 8).

9. Available at the British Public Records Office National Archives, Kew, London; File FCO 67 212.

10. Upon prompting, managers acknowledge that these donations are themselves deductible as operating costs on Shell's levies to the Joint Venture partnership and the Nigerian state.

11. Nigerian domestic criticism of Shell's community assistance programme argues that its listed achievements in communities – 550-560 university scholarships per year, 2,600 secondary scholarships, community road construction averaging 13 per year – are scarce compared to the total population of the Niger Deltan states of approximately 20 million in over 70 local government areas (Sagay, 1999).

12. 'The role of the oil companies in fuelling corruption is significant. Numerous examples can be found in how companies seek to maintain their LTO (licence to operate) through short-term cash payments, giving in to monetary demands for the right of way, following facility closures, exorbitant homage payments, use of ghost workers, surveillance contract implementation, contracting procedures, employment processes, and kick-back schemes in community development ' (WAC Global Services, 38). Corruption as applied to the activities of Nigerian oil industry employees should also be understood in terms of socio-cultural organisation of post-colonial Africa, which Ekeh has described as consisting of 'two public realms'. The moral primordial public, made up of the family and ethnic community, takes precedence over the civic public, which has largely been constructed as amoral. The tensions between these two publics, according to Ekeh, suggest that 'it is legitimate to rob the civic public in order to strengthen the primordial public' (p.108) Thus 'rent-seeking' to benefit the ethnic social grouping forms a partially redistributional, although clientelistic, economy.

13. In Zalik (2004**b)** I discuss the voluntary principles on security and human rights in light of the Warri crisis, arguing that they manifest the merging of public and private interests through the construction of Niger Deltan community members as 'stakeholders' in the oil industry, a localised form of 'shareholder'.

14. See http://www.earthrights.org/shell/index.shtml and http://www.earthrights.org/ chevron/ index.shtml.

15. Oil industry insiders acknowledge in interviews that profits are considerably higher than the 'split of barrel' that Shell presents as its official profits (interviews, Nigeria, 2003). See also Okonta, 2004.

16. This is upheld by the WAC conflict report which indicates that 'the overwhelming majority of (Shell Nigeria) policies are coherent, thorough and aimed to ensure a positive contribution to Nigerian society and local communities. Most company-community conflicts can be traced back to poor company practices, not poor policies.'

17. The partnership with USAID, as stated in the report, is for a 5 year, US$20 million programme aimed at developing Nigerian capacity in agricultural, health and business enterprise. The Africare agreement seeks to reduce malarial deaths through a 3 year US$4.5 million programme.

18. See footnote 29.

19. In addition, informants from industry and the NGO sector that collaborate with industry state that the general policy is not to hire Rivers or Bayelsa people to work as Community Liason Officers in their areas of origin unless the company is sure they'll be willing to side with the company in disputes.

20. SPDC staff did not explain this to me directly, probably because it is a clear sign of inconsistency in the partnership approach. This analysis appears to be supported by the WAC Global Services Report.

21. Communities cited various examples of this. The most glaring was associated with the construction of the Imiringi-Ogbia-Nembe road project in Bayelsa state. The EIA for the road project did not take preventive steps to test water quality during dredging periods or supply safe water, although it identified potential health effects associated with changes in drainage patterns.

The river water was contaminated as a result of dredging and at least 11 children died due to intestinal illnesses in the period thereafter. In one of the effected communities, an MOU written in response to this health problem promised provision of electricity and water. The community was asked to nominate the contractor and, according to key informants, SPDC subsequently negotiated a contract budget for the borehole drilling and electricity project with an inexperienced person from the community at a figure below cost. Neither the water nor electricity project for this community has been completed. According to interviews, until August of 2003 compensation had arrived in the form of drugs delivered without medical consultants to the 8 communities, two years after children died of intestinal illnesses due to the dredging. In the case of a spillage in the same area, the company agreed to buy school books instead of paying cash to the community which is justified on the basis of ensuring 'good use' of compensation payments.

22. Shell staff cite how compensation is often expended very quickly making business investment a much more productive use of resources. In one cited case, a river transportation intervention, a community development plan jointly produced by Shell and local youth determined that credit would be made available for establishing a transportation business, while compensation monies were used to buy boats.

23. Author's observation of NGO video and interview, April 2003.

24. Note that the '13 Big Rules' now call for contractors to 'strictly adhere to Shell's SCD policies and procedures for community interaction.'

25. See footnote 14.

26. This is perhaps an indication of the move towards a 'whole communities' approach that NGO insiders indicate may be the next step in the advancement of the SCD model. The 2003 People and Environment Report made references to environmental impact assessments for 'community electrification projects' in the Diebu Creek, Escravos, Nun River and Nembe Creek areas.

27. In contrast to the capital savings promotion intended by micro-credit programmes, various NGOs indicate that oil industry sponsored micro-credit is largely unsuccessful because community members see no reason to repay money they consider essentially theirs. Some NGO staff indicated that it is therefore inappropriate for the oil industry to promote micro-credit programmes at all. This is cited as a problem facing the Women's Action Committee training centres given that community members feel SPDC services should be given free of charge.

28. ChevronTexaco has begun a small version of this project through NOIC/IFESH in Warri, which offers joint training to youth from Ijaw and Itsekiri Chevron host communities.

29. Interview conducted in Port Harcourt, July 2001.

30. In relation to the role of the donor community, CODESRIA's executive director described NEPAD's (New Partnership for Africa Development) neoliberal agenda as 'opportunistic pandering to an external donor community that is as cynical as it is self-serving'. See A. Olukoshi, (2002).

31. Interview with Shell representative, 2002.

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*Review of African Political Economy No.101:383-384*


# Editorial: An African Scramble?

*Ray Bush*

This issue of the Review of African Political Economy explores three major issues confronting Africa's development: trade, petro-violence and US militarization of the continent. In the UK Africa's position in the world economy has for some received a boost by PM Blair's Commission for Africa. This is more than just an opportunity to put Africa back on the development agenda of western states: Blair will report his Commission's findings as the UK Chair of the G8 and Presidency of the EU in 2005. It is a chance to right the wrongs of trade and aid and much else besides. The Commission for Africa has been described by Blair as an opportunity to 'have a comprehensive assessment of the situation in Africa and policies towards Africa' (Blair, 2004). This comes at a time when Bob Geldof has observed that 'Africa is fucked' – a result of hypocritical western trade policies and colonial transformation. Geldof has suggested that he helped bring Blair and Chancellor Gordon Brown around to the idea of doing something concrete about Africa – it is one thing to note that Africa is a scar on the world's conscience, quite another to do something about it.

Blair and the western leaders more generally continue to proffer the importance for Africa to embrace the challenges of globalisation, free trade and the enhanced opportunity for economic growth that will follow. Yet there is little evidence that the rhetoric of free trade as a panacea to Africa's poor economic growth, poverty, HIV/AIDS and famine will remove the continent's failures to realise the optimism of the post-World War Two period. Carol Thompson in this issue explores the possibilities of US trade to promote growth and development in Africa. She looks at the US Trade and Development Act in the context of the WTO, the conditionalities attached to the Act, where the US falls down on its own shambolic claims to free trade and she explores some of the consequences for Africa that the Act has had in its first five years. One of the development possibilities that has frequently been called for and often resorted to in Africa has been regional organisation. The importance of expanding regional trade and promoting the possible mutual benefits from it was at the core of the creation – amongst other groupings – of the Southern African Development Community (SADC). But Arrigo Pallotti explores how the rhetoric and the early attempts at promoting regional integration, African self reliance and pan-African solidarity in southern Africa has given way to trade liberalisation and economic polarisation. Pursuing the theme about the chances of economic liberalisation in the promotion of African growth, Sally Matthews explores some fundamental questions around the much hyped New Partnership for Africa's Development. NEPAD has been proposed as a new strategy for enhanced partnership between African countries and western donors yet she argues that fundamental questions about what it is that NEPAD conjures is unimaginative and has created an ambiguous project.

Resources have been blamed for causing conflict in much of Africa. Yet the state failure or collapse that has been popularised simplistically to follow resource

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abundance because of either the greed or grievance of combatants is only a small part of the stories that are available to demonstrate the relations that undermine Africa's development prospects. Patrick Johnston here places the political economy of Liberian timber in the context of the theory of state failure. He explores the relationship between private investment, war and timber concessions arguing that foreign investment, particularly in Liberia's timber industry, prolonged the civil war and destroyed the country's formal economy.

Two other essays remind us of the growing importance of Nigeria's oil production as a source of conflict where petro-violence is seen as the outcome of state and petroleum industry collusion in repression and environmental destruction. While the rhetoric is one of partnership – familiar language from NEPAD, Blair's Africa Commission and G8 strategists all morally concerned with Africa's poverty – Shell's partnership in Nigeria to promote corporate social governance and development assistance necessary to achieve 'social consent' is challenged by the contradiction of attaining sustained profit levels. Profit maximisation, high oil prices and sustained levels of production seem to be predicated upon sustained violence to communities from where petroleum is extracted. This is much evidenced by Omeje who argues in his essay on the state, conflict and politics in Niger Delta, that the evolving politics of 'oilification' keep factions of an hegemonic Nigerian class in power and is unable (unwilling) to prevent increased insecurity in Nigeria's oil producing regions.

Oil prices of close to $50 a barrel has given the US 'war on terror' a good reason for increased interest in Nigerian oil production – a crucial and increasingly important source of supply to the north American market. Yet the US and NATO's involvement in Africa since the start of the 21st century goes beyond interest in oil and resources. On the surface at least the presence of US forces and violence in resource based economies confirms the new securitisation of the continent. Colin Powell's visits in 2002 – albeit no more than 60 minutes each in Angola and Gabon, President Bush's visits to five sub-Saharan countries in 2003 and frequent trips by head of US-Eucom General Charles Wald suggest the importance to the US of Africa as part of the global security agenda that has emerged since 9/11. But is this simply a confirmation of the security agenda – an opportunity to explain the increased US interests in a continent it has not been so openly concerned with for many years or are there other explanations for the US military activity? These are issues raised by Jeremy Keenan in his examination of terror in the Sahara and they are issues that will be debated further editions of ROAPE.

On a more optimistic note, Jock McCulloch records how the quest for justice by a group of South African asbestos miners might have succeeded in changing the way in which multinational corporations behave in the developing world.

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# Mugabe, Mbeki & the Politics of Anti-Imperialism

*Ian Phimister & Brian Raftopoulos*

**There can be little doubt that one of the most significant aspects of the current crisis in Zimbabwe, especially the events of the past two or three years, has been its international character. At the heart of President Robert Mugabe's offensive against the array of forces opposed to his rule are repeated attempts to place the Zimbabwe problem at the centre of a larger anti-imperialist and Pan-African position. These tactics have been crucial to the process of legitimising the recent actions of ZANU-PF, in power since independence in 1980. The land question in particular has been located within a discourse of legitimate redress for colonial injustice, language which has resonated on the African continent, and within the Third World more generally. Knowing that his authoritarian rule would be confronted with a widespread national and international critique centred on property rights, human rights and the rule of law, Mugabe and his advisors constructed alternative discourses around the need for renewed liberation struggle solidarity, the continuing effects of African marginalisation attendant on the globalisation process, and the presumptions of liberal imperialism. Behind this rhetorical shield, the ZANU-PF government has effectively suspended the rule of law as it attempts to bludgeon its opponents into silence. In doing so, it has enjoyed the support provided by the so-called 'quiet diplomacy' and 'constructive engagement' of other Southern and Central African governments.**

Yet for all of the many successes that these actions have enjoyed, they have received very little detailed attention. The focus of recent books, articles and position papers has invariably been on the internal and economic dynamics of the Zimbabwean crisis, whether seen as driven by megalomania and corruption (Blair, 2002; Meredeth, 2002), the end result of unsustainable policies aggravated by structural adjustment and globalisation (Jenkins & Knight, 2002; Chan, 2003) or an admixture of both (Bond & Manyanya, 2002; Campbell, 2003). But while these features are obviously vital components of the tragedy unfolding in Zimbabwe, as indeed the present authors have argued elsewhere (Raftopoulos & Phimister, forthcoming), it is clear that its international dimension is no less important. In what follows, the course of anti-imperialism, rhetorically if not in reality, pursued by Zimbabwe's government is first plotted against the background of 9/11 and 'new' or 'liberal' imperialism, before tracing its intersection with pan-African and Third World sympathies. The last section pays detailed attention to the role played by South Africa, as the support of President Thabo Mbeki has all along been crucial for the survival of Mugabe's regime.

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## Mugabe & Anti-imperialism

Once Mugabe and ZANU-PF embarked on the land occupation exercise, especially where it was accompanied by violations of property rights and the rule of law, it was clear that the major western powers, led by the British government, would not let the matter pass without criticism. Following parliamentary and presidential elections in 2000 and 2002 respectively which were widely regarded as neither free nor fair, and against a background of violent land seizures, the EU and the US imposed targeted sanctions on the ruling party. In 2002 Zimbabwe was also suspended from the Commonwealth for one year, during which time a troika comprising the heads of state of South Africa, Nigeria and Australia, sought to persuade Mugabe and his government of the need to restore democracy to Zimbabwe. When no agreement could be reached over what progress if any had been made, Zimbabwe's suspension from the Commonwealth was controversially extended, an impasse culminating with Harare's abrupt withdrawal from what it termed 'a white racist club' (*Sunday Times*, 7 December 2003).

By way of reaction to Western opposition, Mugabe long ago set out to erect a barrier of anti-imperialist solidarity around his domestic political project. He has done so to remarkable effect. By defining the Zimbabwean crisis as one of anti-colonial redress and land redistribution, Mugabe very skilfully set the parameters of the subsequent debate. This has certainly been the case in Africa, but also to a significant degree in the wider world as well. In doing so, he has been helped at every stage by clumsy Western, particularly British, intervention. The initial damage done in 1997 by 'new' Labour's arrogant denial of any responsibility for past colonial injustices in Zimbabwe, was hugely compounded by the Blair government's subsequent embrace of so-called 'liberal imperialism'. Taking their cue from conservative American thinking after the terrorist attacks of 11 September 2001, in which the 'war on terrorism' was cast as one between the 'civilised' and 'uncivilised' worlds, British assumptions were no less sweeping for all that they were expressed somewhat less bluntly (Bowden, 2001:28-46; Moore, 2003:112-31). First articulated in a series of Foreign Office position papers and latterly in articles and books, liberal imperialism seeks to bring 'order and organisation' to the chaotic world of 'failed states'. Acknowledging that 'amongst ourselves we keep the law but when we are operating in the jungle we must also use the laws of the jungle', advocates of liberal imperialism envisage 'a world in which the efficient and well-governed export stability and liberty'. What could be more desirable than a 'new kind of imperialism' to complement the 'voluntary imperialism' of established institutions such as the IMF and the World Bank already providing 'help to states wishing to find their way back into the global economy and into the virtuous circle of investment and prosperity'? (Robert Cooper, 2002; 2003). Certainly nothing that could be envisaged by a British prime minister whose disingenuous pursuit of moral certainty would become a cause of mounting concern as he cast about for reasons to make war on Iraq (Williams, 2001). Addressing a somewhat bemused Labour Party Conference three weeks after 9/11, and vacuously invoking the 'moral power of a world acting as a community', Blair boasted that Britain would play a leading role in re-ordering the globe in order to bring the 'values of democracy and freedom to people around the world'. That these values would be given definition by the United States and Britain acting unilaterally went without saying. Joined to American military muscle, liberal imperialism now had the capacity to enforce regime change (*London Review of Books*, 6 June 2002; Meiksins Wood, 2003).

Not surprisingly, this vision of a future reshaped in American and British interests was not one widely shared beyond Washington and Whitehall. Denounced by many non-Western governments and intellectuals, it has provided crucial additional cover for the Mugabe regime. While the doctrine of liberal imperialism was obviously never formulated specifically with Zimbabwe in mind, its implications were lost on neither friend nor foe. After a brief period of cynically justifying its attacks on domestic opponents as part of a global campaign against 'terrorism', during which time Zimbabwe's government-controlled media breathlessly reported anthrax threats to Parliament and the establishment of M[ovement of] D[emocratic] C[hange] 'killer houses' (*The Chronicle*, 9 February 2002; *The Herald*, 20 February 2002), the state opted to hide repression behind the language of anti-imperialism. It is this latter vocabulary which Mugabe and his supporters have employed at every opportunity. That it is not entirely devoid of truth has helped considerably. Nor has it lost anything in being retold to domestic and regional audiences. A lengthy 'opinion' piece in the government-controlled *Herald* newspaper, for example, placed British antagonism towards Zimbabwe squarely in the context of an attempted return to colonialism. Quoting extensively from articles which had appeared in the London press, as well as from subsequent speeches by Blair, *The Herald* treated its readers to an account of how and why Britain 'wants to maintain [its] stranglehold on Harare'. 'The imperial intentions [of the British] began to manifest themselves when the Government decided to embark on a fast track land resettlement programme', explained the paper:

> *In order to safeguard the interests of their kith and kin in the country, the British and Scandinavian countries rallied behind the formation of the opposition MDC. Their intention was to install a puppet government willing to bend to their colonial designs and adventures … However, soon … the British started showing their real colours by advocating sanctions against Zimbabwe for alleged human rights abuses. But realising the hideous intentions of the British, countries in the Southern African Development Community and the African Union supported Zimbabwe by saying that land was at the core of the problems in the country … It is not surprising to note that Tanzania, Malawi, Namibia, Mozambique, Nigeria and South Africa have all refused to succumb to bullying tactics by Britain because they are all aware of its hidden agenda to topple the present Zimbabwean government … So it is clear that the victory by Zanu-PF in the just ended presidential poll was indeed a victory against imperialism.*

'The intention of the British to recolonise Zimbabwe is not an April Fools' joke but is real', *The Herald* concluded. 'Yet as long as Zimbabweans remain united the forces of evil will not succeed' (*The Herald*, 9 April 2002).

South African audiences have been accorded much the same kind of exposition. Writing in Johannesburg's *Citizen* newspaper, ZANU-PF's secretary for information and publicity was at pains to praise President Mbeki for his solidarity with Mugabe, even as he identified the threat posed by imperialism. 'African leaders support President Mugabe and Zanu-PF with profound understanding of colonial and imperial history', the article began. It was the British who 'invaded Africa, butchered those who resisted, [and] chained and shipped blacks for slavery … Today they are in Iraq murdering for oil. Genocide and pillage are core values that sustain British and American societies'. Africans wanted to know how such a past could be squared with 'new found Western democracy, good governance, respect for the rule of law and upholding of human rights?' All that Zimbabweans were taking was 'their land from racist white invaders without paying a cent'. As the British were 'worse than the devil preached in Anglican churches', surely 'Zanu-PF is doing justice to end colonial and imperial dream[s]' (*Citizen*, 2 October 2003).

Best of all at making these points has been Mugabe himself. Addressing the World Summit on Sustainable Development in September 2002, he shrewdly caught the mood of most developing-world leaders by presenting his land policies as part of a continuing struggle against colonialism in whatever guise. To loud applause, Mugabe proclaimed Zimbabwe's determination 'to shed our blood' in defence of its hard-won independence. 'We are not Europeans. We have not asked for any inch of Europe, any square inch of that territory. So Blair, keep your England and let me keep my Zimbabwe!' (*The Star*, 2 September 2002). Five months later, Zimbabwe's president broadened his field of fire to attack imperialism more generally. At the Non-Aligned Movement Summit held in Kuala Lumpur at the end of February 2003, Mugabe condemned the 'war-like disposition … of the new imperialism'. 'The United States, awakened to the implications of being the sole superpower, joined by Britain as a born-again colonialist', declared the erstwhile hero of the Second Chimurenga, '… have turned themselves into fierce hunting bulldogs raring to go, as they sniff for more blood, Third World blood'. Warming to his task, Mugabe warned Britain against attempting 'to undermine the sovereignty of my country and introduce neo-colonialist rule'. But this Blair would never achieve, Mugabe assured his appreciative audience, especially given 'your consistent support and solidarity with Zimbabwe'. His greatest scorn, though, was reserved for what he and his audience perceived as the West's hypocrisy. Liberal imperialism's insistence that the post-modern world would 'need to get used to the idea of double standards', that is, working within the law in the West, while employing 'force, pre-emptive attack, deception, what ever is necessary for the rest', was neatly turned on its head : 'no longer willing to subject … [its] actions to international law, rationality or the force of morality', the United States had one yardstick for its own behaviour and one for the Third World (*New African*, April 2003). 'Is it not ironical that Mr Bush who was not really elected should deny my legitimacy, the legitimacy of President Mugabe, established by many observer groups from Africa and the Third World?' asked Mugabe. 'Who, in these circumstances, should the world impose sanctions on? Robert Mugabe or George Bush?' (*Cape Times*, 25 February 2003; Campbell, 2003:309).

Where necessary, essentialised notions of Third World and African vs. European and North American identities were drawn upon in attempts to ward off mounting pressure from the United States. The fact that the most stinging criticism of the Mugabe regime's abuse of human rights came from the US Secretary of State, Colin Powell, himself an African American, imparted particular venom to Harare's invective. By way of preparing the ground for President Bush's whistle stop African tour, towards the end of June 2003 Powell had set out his thoughts in a lengthy article for the *New York Times*. Describing Mugabe and the ZANU-PF politburo as tyrants without 'legitimacy or moral authority', Powell praised the bravery of ordinary Zimbabweans, even as he warned that Mugabe's 'reckless governmental mismanagement and unchecked corruption' would 'drag Zimbabwe down until there is nothing left to ruin' (*New York Times*, 24 June 2003). In a response which seemingly deliberately echoed remarks made the previous year by the entertainer and political activist, Harry Belafonte, to the effect that Powell 'adopted a docile mien to preserve his status', Powell was pilloried as a 'self-effacing servant of his white masters'. This time the attack was led by Jonathan Moyo, Zimbabwe's Information Minister, with Mugabe keeping an uncharacteristically low profile. The US Secretary of State was 'a crude international outlaw' whose claim that the land reform scheme had 'chiefly benefited [party] loyalists, military officers, or their wives and friends' was an outright lie. As reported in the South African press, Moyo declared that Powell had betrayed the aspirations of his fellow blacks by aligning himself with Bush's right-wing administration. Powell was 'a disgraceful Uncle Tom who always sang his master's voice to the detriment of social justice and the rights of people of colour'. That no one should be in any doubt that Zimbabwe was only being singled out because it was the next target of 'liberal imperialism', Moyo added for good measure that the 'use of lies and deception by Powell and Bush has not worked in Iraq where he wanted to mix it with oil. Nobody in ZANU-PF will ever join Powell and his kind in selling out' (*Natal Mercury*, 2 July 2003; *The Herald*, 26 June 2003).

## Mugabe & Mbeki

The language of anti-imperialism has played particularly well in the Southern African region. Amongst Mugabe's most vociferous supporters has been the Namibian president, Sam Nujoma. At the World Summit held in Johannesburg last year, it was Nujoma who fired the opening shots against Britain and other former colonial powers, blaming them for Africa's underdevelopment and poverty. Describing Africa as the 'global underdog', he attributed Zimbabwe's problems entirely to the neo-colonialist agenda of the British government. 'Here in Southern Africa we have one problem', claimed Nujoma. 'Blair is here … the man who went out to campaign for sanctions against Zimbabwe while the British owned 80 percent of Zimbabwe's land'. The EU should mend its ways, warned Namibia's president, or suffer the consequences of being misled by Britain. Otherwise it might find itself facing sanctions from the African Union. 'The British didn't bring any piece of land from England to Zimbabwe', insisted Nujoma a year later. 'So why should Blair be allowed to deceive the world by saying that the British had the right to have the land there?' (*The Star*, 2 September; *New African*, November 2003; *The Post*, 20 December 2003).

Much more importantly, indeed crucially, Mugabe retained the support of President Mbeki and the South African government. After some initial hesitation, Mbeki came out strongly in support of Mugabe. Even within the broad context outlined above, it remains far from clear precisely what combination of interests and their shifting balance over time have shaped South African policy towards Zimbabwe. Prominent amongst possible explanations are the alleged economic interests at stake; the historical ties forged during anti-colonial struggle; the defence of national sovereignty and resentment of Western pressure; hostility towards, or at best, suspicion of labour movements; and the dynamics of liberation politics generally. That South Africa has significant economic interests in Zimbabwe is obvious enough, but whether this is a sufficient explanation for Pretoria's reluctance to criticise the present dispensation in Harare is another matter. Nonetheless, a case has been made for seeing Mbeki's support for Mugabe and ZANU-PF as essentially a vehicle for 'securing the economic … interests of an emergent black South African bourgeoisie, in both the state and private sectors'. The location of the latter in both the ANC and in government energy parastatals such as ESKOM and SASOL, so the argument runs, benefited hugely from successive rescue packages extended to their Zimbabwean counterparts. While this argument may well overestimate the degree of coherence and consistency in South African policy making and implementation, events in the course of 2003 added currency to its claim that 'the attempt to forge an elitist political deal (masquerading as a consensual 'government of national unity') should be seen as what it is – confirmation that Mbeki's bottom line remains one of securing the strategic interests of South African capital whilst simultaneously consolidating his government's role as the main African arbiter of both a regional and continental capitalist political economy' (McKinley, 2004:362). Put another way, Bush's condescending designation of Mbeki in July 2003 as his 'point man' on Zimbabwe – a description which by all accounts the South African president found flattering rather than demeaning – has as its express intention a political settlement brokered by Pretoria and acceptable to the United States (*Daily News*, 7 August 2003).

If the economic argument is not entirely convincing, nor is the notion that the ANC's policy towards Mugabe turns on a profound sense of shared historical ties forged with ZANU-PF during the anti-colonial struggle. Contrary to some claims (ICG, 2002:17), these were actually far from close. The ANC's sympathies were always with ZANU's main rival, the Zimbabwe African Peoples Union led by Joshua Nkomo. ZANU, for its part, always supported the Pan-Africanist Congress, which was bitterly opposed to the ANC. Moreover, Harare, wary of unduly provoking the then apartheid regime, never allowed the ANC to establish military camps in Zimbabwe. There may be something in the idea that a prickly sense of national sovereignty has caused South Africa and for that matter, other countries in the Southern African sub-continent, to ignore Western demands, especially where these have been delivered in crudely hectoring tones. In a region where memories of colonial exploitation are still raw, there is no doubt that 'new' Labour's selective sanctimoniousness gave particular offence. Yet even these hurt feelings were easily enough soothed, as witnessed by Bush's successful flattery of Mbeki during his South African visit.

In fact, Mbeki's policy towards Mugabe would seem to have much shallower historical roots than some commentators have believed, and to be considerably more contingent on domestic political forces and events than others are willing to recognise. His attitude takes full account both of the potentially unsettling precedent that would be established by an MDC government in Harare, and of the apparently widespread support for Mugabe by black South Africans. But above all, Mbeki's support finds expression within a politics of liberation solidarity more broadly conceived than one restricted to the immediate past, albeit one which has been decisively shaped by Mugabe himself (*Focus*, 2002; *The Guardian*, 12 December 2003). It is primarily considerations of this kind that have aligned Mbeki and the ANC with Mugabe and his regime. That they have managed so far to do this with out losing Western backing, at least in public, pays testimony to South Africa's sub-imperial significance, as well as to Mugabe's astute appreciation of this geo-political fact.

By the close of 2002, Mbeki and the ANC had moved from a policy of so-called 'quiet diplomacy' towards Zimbabwe, characterised on the one hand by electricity and fuel subsidies, and on the other by occasional criticism from key individuals such as the Governor of the Reserve Bank, Tito Mbeweni, to one of open endorsement of its land reform policies. Speaking in Pretoria after an official visit by ZANU-PF dignatories in November 2002, the South African Foreign Minister, Nkosazana Dlamani-Zuma, endorsed Mugabe's oft-repeated claim that Britain must compensate white Zimbabwean farmers for land seized by 'war veterans', because after all it was the former who had benefited from land theft during the colonial era (*Financial Gazette*, 14 November 2002). This public display of support was further buttressed by an invitation to ZANU-PF to send a delegation to attend the ANC's 51st national congress scheduled for the following month. At the ensuing meeting, Zuma again expressed solidarity with Mugabe. She warned the EU that the forthcoming

European Union – Africa summit would be in jeopardy if Zimbabwean government officials were excluded under the terms of sanctions imposed on supporters of the Mugabe regime. 'It's up to them [Europe] to see how they overcome the problem,' she insisted. 'It is in their court. We as Africans are ready to go. The question is, are they ready to receive us? There is no Africa that can exist without Zimbabwe. Africa is indivisible'. Mugabe could scarcely have put it any better. Certainly the ZANU-PF delegation had nothing to complain about their reception in Stellenbosch. Deliberately chosen as a venue to underscore the triumph of African nationalism, the erstwhile citadel of Afrikanerdom rang to assertions of liberation struggle and ideological solidarity. Hailing ZANU-PF as a progressive organisation, the ubiquitous Dlamini-Zuma, now wearing her hat as an ANC national executive committee member, reminded journalists that both the ANC and ZANU-PF 'fought colonialism and oppression in our countries. We liberated our countries from the yoke of colonialism and we set to improve the lives of our people in our respective countries'. The two organisations would determine their countries own destinies, 'not to be dictated to by somebody else' (*Natal Mercury*, 20 December 2002).

The South African government was not long in attempting to give practical expression to this policy of increasingly overt support for Mugabe and his followers. With the backing of Nigeria's President Obasanjo, Mbeki urged the Commonwealth to re-admit Zimbabwe into the Commonwealth. In February 2003, Obasanjo wrote a letter to the Australian prime minister recommending that in order to bring the Zimbabwean crisis to a speedy end the following measures should be taken: the international community should be encouraged to redeem pledges of financial assistance for the land reform process; positive engagement with Zimbabwe should be continued; the Commonwealth continues to make its good offices available for mediation between Zimbabwe and the United Kingdom. Obasanjo's recommendations were made on the basis of his, and Mbeki's assumption that a normalisation of politics had begun to return to Zimbabwe. That this was patently untrue seemed not to bother Mbeki at all. Instead, when the Commonwealth Secretary-General announced that contrary to South Africa and Nigeria's wishes, he was extending Zimbabwe's suspension from the Commonwealth, Pretoria was outraged. Its High Commissioner in London was authorised to announce that African members of the Commonwealth were all opposed to Zimbabwe's continued suspension. The South African statement argued that in the absence of Commonwealth consensus, the Secretary-General's action amounted to a 'political and procedural travesty' (*Cape Argus*, 21 March 2003).

The assumption behind these blatant attempts to legitimise Mugabe's authoritarian regime soon enough became clear. At a regional think-tank held near Pretoria in March 2003, senior South African officials revealed that ANC policy was predicated on the belief that Zimbabwe's government was genuinely representative. Insisting that Mugabe had been democratically elected as president, they ignored the open derision that accompanied their presentations. Far from the land reform programme having been violent and haphazard, it was proving a great success. Incredulous Zimbabweans attending the seminar were treated to moving tales of smiling peasants tilling fertile land previously held by white farmers. Nowhere in this misleading narrative were the vast swathes of previously productive farmland now lying fallow. Neither the fate of black farm workers nor the huge acreage seized by Mugabe's cronies were mentioned (*The Star*, 7 March 2003). Just how successful Mugabe and his supporters had been at winning the support of willing South African ministers, and more enduringly at presenting themselves as the champions of poor landless blacks, was underscored some six weeks later when Mbeki himself portentously intervened. Writing at length in the ANC's online publication, *ANC Today*, the South African president developed a line of thought first given expression by the ANC's Secretary-General, Kgalema Motlanthe, not long after the party's December 2002 congress. While repeating the official government line that only Zimbabweans could find solutions to their problems, Motlanthe confirmed opposition suspicions of ANC bias in favour of ZANU-PF, when he argued that Zimbabwe's problems were not the result of the policies of one man or a rapacious elite. 'ZANU-PF is in trouble not because it does not care about ordinary people, but because it cared too much', he said. 'I am not convinced that the problems in Zimbabwe can be resolved by removing Mugabe from office. The problems are much more deep-seated', turning as they did on unsustainable social spending designed to redress the inequalities of the colonial past (*The Star,* 22 January 2003).

It was precisely this interpretation that Mbeki also favoured. The picture which he went on to paint of the situation in Zimbabwe was one in which a benevolent elite, committed to the poor, had failed to appreciate that the massive social expenditure characteristic of the first two decades of independence was ultimately unsustainable. 'Contrary to what some now claim,' Mbeki patronisingly explained, 'the economic crisis currently affecting Zimbabwe did not originate from the desperate actions of a reckless political leadership, or from corruption. It arose from a genuine concern to meet the needs of the black poor, without taking into account the harsh economic reality that we must pay for what we consume'. Once again invoking the solidarity of the liberation struggle – 'as patriots who occupied the same trench of struggle with Zimbabwe when we, together, battled to end white minority rule in our region' – Mbeki argued that it was the tide of events, not 'because there are demonic people in Harare', which had 'carried [Zimbabweans] … to destinations we may not have sought'. What opponents of the regime saw as the increasingly authoritarian nature of the state and its massive abuse of human rights, Mbeki preferred to see as the inevitable consequences of the actions of well-intentioned authorities struggling with dwindling resources to contain 'social instability as the poor respond to the pains of hunger'. In the face of global economic forces beyond its control, the Zimbabwean state would have to 'emphasize law and order', but this was a vicious cycle because 'as it responds in this way, the less will it be able to address anything else other than law and order. The more it does this, the greater the absence of order and stability'.[1]

In making this argument, Mbeki was clearly sending a signal to those restive elements within the Tripartite Alliance (of the ANC, C[ongress] O[f] S[outh] A[frican] T[rade] U[nions] and the South African Communist Party) calling for a relaxation of the government's neo-liberal economic policies, even as he bolstered his pan-Africanist credentials by supporting ZANU-PF. Indeed, if Mbeki needed any reminding of just how much support Mugabe's policies seemingly enjoyed amongst black South Africans, it came the same month his on-line prognostications appeared when Zimbabwe's president paid an official visit to South Africa. The occasion was the state funeral for Walter Sisulu, one of the ANC's most revered leaders. Mugabe's formal appearance in Soweto's cavernous First Bank stadium was greeted with thunderous applause. His subsequent trip to Fort Hare University, his alma mater, in South Africa's impoverished Eastern Province was no less rapturously received. Attending a graduation ceremony at which Zimbabweans were prominently represented, Mugabe 'smiled and nodded in acknowledgement as [the university praise singer] … described him as an "African hero" for his land policy, [and] … called on him to "please, please chase the whites from our land"'. 'In a sense president Mugabe of Zimbabwe was speaking for black people worldwide when he addressed the World Summit on Sustainable Development in Johannesburg last year', announced veteran South African journalist Harry Mashabela. 'The pervasive venom being heaped on Mugabe from a variety of quarters in the western world … [is] because he wouldn't hold back the quest for more land, and refused to browbeat the war veterans as they invaded white farms'.[2]

With the direct and indirect support of Mbeki and the South African government, Mugabe was beyond the reach of the West. Never was this more obvious than during President Bush's visit to South Africa in July of last year. Despite advance criticism of the Mugabe regime, not least by Powell himself, when push came to shove, neither Bush nor Powell were actually prepared to go beyond the limits preferred by Pretoria. With no vital American interests at stake and no doubt realising that any attempt to topple Mugabe risked destabilising Mbeki, the White House backed off. The South African president was left more or less free to pursue his own course. Telling Powell that it was 'ill-advised for him to create the impression that he is directing what South Africa should do', Mbeki, revelling in his description by Bush as 'an honest broker' and the 'point man on Zimbabwe', put a pro-Mugabe gloss on events. He not only claimed that the Zimbabwe crisis was on the way to being resolved, but that South African-sponsored talks between ZANU-PF and the MDC were already underway. Although this was simply not the case, the angry dismissal by the MDC's leader, Morgan Tsvangirai, of Mbeki's 'false and misleading' attempt to 'shield Mugabe by buying him time' was largely ignored. In South Africa itself, Mbeki's 'triumph' was hailed by the state-controlled broadcasting services, while in Zimbabwe, the Minister of Information celebrated 'a loud climb-down by a[n American] president all along misled' (*Sunday Times*, 13 July 2003).

Emboldened by this development and further bolstered by his elevation to the deputy-presidency of the African Union, Mugabe subsequently insisted that any talks with the MDC would have to be conducted entirely on his terms. The occasion could scarcely have been more evocative of ZANU-PF's anti-colonial and liberation struggle credentials. Addressing a Heroes Day rally just outside Harare in mid-August 2003, Mugabe insisted that 'those [the MDC] who would go together with our enemies abroad cannot at the same time want to march alongside us as our partners. No, we say no to them, they must first repent'. The Army was lavishly praised and prudently rewarded for its role in suppressing the mass strikes and stayaways earlier in the year, and Africa's leaders thanked for their solidarity. 'Despite deliberate attempts by both internal and external forces to destabilise our programme, Zimbabwe has received great support from our African brothers', he declared, 'notably presidents Mbeki and Obasanjo in attempts to find solutions to our own challenges' (*Natal Mercury*, 12 August 2003). As for the rest, ordinary Zimbabweans were left to make do with endless propaganda jingles on radio and television urging them to remain resilient: '*rambai makashinga* [continue to endure] – our land is our prosperity' (*Sunday Times*, 3 August 2003).

This latest display of recalcitrance made it quite clear that Mugabe saw no need to compromise. Although some African voices, notably that of Archbishop Emeritus Desmond Tutu had been raised against ZANU-PF's actions from the start (*Weekend Argus*, 12 January 2002), Mugabe's fellow leaders had all along remained silent where they had not actually declared their support for him. But the first cracks in this unity now began to appear. In November 2003, Nigeria's President Obasanjo was forced to leave Harare without securing a commitment from Mugabe and ZANU-PF to talks with the MDC. Nor was he able to find any evidence that human rights concerns had been addressed. Back in Lagos, an obviously reluctant Obasanjo declared that Mugabe, contrary to his own confident expectation, would not be invited to attend the Commonwealth Heads of Government Meeting in Abuja. Overshadowed by the absent Mugabe, the Abuja meeting was predictably acrimonious even as it unexpectedly confirmed Zimbabwe's suspension, a decision which prompted Harare to announce that it was withdrawing from the Commonwealth. Insisting that the seizure of white-owned farmland was a 'success for all of Africa', Mugabe denounced the Commonwealth as an 'Anglo-Saxon unholy alliance'. 'We abhor high global highhandedness of the strong and powerful; we abhor unilateral interference in the internal political affairs of other countries, especially smaller states. We accordingly jealously guard our sovereignty against such interference' (*The Guardian*, 3 December 2003).

For the Zimbabwe government-owned *Herald*, Harare's only daily paper since the banning in September 2003 of the independent *Daily News*, leaving the Commonwealth only dealt 'with the symptoms and not the cause of the disease'. The real issue was not the Commonwealth 'or any other third parties', but Britain 'and its Prime Minister, Tony Blair'. Zimbabwe should sever diplomatic ties with London because sanctions brought about by Britain had 'savaged' the economy. 'The country's political landscape has been put into disarray following the creation of the British-sponsored MDC and a host of non-governmental organisations that have sought to cause mayhem and instability in the country by staging foolish demonstrations and media campaigns designed to precipitate instability and undermine the Zimbabwean government'. International concern about human rights, democracy, press freedom and the independence of the judiciary were, the *Herald* concluded, 'a smokescreen to maintain the colonial grip [of Britain] on Zimbabwe' (*The Herald*, 9 December 2003).

In making this argument, the *Herald* was simply repeating the oft-expressed view of the minister of information that the West was seeking 'regime change in Zimbabwe … through acts of economic sabotage … under cover of instruments of democracy, human rights, rule of law, good governance, to sound reasonable' (*Mail & Guardian*, 7 November 2003). Much more important was the fact that it almost immediately became clear that was also the position held by all of Zimbabwe's partners in the 14-nation Southern African Development Community, the South African government, and Mbeki himself. Thwarted in attempts both to replace the incumbent Commonwealth secretary general with a candidate whom it could bend to its will, and to restore Zimbabwe to full membership, Mbeki and his entourage had returned home angry and defiant. A statement issued by the South African department of foreign affairs on behalf of Lesotho, currently chairing SADC's Politics, Defence and Security committee, deplored 'the dismissive, intolerant and rigid attitude displayed by some members of the Commonwealth'. The decision to keep Zimbabwe suspended, noted South Africa's deputy Foreign Minister, had been 'procedurally wrong and undermines the very principles of democracy that many claim to champion'. It was a decision that said less about Zimbabwe than it did about an already divided Commonwealth whose very relevance was at stake (*Natal Mercury*, 10 December 2003; *The Guardian*, 12 December 2003).

The tone sounded by Mbeki a few days later in his weekly online letter was notably aggrieved. In words which might have been penned by Mugabe himself, he argued that Britain was the problem, not Zimbabwe. At the core of the present crisis in Zimbabwe was the land question for which successive British governments were entirely culpable as it was them who had 'protected the property rights of the white settler colonial "kith and kin"'. ZANU-PF, whose liberation struggle credentials were impeccable and whose democratic bona fides in the last presidential election had been vouched for by the South African Observer mission, if not by the Commonwealth, had only been singled out for attack once the West deliberately decided to 'treat human rights as a tool' for overthrowing the government of Zimbabwe'. Quoting the Kenyan writer, Ngugi wa Thiongo, to the effect that 'imperialism has [so] distorted the view of African realities … [that] it has turned reality upside down', Mbeki insisted that Zimbabwe was a prime example of this process. 'Those who fought for a democratic Zimbabwe, with thousands paying the supreme price during the struggle, and forgave their oppressors and torturers in a spirit of national reconciliation, have been turned into repugnant enemies of democracy', he wrote. 'Those who, in the interest of their "kith and kin", did what they could to deny the people of Zimbabwe their liberty, for as long as they could, have become the eminent defenders of the democratic rights of the people of Zimbabwe' (*ANC Today*, 12 December 2003). Having delivered this broadside, and abjuring African intellectuals to 'always refuse to "rationalise the upside-down way of looking at Africa"', Mbeki then left for Harare where he met at length with Mugabe and ZANU-PF, and briefly with the opposition MDC. 'Our countries have shared common problems. As they shared the common problems of oppression, they share common problems today', he declared on arrival. 'President Mugabe can assist us to confront the problems we have in South Africa so that we can assist you to solve the problems that face Zimbabwe' (*The Herald*, 18 December 2003).

With Nigeria increasingly written off by Harare as a dupe of Western interests for having acquiesced, however reluctantly, in the extension of Zimbabwe's suspension from the Commonwealth (*Vanguard*, 25 February 2004; *Sunday Mail*, 8 August 2004), the importance of Mbeki and SADC's continued support for Mugabe could hardly be exaggerated. Misleading claims by Mbeki in February 2004 that ZANU-PF and the MDC were about to embark on formal talks to resolve their differences (*Business Day*, 10 February 2004), were followed a day later by further ministerial expressions of understanding and sympathy for Zimbabwe's plight. Refusing to criticise Zimbabwean legislation obliging news media to register with the government or face closure, South Africa's Minister for Foreign Affairs went on to argue, as Mbeki had done before her, that it was Britain's backing for white settlers in its former colony which had complicated efforts to find a political solution to the crisis (*The Star*, 11 February 2004). As this line of argument was essentially the same as the one long pursued by ZANU-PF, it not only received prominent coverage in Zimbabwe's state-controlled press, but also was taken up in one form or another by Mugabe himself at the end of the month. Speaking at one of several elaborate celebrations held to mark his 80th birthday, Mugabe attacked Britain and the United States for seeking to topple his regime. So long as the MDC was 'dictated upon from abroad', he added, 'we will find it extremely difficult to negotiate with them … We can't discuss with allies of the Western countries that want to destroy our economy'. Only once the MDC's 'umbilical cord' with the West was severed, would he listen to what it had to say. 'They should try to be part of us, they should try to think as Zimbabweans, as Africans' (*Business Day*, 25 February 2004).

Not, apparently, that it would make much difference anyway. Mugabe was quoted as saying that whatever happened '[Morgan] Tsvangirai will never defeat me in an election'. It was a claim Mugabe could make secure in the knowledge that in recent weeks he had signed a presidential decree permitting detention without bail for up to four weeks, even as two of the country's last remaining independent judges resigned their posts. In much the same period the chairman of the National Constitutional Assembly was brutally assaulted by armed police and left for dead during a march for constitutional reform (*Sunday Times*, 22 February 2004). An appeal to Mbeki from the South African Council of Churches urging him to send a delegation to Harare to rekindle talks between ZANU-PF and the MDC drew only the blandest of non-committal replies: 'President Mbeki agreed with the churches that there was no substitute for dialogue and that South Africa should do everything possible to assist the people of Zimbabwe to find a solution to their problems' (*Cape Times*, 25 February 2004). It certainly left Mugabe free to threaten to put his opposition to 'eternal sleep', as he again ruled out talks with the MDC. 'There is no room for unity with those that do not believe that this country and its forests, animals, even snakes and mosquitoes belong to us' (*Sunday Mail*, 4 April 2004). Basking in plaudits from delegates attending a conference of former southern African liberation movements and their African-American and British sympathisers, as well as a renewed pledge of support from Namibia's President Nujoma, towards the end of April Zimbabwe's leader flew south to attend Mbeki's second-term presidential inauguration. An honoured guest, Mugabe was one of a handful of African heads of state invited to the ceremony. When he and his wife arrived at Pretoria's Union Buildings, they received a standing ovation from the assembled South African and foreign dignitaries. Their reception from the crowd was more ecstatic still. 'Thousands of party-goers attending a public concert on lawns below the buildings whooped and cheered as huge television screens showed Mugabe's arrival', reported Reuters. 'He is a hero as far as the African struggle is concerned', confided one black businessman. 'He has done so much to liberate the African people. We know the problems that are going on in Zimbabwe, but they will bounce back' (*The Star*, 27 April 2004).

In fact, this was precisely what appeared to be happening. By mid-year, Mugabe was convinced that the tide of events was now running strongly in his favour (Reuters, 26 April 2004; *The Herald*, 29 April 2004). SADC support for his regime had waxed rather than waned; inflation had begun to fall; and ZANU-PF had racked up a series of by-election victories, leaving the MDC in disarray, 'hit by factionalism and demoralised by … relentless street pressure from pro-government youths'. Little wonder, then, that Mugabe was described by the press as 'walking with a new spring in his step' (*Pretoria News*, 31 May 2004). Addressing the concluding session of the African, Caribbean and Pacific Group of Nations annual summit, held in Maputo during the last week of June 2004, Mugabe's confidence was matched only by his intransigence. 'Eleven years I spent in prison fighting for democracy, for one man, one vote and for us now to hear a voice from London saying there is no democracy, no freedom, no human rights observed in Zimbabwe is very offensive and repulsive', declared Mugabe. For this reason 'we will not allow erstwhile imperialists to come and judge our election …[they] must be supervised only by people of our region, people of Africa, people in the Third World'. Commenting on the sustained applause which greeted Mugabe's remarks, Mozambique's President Joachim Chissano told a news conference after the end of the summit that the Zimbabwean leader had 'taken advantage of the situation to clarify his position … [and] many heard that message favourably and with a great deal of sympathy' (*Mail & Guardian*, 25 June 2004).

Mugabe's speech was made only a matter of weeks after the expiry of Mbeki's self-imposed deadline for a resolution to the crisis in Zimbabwe. The previous year, Mbeki had taken it upon himself at the annual World Economic Forum Africa meeting to predict that some kind of political agreement would be made within the next 12 months, but when pressed at the 2004 summit to account for the failure of his prediction, the South African president was utterly unfazed by the question.

Generally things are moving quite well towards addressing insecurity and instability on the continent', he said. 'All of these conflicts [in the Democratic Republic of the Congo, the Sudan, Liberia, and Zimbabwe] are at least moving in the right direction' (*Cape Argus*, 3 June 2004). While an open letter from Amnesty International and 20 human rights groups, many of them based in Zimbabwe, urging the South African government in particular to take a 'more public stand in resolving the crisis in Zimbabwe' went unanswered (*Mail & Guardian*, 25 June 2004), Mbeki's indirect response made it clear where he thought the problem lay. At the end of June, the MDC leadership was summoned to Pretoria where Mbeki told them 'he was frustrated by the slow pace of dialogue' (*Cape Times*, 2 July 2004). What his official spokesperson did not disclose, however, when informing the news media of that particular meeting, was that some time earlier in the month Mbeki and leading ANC officials had met secretly with senior members of ZANU-PF. Held in the ANC's central Johannesburg headquarters, the purpose of the meeting was to forge closer political ties between the two 'sister' parties. With both parties acknowledging that ZANU-PF delegations 'regularly visited the ANC to study organisational and strategic issues', a ZANU-PF politburo member revealed that the ANC 'has in principle agreed to send between four and six "strategists" to assist [ZANU-PF] during the forthcoming election' (*Sunday Times*, 11 July 2004).

Although this specific arrangement was immediately denied by the ANC's Secretary-General, further signs of South African support were not long in appearing. On 3 July 2004 the African Union's Commission on Human and People's Rights presented its long-delayed report on the situation in Zimbabwe, as well as certain other African countries. Based on a fact-finding mission to Zimbabwe in June 2002 soon after the disputed presidential elections, the report found that there was sufficient evidence 'to suggest pervasive human rights violations'. Having been presented with 'testimony from witnesses who were victims of police violence and other victims of torture while in police custody … [together with] evidence that a system of arbitrary arrests took place', the mission was 'prepared and able to rule that the [Zimbabwe] government cannot wash its hands of responsibility for these happenings' (*Financial Gazette*, 8-14 July 2004). Furious that the report's contents had finally found their way into the public domain, Zimbabwe's Foreign Affairs Minister, Stan Mudenge, insisted that his government had not seen nor had a chance to respond to its findings. But his demand that the report, which he described as the work 'of British agents in Zimbabwe … [and] fit only for the dustbin' (*The Herald*, 9 July 2004), should simply be thrown out by the African Union, ran into objections from Nigeria. It was at this crucial juncture that the South African Minister of Foreign Affairs, Nkosazana Dlamini-Zuma, 'climbed into the ring to support him' (*Mail & Guardian*, 9 July 2004). Her intervention, for all that she subsequently denied that she had supported Zimbabwean attempts to shelve the report, apparently succeeded in having discussion postponed until such time as the Harare government formally responded (*Mail & Guardian*, 16 July 2004). The report, as a result, was neither adopted by the Africa Union's foreign ministers, nor was it included on the agenda of the summit of African leaders in Addis Ababa later that same week (*Cape Argus*, 9 July 2004).

The African Union's failure to adopt its own human rights report was greeted with dismay by the MDC. 'It will simply serve to increase and prolong the suffering of the people of Zimbabwe', observed one party official. 'The bureaucratic and procedural pretext that has been used to justify postponing discussion of an important internal document … is perplexing and contradictory given that the AU, since its inauguration, has built up an impressive reputation as a force for good in Africa'

(*Weekend Argus*, 10 July 2004). But if the divisions within the AU provided a glimmer of hope for the embattled opposition within Zimbabwe, the continued solidarity evinced by the Southern African Development Community permitted no such optimism. A two-day SADC summit held in the middle of August at the Grande Baie beach resort in Mauritius resounded to praise for Mugabe and ZANU-PF's stand against western imperialism. 'Let SADC speak with one voice, and let the outside world understand, that to us Africans land is much more than a factor of production, we are spiritually anchored in the lands of our ancestors', announced Tanzanian president Benjamin Mkapa, the organisation's outgoing chairman. 'Time has passed. We forgive those who did this to our ancestors, but now that we are in power, we cannot run away from our historical duty to set right these historical wrongs and injustices' (Reuters, 16 August 2004).

It was only because Zimbabwe had taken action against the legacy of colonialism that it was now criticised by the West. 'We are tired of being lectured on democracy by the very countries which, under colonialism, either directly denied us the rights of free citizens, or were indifferent to our suffering and yearnings to break free and be democratic', Mkapa continued. The common electoral laws and rules that the SADC leadership were about to adopt would be in keeping with the region's political, social and cultural background. 'In democracy as in all other things, no one size fits all. Multiparty democracy and its attendant elections must never be a cover for the destabilisation of our countries'. Just where the SADC saw the emphasis lying between democratic practice and regime stability soon enough became clear. In an intervention demonstrating perhaps that the SADC is not entirely without a sense of humour, the chairman of the Politics, Defence and Security committee, Lesotho prime minister Pakalitha Mosisili painted a glossy picture of democracy in the sub-continent. 'I am happy to report that democracy is not just well, but is thriving', he said (Ibid.). Similar sentiments were expressed by the Mauritian prime minister and incoming SADC chairman, Paul Berenger, who pointedly praised Mugabe, while insisting that regardless of what the West thought, next year's elections in Zimbabwe would be free and fair (Ibid., *The Guardian*, 18 August 2004). For the veteran Zimbabwean ruler, who along with his fellow leaders had readily signed up to the new code of electoral conduct, this was all familiar grist to the mill. Within days of Mugabe's return to Harare, details were published of a new bill that would ban foreign human rights groups. Under the terms of the Non-Governmental Organisations Bill, all non-governmental groups would be required to register with a regulatory council. Local organisations would be barred from receiving foreign funding, and no group whose '"sole or principal objects involve or include issues of governance" – seen as "the promotion and protection of human rights and political governance issues" – would be licensed' (*Sunday Times*, 22 August 2004). As the Ministry of Labour and Social Welfare readily explained,

> *This legislation should not come as a surprise to patent adversaries of the government. It was long overdue. Foreign-funded and foreign organisations have demonstrated that they are a threat to national security when it comes to governance issues* (*The Star*, 23 August 2004).

## Conclusions

This article has suggested that the current crisis in Zimbabwe, personified in the figure of its president, Robert Mugabe, has assumed a wider emblematic significance for the Southern African sub-continent and parts of the non-Western world. At every available opportunity Mugabe and ZANU-PF have deftly employed an anti-imperialist discourse which has resonated in a number of key forums. By doing this, the regime has been able to represent the fundamental human and civic rights questions placed on the Zimbabwean political agenda since the 1990s, as marginal, elite-focused issues, driven by western interests, and having little relation to urgent problems of economic redistribution. As a result, many radical nationalists in the wider African continent and the diaspora have averted their gaze from Harare's repressive domestic policies. What they see instead is Mugabe and ZANU-PF paying the price of imperialist opprobrium for daring to confront the enduring inequalities of the colonial era and the dominant orthodoxies of the international financial institutions. Moreover, it is a perspective given all the more credence in the eyes of some observers by the arrogance and aggression of the Bush/Blair axis, especially where the latter has provided the Mugabe regime with endless examples of western hypocrisy and double standards (Shivji, 2003:109-118; Boateng & Orakwue, 2003; 2004).

Consequently, when opponents of ZANU-PF have expressed their criticisms of the regime through the language of human rights and democracy, they have struggled to make their voices heard above the clamour of anti-imperialism. Their protests have either been grotesquely misrepresented or simply ignored. Six weeks before Zimbabwe's presidential election in 2002, the leader of the National Union of Namibian Workers took it upon himself to attack the Zimbabwe Congress of Trade Unions for its alliance with the MDC. 'The trade unions are being used by the whites to make the world believe that there is tension between the Zimbabwean working class and the political leadership … Comrades, stop being used as puppets' (*Namibian*, 22 January 2002). Although COSATU has protested repeatedly against the arrest and imprisonment of trade unionists in Zimbabwe, South Africa's ANC government has not lifted a finger as ZANU-PF has trampled its opponents into the dust. Indeed, Mbeki has gone out of his way to justify what has happened in Zimbabwe. It is precisely this misplaced sense of Pan-Africanist solidarity which fails to recognise that 'not all that is oppressive is derived from hegemony: any assessment of oppression and denial of rights has to combine denunciation of that which is exogenous, imperial or hegemonic, and that which is endogenous, nativist and instrumentally "authentic". Those with power … can, and do, use this rhetoric of rejection of "western values" to legitimate their own forms of domination' (Halliday, 2001:29). Southern African states have yet to embrace a Pan-Africanist vision that 'brooks neither external dependence nor internal authoritarianism and social deprivation' (Mafeje, 2001:4). Until they do, activists and academics alike will be left to ponder the irony of the cry by the desperate inhabitants of Chitungwiza, the huge dormitory township just outside Harare: 'Mr Bush, when are you coming to liberate us? (*The Independent*, 19 April 2003).

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## Endnotes

1. ***ANC Today***, 9 May 2003. For further discussion of Mbeki's views on Zimbabwe, see Mbeki (2002) and ***Sparks*** (2003).

2. ***The Star***, 16 May 2003. For Mashabela, see *Focus*, (31), 2003. See also ***Scotland on Sunday***, 26 October 2003, quoting 'sources close to the Commonwealth Secretariat': 'It's not just landless Africans who admire him [Mugabe]. Aborigines, Maoris and even Mexicans think he is a fighter for economic justice in the Third World'.

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# The State, Conflict & Evolving Politics in the Niger Delta, Nigeria

*Kenneth Omeje*

**The prime concern by the Nigerian state in the management of the oil conflicts in the Niger Delta has been to maximise oil revenues. What is probably most confounding about this strategy is the evolving tendency to twist and treat every conflict in the Niger Delta, including some episodic 'epi-oil' conflicts abetted or orchestrated by the state itself, as oil conflicts. In other words, there is a tendency on the part of the state to wittingly 'oilify' some apparently extra-oil conflicts. Compared to other regimes before it, the present civilian administration has probably contributed most to the fast-tracking of this evolving phenomenon. This article unravels and analyses the evolving politics of oilification of extra-oil conflicts in the Niger Delta, its underlying rationale and consequences. Oilification, as the study demonstrates, is yet another in the series of dangerous contradictions engendered by the Nigerian state. How this and other dangerous contradictions could possibly be solved is a research conundrum for the relevant cognoscenti of state-society relations and conflicts in Nigeria. But would the Nigerian state take on board any useful and promising solutions materialising from such studies? This is most unlikely in the present conjuncture given the prevailing configuration of interests in the state.**

In contemporary history, most states thrive on a range of dialectical contradictions, which rather than threaten their stability, viability and existence are variously resolved to rekindle social progress. But the Nigerian state, like a few others in the Third World, thrive on dangerous contradictions that are 'life threatening' and obstructive of social progress and place the life of the state at stake. Since it was proclaimed a federation by the colonial authorities in 1954, all subsequent post-independent constitutions have in their preliminary and substantive provisions reiterated the principle of federalism as a core principle of state structure. Successive regimes, both military and civilian, have all reaffirmed this commitment including its defining parameters of equitable sharing of power and resources between the centre and the relatively autonomous, federating, subnational governments. But in reality, the post-colonial centre has progressively sequestrated, disempowered and de-authorised the subnational space, creating a centripetal structure based on a top-bottom diktat and tokenism. From a fifty-fifty equity share in 1960, for instance, allocation of revenues based on resource derivation from the centre to state governments has more or less whittled down against exponential increases in oil revenues – the major source of national income (Human Rights Watch, 1999:42). From a crippling low of 1.5 per cent in the 1990s, it rose to 3 per cent and subsequently to the present 13 per cent – thanks to the spread of violent agitation for resource control at the periphery in the oil-rich Niger Delta region (see Fubara,

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2002:25). The centre retains a lion's share of the monthly shared revenues between the federal government and the subordinate governments.[1] Furthermore, Nigerian laws exclusively vest the ownership of all mineral resources, including oil, in the centre; likewise defence (the armed forces), land ownership (but most ambiguously not land allocation and usufruct) and law enforcement mechanisms are all centralised. To this end, federalism in Nigeria tends to be contradicted by the institutionalised politics of unitary control.

Similarly, secularity is a principle of state organisation that has been professed by the various post-independence constitutions, governments and Nigerian leaders. Of course, to derogate in theory from this commitment, as the state's power brokers and political leaders would have known too well, would be a recipe for disaster given the overlap of religious and ethnic identities. But the ideal has never been the real and the notion of secularity has scarcely translated into political secularisation; on the contrary, de-secularity has been Nigeria's recurring Pandora's Box. Based on the experiences of *Sharia* politics, it is indicative that many Nigerian leaders and politicians have fiddled with secularity to gain misguided political advantages with all too obvious catastrophic consequences. Indeed, both a mosque and a church are situated and operate inside the presidential villa, Aso Rock in Abuja. In the executive power domains of many States and local government councils of the federation where a dominant religion is mostly favoured, it is either a mosque or a church that has been established. Avoidable tensions are raised at the *locus centrum* of power, especially given the wider context of the perennial Muslim-Christian unrest in various parts of the country and the occasional inflammatory religious pronouncements of some of the political leaders. These processes are certainly not consistent with the principle of secularity.

At another level, the embattled history of democracy in Nigeria is well known. The present Fourth Civilian Republic inaugurated in May 1999 came at an extraordinarily huge price after some fifteen years of a vicious military dictatorship. In a similar vein to the botched experiments of the past, Nigeria's fledgling democracy is under severe threat, triggered by anti-democratic contradictions and pressures of misgovernance. Barefaced looting, corruption and unaccountable rule have continued unabated at all levels of government with the result that Nigeria's image and ranking as one of the three most corrupt countries in the world have not improved since the inauguration of the present Republic. Most disastrously, some invidious forces of de-democratisation that inexorably shrink the democratic space continue to progressively contradict democracy in Nigeria. Political participation, like in the previous civilian Republics, has virtually been reduced to election-prone mobilisation of vulnerable youth populations for propaganda, violence, and fraud. But unlike the previous dispensations, there has been limited space to debate pressing policy or national issues (e.g. deregulation, *Sharia* law, rising incidents of communal and ethno-religious violence, oil conflict in the Niger Delta, political disorder and the upsurge of ethnic armies and civil militias in many States) in the present Republic. The latter is a tendency associated with the entrenched barrack culture, executive absolutism and authoritarian legacy of past military regimes, as well as the continued domination of the political landscape by ex-military leaders and civilian politicians groomed under their dictatorship. Decision making has, to a disquieting extent, been centralised and hijacked by the executive wing in a tradition that acrimoniously overrides the legislative wing and repudiates all norms of interest aggregation and representation of subalterns. As such, social alienation, compounded by the burgeoning brunt of misgovernance and the current phase of the federal government/World Bank deregulation policies, has exacerbated friction between the state and civil society thereby deepening the conflict.

Nigeria is Africa's largest oil-producing state and the world's sixth largest exporter of crude oil. On average, over two million barrels are produced daily (VCL, 2003). But basic petroleum products, especially cooking gas and gasoline are perennially scarce in Nigerian streets and markets. The federal government – to the consternation of many – increasingly imports some of these refined products. As in the past, millions of dollars have been recently channelled into turn-around maintenance of some local oil refineries with no positive outcome (Vanguard, 2003a). But the untold truth is that importation of refined petrol on behalf of the state is a highly rewarding business for some of the influential members and cronies of the political regime, just one of the numerous contradictions of Nigeria's highly dependent 'monoeconomy'.

As all these contradictions of the state unfold, oil and the oil sector come under increasing pressure being the mainstay of the economy. Should ownership of oil resources continue to remain an exclusive prerogative of the federal government? Does the federal government have sufficient moral justification to continue to appropriate and expend – or as many would argue, misspend – a greater part of the oil revenues in light of the decades of neglect, impoverishment and degradation of the Niger Delta host communities on whose lands the bulk of Nigeria's oil resources are produced? Under what general and specific conditions should the oil companies operate henceforth in the Niger Delta considering their appalling record of corporate social and environmental responsibilities over a greater part of their more than forty years history in the oil region? How can the relationship between the dominant stakeholders of Nigeria's oil (i.e. the state, oil industry and oil-bearing communities) that have become riddled with disruptive conflicts be proactively improved? These questions are by no means exhaustive, neither are they central to this study. But these are questions and issues that tend to preoccupy the minds and dominate the discussions of a significant proportion of people in the Niger Delta – many of whom have strong views. Obviously there are some internal disagreements concerning the views and solutions professed by Delta peoples, but more fundamentally, their dominant proposals are almost inexorably in contradiction with the perspectives of both the state and the oil industry. Because of the high stakes, some fundamental interests are hardly conceded or compromised. Violent confrontation and conflict become inevitable.

Not unexpectedly, the state's management of the oil conflict has been far from fair because of its interest to maximise oil revenues. What is probably most confounding about the state's conflict management strategies is the evolving tendency to twist and treat every conflict in the Niger Delta, including some episodic 'epi-oil' conflicts abetted or orchestrated by the state itself, as oil conflicts. In other words, there is a tendency on the part of the state to wittingly 'oilify' some apparently extra-oil conflicts in the Delta. Compared to other regimes before it, the present civilian administration has probably contributed most to the fast-tracking of this evolving phenomenon. This article unravels and analyses the evolving politics of oilification of extra-oil conflicts in the Niger Delta, its underlying rationale and consequences. Oilification, as the study demonstrates, is yet another in the series of dangerous contradictions engendered by the Nigerian state. How this and other dangerous contradictions could possibly be solved is a research conundrum for the relevant cognoscenti of state-society relations and conflicts in Nigeria. But would the Nigerian state take on board any useful and promising solutions materialising from such studies? This is most unlikely in the present conjuncture given the prevailing configuration of interests in the state.

## Characterising the Nigerian State

The meaning and nature of the state are an unsettled discourse in politics, not least, the post-colonial state.[2] However, the defining characteristics and dominant nature of the Nigerian state could be extrapolated with relative ease from the dynamics of its contemporary political history.

One of the dominant features of the post-colonial state is the structural coexistence of and friction between the 'traditional' and the 'modern' in the cultural, social, economic, legal and political frameworks of society. In contemporary African social anthropology, this phenomenon is termed 'structural dualism' (Nwanunobi, 1992). Structural dualism implies, for instance, that the inherited colonial contradictions between communitarian and capitalist economies, traditional and modern political systems, as well as customary and common laws are far from settled and that directed largely by indigenous actors, the post-colonial states are starkly confronted with new dialectics in the context of both 'old' (metropolitan forces) and 'new' (post-colonial elites) interests. This portrays the extremely unfinished nature of state making and compounds the institutional and instrumental constraints of the central authorities in unifying the disparate ethnic nationalities into a 'modern' nation-state.

Besides the colonial heritage – or as some scholars would argue, partly related to it – Nigeria is a 'rentier' state, largely dependent on oil mining rents, taxes and royalties paid by 'transnational oil companies' (TNOCs), and on profits from its equity stakes in the TNOCs' investments. With oil as the mainstay of the economy, oil interests, including, of course, control of the accruable revenues, have become part of the defining characteristics of the dominant elite forces in the state. The state itself is, to a large extent, dominated by an unstable coalition of some ethnic majority elites whose geographical homelands have little or no oil reserves. Perceptibly, the dominance of the latter is largely to the disadvantage of the ethnic minorities of the Niger Delta area where the bulk of Nigeria's oil resources are produced. Terisa Turner (1978:167) has used the concept of a 'commercial triangle' to depict these dominant elite forces which she conceptualises as a nexus between the TNOCs and their local Nigerian associates consisting of private middlemen, otherwise labelled 'compradors', and the state officials. Both the compradors and the state officials rely heavily on the state's oil revenues to ultimately fund and reproduce their societal dominance through highly unproductive contrivances, including spurious and inflated contracts and imports, barefaced looting, that impede both economic growth and political stability (see Kemedi, 2003). In fact, Turner and Badru (1984:7) have quite convincingly argued that the occasional contradictions within the observed 'hegemonic alliance of social class forces' contribute to the spate of military coups and political instability in Nigeria. Many sensitive state's policies (oil inclusive) are informed and midwifed by the economic and 'primordial' (clannish and ethno-exclusionist) interests of the dominant elite forces, which in respect of oil, partly coincides with the corporate interests of the TNOCs.

Yet, the nature of the relationships between the state and TNOCs in Nigeria remains a highly controversial question. Most dominant theories attribute a hegemonic alliance and/or a mere coincidence of interests between the two parties (cf. Ibeanu, 2000; Frynas, 2000; Okonta and Douglas, 2001).

Be that as it may, the state remains largely unpopular and domestically threatened, primarily because of the parochial interests it represents, its failure to deliver development to the populace and its tendency to alienate and to oppress the subjects. The element of oppression of subjects or to state more appropriately, the use of military violence against domestic threats is, in fact, a dominant characteristic of the state. Dating from its colonial origins, military violence has remained a principal method of the Nigerian state's response to domestic security threats, a phenomenon that further complicates the contestation of its authority and legitimacy by disaffected individuals, social groups and subnational forces. Moreover, the state has rarely ever had any sense of proportion in the application and use of military violence. The strategic nature of oil to the economic survival of the state and to the prosperity of its dominant elite factions practically heightens the prospects of the state's use of military violence against oil-related threats and conflict in the present historical conjuncture. Beleaguered and desperate, the state is scarcely impartial in its management of domestic threats and social conflicts. In fact, the Nigerian state lacks autonomy from the ruling elites and as Ukiwo (2003:129) aptly annotates:

> *It is difficult to separate the [Nigerian] government from the state, much less the personalities. Thus the style of the leader robs off on the state. The authoritarian provenance of the present power brokers has led to the personification of the state. Soldiers sent on routine duties are described as an army of occupation and treated as such, because they are seen as agents of oppression or mercenaries of powerful men in government.*

The neopatrimonial tendency among incumbent power brokers to personify the state for all the wrong reasons, notably aggrandisement and display of wealth and power, exclusion and repression of critics and disloyal social forces is essentially part of what Mbembe (2001) has characterised as the 'banality of power' in African post-colonies. Lack of autonomy (real or perceived) disastrously impacts on the state's credibility and its ability to manage security threats and to resolve social conflicts.

## Extra-Oil Frontiers of Conflict

Contrary to popular perception, not all recent conflict in the Niger Delta have their origins directly in oil. Oil extraction and distribution, as well as oil revenue politics, no doubt, inform most contemporary conflicts in the Delta but these by no means occlude the existence of some extra-oil frontiers of conflict in the region. For clarity, I have deliberately chosen the phrase 'extra-oil frontiers of conflict' to conceptualise those trajectories of conflict that develop in the volatile Nigerian oil region without a compelling oil connection and which hypothetically could be resolved or, at the very least, contained, without arousing or inflaming oil passions. To achieve a proactive mediation, resolution or transformation of such conflicts, the role of the state as a fair arbiter, mediator, intervener or facilitator is potentially crucial. But in reality, the state has hardly fulfilled its ideal obligation in a greater part of both extra-oil and oil conflicts in the Niger Delta. For the unmistakably oil-based conflicts, which have been widely researched and lie beyond the purview of this article, the state mainly relies on military reprisal that may contribute to an exacerbation of the conflict; the same strategyis also extended for most extra-oil conflicts. Some examples include the criminal terrorising of defenceless citizens and communities by lawless gangs, factional violence in party politics and a few incidents of communal clashes over issues like alleged gerrymandering in local elections. There is a caveat to these examples: most communal strife and acts of local youth terror are strongly related to oil. Having said that, a remarkable trend in the state's application of military violence in extra-oil conflicts is that of 'oilification'.

By 'oilification' I imply the process of distorting and reconstructing an extra-oil threat or conflict to give it an oil import in order to justify the state's security action, including a ruthless military campaign. By corollary, it is the state or its accredited agents/agencies that most consequentially (but not exclusively) oilify. Most remarkably, oilification thrives on pranks and propaganda, spin and deceit. It is a political praxis that directly or indirectly hides under the ambiguous cliché of sovereign national interest to, at various times, reinvent and promote the crudest forms of elitist and ethnic or primordial interests. The sovereign national interest subsumed in the theory is nothing but oil. Nonetheless, from all indications, oilification not only negates the concept of sovereign national interest (whatever it means), but its intrinsic unilaterality and brutality even makes the phenomenon evasive to the minimum conditions that could have probably achieved an agreed national interest, notably a sovereign national conference or some other kind of national debate. In fact, the politics of oilification is in itself a threat to oil. Not surprisingly, some sections of the local media, especially those that are highly conservative and pro-establishment, have already pandered to the state's new theory. One could infer from hindsight of Nigeria's recent political history under prolonged military rule that sooner or later some disingenuous social activists could quite easily be persuaded and duly rewarded to champion and propagandise oilification theory. Though a phenomenon logically associated with extra-oil conflicts, there is a limited sense in which some state officials have applied oilification to oil conflicts and this in turn plays a key part in the rationalisation of the excesses of state power.

In the prosecution of oil conflicts, especially under past military regimes, the state and its agents have had to occasionally employ oilification theory to rationalise a number of atrocities, including extrajudicial arrest, prolonged detention, torture and killing of innocent citizens and adversaries. For instance, a large number of the extrajudicial atrocities perpetrated in the 1990s by the defunct Rivers State Special Task Force on Internal Security headed by Major Okuntimo against many law abiding persons and groups throughout the State, and who were ostensibly unconnected with the anti-oil campaign, were expediently rationalised via oilification (see NDT, 2001). Hence, within the context of oil conflicts, oilification helps protagonists and the state officials to justify the securitisation of non-oil threats and issues, including ill-motivated vendettas. But undoubtedly, the enormous urge to justifiably securitise provides an enhanced incentive to oilify in the case of the largely extra-oil threats and conflicts. Consequently, the current civilian regime tends to accord oilification a much more decisive twist.

It is pertinent to mention that oil and extra-oil conflicts in the Niger Delta area are, in the strictest sense, not mutually exclusive. The Niger Delta oil conflicts have a protracted and complex history and much of what has been conceptualised as extra-oil conflicts, as this study further reveals, are, by and large, episodic of more deep-rooted conflicts in some cases related to oil. Hence a distinction between the two categories of conflicts can perhaps largely be sustained analytically. But even such an analytical distinction is important *a fortiori* in view of the fact that extra-oil conflicts do not usually have compelling oil connections and could in all probability be (or retrospectively, have been) much better managed to significantly minimise waste and casualties and without arousing or inflaming oil passions. Faced with potentially varied options of response to extra-oil threats in the Niger Delta, the state deliberately oilifies certain perceived threats to justify a mode and scale of (extreme) intervention that, in its own terms, would have ordinarily been invoked to counteract core oil threats. From the perspective of the state core or real oil threats, such as some incidents of pipeline sabotage, seizure of oil rigs and platforms and hostage taking by violent protesters, justifiably warrant decisive military action. Oilification is therefore unnecessary in this regard since the threats are sufficiently oil-centred.

In recent years, special military task forces, such as the Rivers State Special Task Force on Internal Security, 'Operation Andoni', 'Operation HAKURI' and 'Operation Restore Hope' have been created and used, especially in different parts of Rivers, Delta and Bayelsa States (the most restive oil-producing States) to torture and persecute large sections of people in the name of resolving oil conflicts, both real and imagined. In addition, the joint military task forces established for fighting civil crimes, such as 'Operation Fire for Fire' have hardly made any distinction between civil crimes in the Niger Delta and so-called oil sabotage offences, a distinction clearly spelt out under Nigerian laws. Given its obsession with oil, conflicts that have no apparent oil connections, such as the gerrymandering that has recently complicated the Warri crisis, the military invasion of Odi, factional intra- and inter-party violence in recent national elections in many parts of the Delta, are hypothetically reconstructed to draw an oil connection and thus create the necessary justification for a military reprisal. To be sure, oil is eminently strategic to Nigeria's security. In addition, oil resources are considered highly important for the reinvention of the state, as well as for the reproduction of its dominant elite forces. Any threat to oil activity, from the state's point of view, warrants a decisive action that both the Nigerian and international public would understandably condone. Therefore, oilifying an extra-oil threat or conflict in the Delta would and certainly does pay off as a convenient means of 'securitisation.'[3] Some practical illustrations of this nascent politics are presented below.

## The Odi Massacre

The Odi massacre provides one of the most instructive examples of the growing politics of oilification of extra-oil conflicts in the Niger Delta in order to justify the state's violent interventions. An overview of the entire incident will suffice to drive home the point. In early November 1999, some militant Ijaw youths had abducted a team of seven policemen that came on an intelligence mission in the oil town of Odi in Bayelsa State. The policemen had gone to Odi to investigate rumours that some Ijaw youths were mobilising to storm the city of Lagos in reprisal for attacks carried out a month earlier on Ijaw residents in Lagos (an ethnic Yoruba metropolis) by the refractory ethnic Yoruba organisation, Odua People's Congress (OPC) (see Ibeanu, 2002:165). Mobilisation of homeland ethnic volunteers to reinforce or back-up their migrant tribesmen in prosecuting an ethnic war, usually with the dominant host ethnic population, is a fairly old practice in Nigeria. The largely Christian Ibo, for instance, have rallied such homeland solidarity to counter some of their recent ethno-religious persecutions in some major largely Muslim commercial towns in Northern Nigeria.

The Ijaw militants in Odi said to be mobilising local volunteers to fight in the Ijaw-Yoruba (OPC) ethnic clashes in the Lagos suburb of Ajegunle, were originally part of the political thugs that aided the ruling People's Democratic Party (PDP) to victory in the 1998/1999 general elections in Bayelsa State. Dumped by their patrons after the elections, these jobless youths reconstituted themselves into a criminal gang, terrorising the inhabitants of the state capital, Yenagoa. A combined team of soldiers and mobile policemen sacked them from their Yenagoa base in September 1999 and this compelled the group to relocate to Odi, the hometown of their leader, Ken Niweigha (ERA, 2002:7). They intensified their local terror activities in Odi until the outbreak of the Lagos ethnic hostilities, which the youths, being entirely ethnic Ijaw, attempted to capitalise on to reinvent themselves as champions of a supposedly popular pan-ethnic course. Relations between the Ijaw and the Yoruba have deteriorated in recent years, especially in the South-western State of Ondo where a minority Ijaw community had previously clashed with the dominant ethnic Yoruba. The Lagos conflict is believed in many quarters to be a carryover of the Ondo crisis.

Despite all appeals and entreaties from governments and civil groups, the lawless Odi youths executed the seven policemen, an act that aroused total public outrage. Part of the reasons why the youths perpetrated such a rare dastardly killing of their disarmed captives was that the policemen were said to have been led by a Yoruba officer, Thomas Jokotula, who a few months earlier had headed a combined team of servicemen that dislodged the lawless youths from their Yenagoa base (ERA, 2002:7).

President Obasanjo responded to the murder incident by ordering the Bayelsa State Governor, Diepreye Alamieyeseigha, in a letter dated 4 November 1999 to produce the culprits within fourteen days for prosecution. The President further threatened to invoke his executive power by imposing a state of emergency on Bayelsa if the murderers were not arrested and presented for prosecution. A few days to the expiration of the two weeks ultimatum, battle-geared federal troops under the orders of the presidency laid siege to Odi. The federal government's explanation was that the lawless Odi gang, among other things, posed a major threat to oil. According to the then Nigerian Defence Minister, General Theophilous Danjuma who after the expiration of the President's ultimatum, authorised the Odi invasion code-named 'Operation HAKURI II':

> *This 'Operation HAKURI II', was initiated with the mandate of protecting lives and property – particularly oil platforms, flowstations, operating rig terminals and pipelines, refineries and power installations in the Niger Delta.*[4]

The rule of engagement of the over 2000 troops that invaded Odi was to shoot inhabitants at sight and at the end of the swift two days operation, some 2,483 civilians were reported killed (Vanguard, 2002; ERA, 2002). The government has repeatedly emphasised Danjuma's theory, which leaves many to presume that this is nothing short of the official federal government explanation. Not unexpectedly, a number of government and pro-establishment media reports have reinforced government's unsubstantiated claims that the Odi gang were a threat to oil. There is yet no confirmation that any members of the hunted gang, believed to have fled the community before the massacre, were among the dead. Moreover, no official charges of wrongdoing are known to have been brought against any of the soldiers that perpetrated the mass murder and devastation of the large Ijaw community.

Beyond the veneer of oilification, the Odi genocide is primarily episodic of the larger ethnic Ijaw-state confrontations. The Ijaw resistance against the oil industry and the state came to the fore during the second half of the 1990s in the aftermath of the tragic decapitation and crushing of the famous Ogoni resistance by the state. Since then, massive state violence has been severally employed against the Ijaw, the largest ethnic group in the Niger Delta. Both the Ogoni and Ijaw resistance have been especially worrisome to the Nigerian state because in addition to undermining the revenue base of the state, the two ethnic groups have been the most vociferous minority groups championing the growing advocacy for regional autonomy, resource control at the subnational levels and self-determination – proposals that the state considers both upsetting and threatening. Ijaw youths seem to have the largest spread of militant groups that at various times particularly since 1997, have been involved in armed confrontation with the state's security forces over ecological issues. These Ijaw militant groups include *inter alia* the Niger Delta Volunteer Force (NDVF), Pan Niger Delta Revolutionary Militia (PNDRM), Ijaw Youth Council (IYC), Federated Niger Delta Ijaw Communities (FNDIC), Movement for the Survival of Ijaw Ethnic Nationality (MOSIEN) and Niger Delta Oil Producing Communities (NDOPC) (cf. Ikelegbe, 2001:434-459; AP, 2003).

The profile of Ijaw resistance is extraordinarily enhanced by the belief of the general public, including members of the armed forces that most Ijaw militants complement their armed protests with a special talismanic power sourced from the people's formidable Egbesu deity that makes them impervious to bullets[5] (see Ibeanu, 2000:28). Occult belief systems, it must be emphasised, have substantial impact on current power relations, politics and development in Africa. In contemporary history, there have been different instances from countries like Cote d'Iviore, Kenya, Tanzania, Togo, Benin Republic and South Africa of occultic systems permeating the public realm over a broad range of issues, such as mesmerisation and persecution of people using witchcraft, divination and oath taking to affirm political loyalty or to establish official wrongdoing, talismanic empowerment for personal protection undertaken by some public office holders; regime security, as well as offensive defence and combating of threats (cf. Omeje, 2001; Kohnert, 2003; Kelsall, 2003). Nonetheless, the question of causality in respect of the use of occultic power and its presumed outcome can hardly be consistently explained to the satisfaction of a researcher's 'scientific mind', and thus remains, in that sense, mystical and mysterious (Kelsall, 2003:197).

It is noteworthy that in a few isolated incidents, especially in non-combatant situations, the Ijaw militias have gained temporal advantages over the state's security forces. The two most striking examples include the storming at the Yenagoa government house in July 1998 by thousands of Ijaw youths who overpowered the state's security forces to release the detained MOSIEN's president, Timi Ogoriba and the successful abduction/killing of the seven policemen that sparked off the Odi massacre. But in most cases, such temporal advantages, which invariably add credence to the presumed magical power and invincibility of the Ijaw militias, have ultimately resulted in more severe state crackdown and laying of military siege to Ijawland.

Oilification of the excesses of state power (not necessarily extra-oil conflicts) is not without parallels elsewhere in Africa, notably in Angola and Sudan. In Angola, for instance, government forces have in the past two years of a post-Savimbi (the deceased UNITA rebel leader) ceasefire marking the end of the Angolan civil war, perpetrated overwhelming human rights violations against scores of local people in the oil-rich Cabinda province where the Front for the Liberation of the Enclave of Cabinda (FLEC), among other separatist forces, have waged a war of self-determination against the state for over the past two decades (IRIN, 2003). The Angolan government has repeatedly justified its security forces' recent infringement of defenceless local populations, including summary executions, murder, disappearances, arbitrary detention, torture, rape and looting on the grounds of preserving the territorial integrity of Angola, as well as combating organised impediments to oil operations in the province (see IRIN, 2003).

## Beyond Odi: Ramifying Trends & Consequences

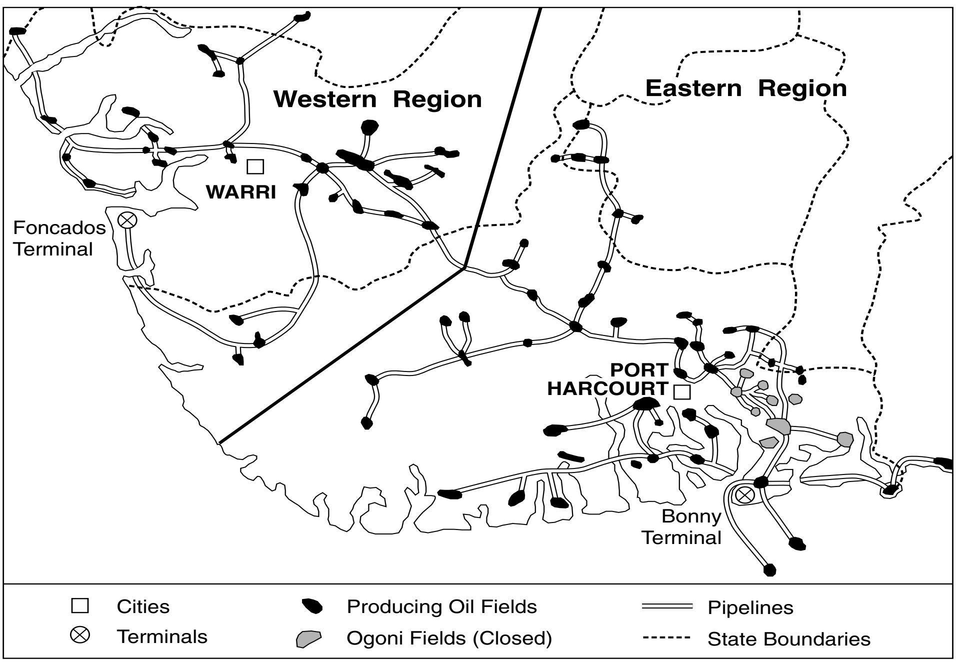
The state's oilification of extra-oil conflicts in the Niger Delta has, among other negative consequences, complicated the oil conflict by ultimately intensifying the buffeted locals' hostilities towards oil operations. For instance, the Nigerian army and navy have in recent years launched repeated pre-emptive attacks on the Ijaw of Ogbe-Ijoh in Delta State who have battled their Itsekiri neighbours since 1997 over the relocation of a local government area (LGA) headquarters from the Ijaw community of Ogbe-Ijoh to the Itsekiri community of Ogidi-Gben (Eke, 2003). Factional political violence between the ruling People's Democratic Party (PDP) and the opposing parties in the run up to the recently concluded 2003/2004 elections characterised by widespread mobilisation of the youth for political thuggery provided an added opportunity for the PDP government to intensify its offensive against the Ijaw youths using joint military task forces created for combating anti-oil threats. The recent wave and escalation of Ijaw-Itsekiri violence linked to the unwarranted 1997 LGA headquarters' transfer is basically an episodic conflict in the larger Warri crisis involving the Ijaw, Itsekiri and Uhrobo. But for the recent and unpopular relocation of the Warri South-West local government headquarters by the state,[6] the present episodic dimension in the Warri ethnic crisis could most probably have been averted. Ijaw youths have in turn responded to the state's military reprisals by intensifying attacks and resistance against Chevron and Shell oil operations along the Escravos River and Jones creek. In fact, the proliferation of clandestine militant groups and activities in the Ijaw-dominated parts of Niger Delta in recent years culminating in the exacerbation of Ijaw resistance against oil activities and the state are partly linked to the people's collective malcontent over the Odi massacre and the Warri South-West municipality crisis (see Ikelegbe, 2001; Eke, 2003).

The direct impact of all these on the security of the local people and their environment on the one hand, as well as on the fortunes of the joint venture oil operations (state-TNOCs partnership) on the other hand, cannot be overemphasised. Thousands of people have been reportedly killed in the cycle of ethnic wars between the Itsekiri and Ijaw in the disputed Warri territory since 1997. And as these communal wars are prosecuted, the state has continued to systematically scapegoat, demonise and liquidate the Ijaw in the course of its lopsided intervention. At the same time, a considerable number of the TNOCs' oil installations, in particular, Chevron's facilities in the embattled host communities have been devastated. Oil spillage and environmental pollution have also increased remarkably, possibly due to ramifications of subversive protests, including pipeline sabotage. Meanwhile, in June 2003, Chevron's Health, Environment and Safety Manager, Ray Keel, announced that the company was losing 130,000 barrels of crude oil per day (amounting to about $3.4 million daily loss to the joint venture) due to the continued ethnic disturbances and youth violence in Delta State (mostly the Warri area), which had necessitated the closure of all of its swamp flowstations (*This Day*, 2003). Hitherto, over 80 per cent of companies and business concerns, most of them petroleum affiliated, have deserted Warri on account of the unending communal crisis (*Vanguard*, 2003b). While many of the oil servicing companies have relocated to Port Harcourt in the South-east of the Niger Delta, most staff of the few remaining oil companies in Warri now reside in Benin, the capital city of the neighbouring Edo State.

Meanwhile, in an unequivocal oilification theory, President Obasanjo and Delta State Governor, James Ibori, have recently accused 'illegal oil bunkerers' as being the masterminds of the frequent bloodletting and crisis in Warri. According to the Nigerian President, illegal oil bunkerers foment and fuel the bloody ethnic clashes, including supplying warring factions with arms because the ensuing conflicts and confusion provide an opportunity for them to steal the nation's crude oil (*Daily Champion*, 2003). Governor Ibori expanded Obasanjo's theory: according to the Delta State Governor, 'the oil bunkering syndicate behind the Warri crisis collaborate with foreigners to fuel the crisis with a view to creating room to enable them engage in their illegal oil deals in the creeks' (*Vanguard*, 2003c). As expected, both the state's print and electronic media have carried hugely supportive propaganda to back these official viewpoints. To say the least, the new state's oilification theory aimed at reconstructing and treating the Warri crisis as a criminal externality of oil is most disingenuous. A number of Niger Delta leaders, including frontline Ijaw spokesman, Edwin Clark, and Itsekiri leader, Bob Mene-Afejeiku, have been quick to caution against this official explanation, but not without largely embracing President Obasanjo's solution to the Warri crisis – a superficial proposal that most conspicuously occludes any chances of de-oilification[7] (*Vanguard*, 2003d).

## The Institutional Context

The institutional context for both oil and oilified conflicts in Nigeria is very much the same and thus, there is a sense in which the two cannot be rigidly separated. The state's oil-related legislation and policies, as well as the different development programmes designed for the oil-bearing region, broadly define the institutional context for most conflicts in the Niger Delta. Scholars like Karl (1997), Watts (1999) and Frynas (2000) have aptly demonstrated the centrality of oil as a natural resource and oil rents shaping both a national political discourse and the broad rhythms of accumulation and social conflict. A typical example is the federal government's establishment of the Oil Mineral Producing Areas Development Commission



(OMPADEC) in November 1992 with an allocation of 3 per cent of total oil revenue to be specifically used in developing oil-producing communities. To distribute development projects, OMPADEC loosely relied on the current inventory of communities' contributions to net oil output (measured by the number of active oil wells). The conflicts that ensued were part of the scramble for control of the land containing oil wells among different Niger Delta communities – the basis for the distribution of OMPADEC's development project. Many local communities that hitherto lived in peace were suddenly caught up in the throes of this 'petro-violence'. The Ogoni, for instance, prosecuted inter-ethnic wars with nearly all of their neighbours: the Andoni in July 1993, the Okirika in December 1993, and the Ndoki and Asa in April 1994 (Ibeanu, 2000:27). A similar trend of violence characterises the implementation of the current development provisioning programmes and the youth vigilante security contract practices of the various TNOCs. In the case of the security contracts, local youths are hired and paid by the different TNOCs to protect the latter's oil facilities and services within their respective communities. Because of the relatively substantial remuneration involved, this practice has generated enormous violence between the various security contract teams on the one hand, and disaffected rival youth groups and factions of the traditional political elites on the other. In respect of the ramification of conflicts connected to oil in the Delta, some scholars focusing on comparable conflicts in some volatile oil-producing countries (e.g. Colombia and Angola) and beyond, have argued that opportunity rather than motivation, greed rather than grievance, can account for the proliferation of predatory and militant groups, and that oil as a largely non-lootable but obstructable commodity is likely to increase the duration and intensity of conflicts (Collier & Hoefller, 2000; Pearce, 2002).

Besides the lure of development provisioning and oil security vigilantism, competition for land, forests, creeks and swamps containing oil resources has often provoked thorny conflicts between different Niger Delta communities and groups because of the potential rents and 'gifts' or *dashes* (including hard cash, food items, wine; and TNOCs' diaries, calendars, key holders and related identification symbols) that control of such territorial spaces could attract from oil prospecting companies. Hence, petro-business is not only crucial to petro-accumulation and politics at the state level, it is also crucial for understanding the local accumulation processes and the changing dynamics of communal violence among the oil-bearing communities. In recent years, such oil-induced communal violence has taken a great toll on communities like Bille, Kalabari, Umuechem, Obagi, Brass, Nembe, Rumuobiokani, Ogu and Bolo culminating in the killing and displacement of thousands of local people. In fact, the rising tide of community fragmentation and reconfiguration, identity mutation and reconstruction, and the politics of boundary adjustment in the Niger Delta are all partly related to the dynamics of petro-politics and petro-accumulation that run through the entire Nigerian state. To this end, the politics of oilification in the Niger Delta is not exclusive to the state's involvement in social conflicts. Various oil-bearing communities and groups have also increasingly oilified communal relations, resource struggles and violence in the Delta in their desperation to maximise oil rents and dividends. For instance, it is this institutional context that partly accounts for the persistence of the larger Warri crisis and its changing dynamics. However, unlike the state that invokes oilification theory in both oil (in a more restricted context) and extra-oil conflicts, the permeation of oilification to societal conflicts through the devices of many Niger Delta groups and communities tends to be conceivably limited to objects and issues of the oil conflict, such as struggles over oil-bearing lands, creeks and forests. More significantly, the societal processes of oilification are part of the desperate responses of the local people to the institutionality and dynamics of petro-politics and petro-accumulation. Sometimes the response of the impoverished grassroots population are instigated or abetted by self-serving local elites (politicians, traditional leaders and businessmen) who in turn exploit communal violence and its attendant disruptions to petro-business as a bargaining weapon for extracting contracts, patronage, jobs, strategic appointments and other elements of petro-accumulation from the state and the oil industry. But in the final analysis, it is apparent that the oilification of extra-oil conflicts with all its tendencies to deceive and to mislead remains largely an orchestration of the state and its political elites.

## Conclusion

Clearly, what is happening in Nigeria's Niger Delta is that the state, which ideally should mediate the oil conflict, is itself a major prosecutor of the conflict, vigorously championing unconcealed and unpopular interests. The State's primary interests are the economic and material well-being of the dominant local elites – mostly of the majority ethnic groups. Juxtaposed to the latter are the interests of the TNOCs given the centrality of oil to national revenues.

The unpopular nature of the state's interests coupled with its inability to significantly accommodate the legitimate aspirations of the ethnic minorities of the oil-bearing Niger Delta predisposes the state to preponderantly rely on fusillades of military violence to suppress local anti-oil protests. Consequently, the state extends its application of military force to managing the largely extra-oil conflicts in the Delta, but as this article demonstrates, the state increasingly oilifies these conflicts in a bid to justify their securitisation using military action. Oilification also tends to complicate the oil conflict by intensifying the buffeted locals' hostilities against oil operations in their areas.

As a means of placating the local oil-bearing communities and dissuading them from further resort to violent protests, the state has, during the past few years, progressively securitised Niger Delta development. The Niger Delta Development Commission (NDDC) established by the present Obasanjo administration is the latest example of the securitisation of development in the Nigerian oil-producing region. But there are, at least, two contradictions that attend to the state's current development process. Foremost, the securitisation of Niger Delta development is essentially a concern of the federal government, which also appropriates and controls a greater share of the oil revenues. The federal government's efforts are, however, contradicted by the tendency among subnational governments in the Delta (States and local governments) to largely abdicate responsibilities on development of oil communities to the TNOCs and the relatively less accessible and de-participatory new federal government agency (NDDC). This contradiction is an expression of the structural imbalance in the legal and fiscal frameworks of oil minerals, which, for instance, need to be renegotiated for state's development efforts to have the necessary impact and local support.

More significantly, the state's development programme is contradicted by the undiminished use of military reprisals on local anti-oil protesters, whose legitimate demands for environmental rehabilitation, resource control at local levels and participatory development, have been scarcely addressed. As a matter of fact, the state's repression and insensitivity to the needs and demands of the local Niger

Delta people have made the expectations that the oil communities would progressively de-emphasise their violent protests substantially elusive.

In the final analysis, disruptive conflicts in and beyond the Nigerian oil-producing region will scarcely abate without some fundamental reforms in the structures and policies of the state to downgrade the predatory and corrupt interests of the dominant elites, and in their stead have the popular aspirations of the vast majority of the citizenry, including ethnic minorities, significantly incorporated into the trajectory of governance. Regrettably, there are no strong prospects of this happening in the foreseeable future. Nigeria in its over forty year post-colonial history has hardly proved to be a workable state. In fact, it has become much more unworkable today compared to the immediate post-independence era through the period preceding the emergence of the so-called oil boom of the 1970s, not withstanding the devastating Biafran civil war (1967-1970). The nexus and intensity of dangerous contradictions that inundate the polity today could probably have precipitated a military coup some fifteen to twenty years back. But the reputation of the Nigerian military is presently in tatters and under the prevailing international dispensation, a military coup d'etat in Nigeria will certainly provoke far-reaching opprobrium. In the short term, the present cycle of political violence, including both oil and oilified conflicts, is likely to flourish with limited successful remedies. In the long term, disillusionment with presidential democracy, which apparently is the least suited variant of liberal democracy for Nigeria, will predictably make everything possible; from military mutinies to Robert Kaplan's (1994) 'criminal anarchy' on the one hand, and from non-violent permutational devolution to violent factional disintegration on the other hand. My earnest wish is certainly that the worst case scenarios be averted.

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## Endnotes

1. These are revenues (predominantly oil receipts) that accrue to the distributable pool, namely the Federation Account and the Consolidated Revenue Fund of the federal government as contained in Section 162 (10) and Section 80 (4) of the Constitution of the Federal Republic of Nigeria 1999.

2. Among other theorists, Mohammed Ayoob (1995; 1997) aptly coalesces the debate on the nature and dynamics of the state and underscores the distinctiveness of the state in the Third World or the post-colonial state. Ayoob essentially conceives of the state as both an institutional and a territorial complex.

3. Securitisation is basically the process by which an issue is factored into the state's security agenda, defined or recognised as a security problem and by so doing the state and its elites (power holders) acquire the legitimate authority and justification to take extraordinary measures (including allocation of social resources) to control or combat the identified issue or threat. Oilification, from this basic conception, is a more localised or contextualised dimension of the politics of securitisation. For a more elaborate formulation of the theory of securitisation, see Waever (1995); see also Knudsen (2001) for a constructive critique of the theory.

4. The Defence Minister made these remarks on 25 November 1999, some five days after the invasion and destruction of Odi. The Minister was rationalising the military action and the entire Niger Delta HAKURI campaign in an address delivered to the Ministerial Conference of the Economic Community of West African States (ECOWAS) (*Vanguard*, 2002; first published in the Nigerian national daily, *The Guardian*, 26 November 1999).

5. Verbal confessions of some of the soldiers that took part in the Odi operation, as well as a significant number of the graffiti they left on the walls of the destroyed buildings in the town reveal that the soldiers were specially inspired into genocidal action by their curious resolve to test and possibly demystify the highly publicised invincibility of the Egbesu cult. When ultimately the devastation of Odi proved a cakewalk, the soldiers stridently celebrated their victory by taunting the Egbesu both verbally and through their numerous graffiti (see ERA, 2002).

6. Ethnographic evidence has linked the Itsekiri to the Yoruba (one of the three dominant ethnic groups in Nigeria), a linkage the former have historically exploited to their political advantage in relation to other minority ethnic groups in the Niger Delta. The relocation of Warri South-West local government headquarters from an Ijaw to an Itsekiri town is only one of such political influences. The headquarters' relocation was followed by an arbitrary reclassification of electoral wards that slashed the number of wards in the Ijaw area from ten to four and hiked the number of Itsekiri controlled wards from four to six. This gerrymandering, which has spawned explosive conflicts has persisted despite the fact that the Ijaw far outnumber the Itsekiri in the volatile local government area by 63 to 37 per cent. Beyond the recent episodic conflict in Warri South-West local government area, the general Warri crisis is a struggle over land, power and resources remotely linked to the town's oil infrastructure (see Eke, 2003).

7. The President's proposal merely stresses the need to combat oil bunkering and gunrunning in the area. But de-oilification or ridding the conflict of its spurious oil concomitants, in my views, should be part of any search for a genuine and lasting solution.

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# Timber Booms, State Busts: The Political Economy of Liberian Timber

*Patrick Johnston*

**This article places the political economy of Liberian timber in the context of the theory of state failure. It explores the relationship between private investment, state failure and war, highlighting how Charles Taylor exploited timber concessions to foreign firms as a proxy for effective state institutions in Liberia. It examines the reasons why foreign investment – particularly in Liberia's timber industry – prolonged the civil war and destroyed the country's formal economy. And it challenges the neo-liberal assumption that increased economic activity provides incentives for rulers to build stable institutions and to provide security to investors. Neo-liberal prescriptions coupled with a changing global economy produced no incentive for Charles Taylor, a faction leader from 1989 and Liberia's president from 1997 until exile in 2003, to attempt to develop state institutions or to prevent the collapse of the formal economy.**

A combination of four issues perpetuated and worsened the decay of state institutions and transformed political corruption in Liberia during the Charles Taylor regime: the demands for political and economic liberalisation made by Western international financial institutions (IFIs); the United Nations' longtime refusal to place sanctions on the Liberian timber trade; a clandestine network of predatory foreign firms; and corrupt rent-seeking state elites. Investment from foreign timber firms in Liberia reinforced an informal, clandestine economy that thrived and took primacy after the collapse of Liberia's formal economy. Charles Taylor and his associates profited from these transactions, leaving ordinary Liberians alienated by the exigencies of the collapsed political and economic institutions.

This article places the political economy of Liberian timber in the context of the theory of state failure. I explore the relationship between private investment, state failure, and war? To address this question, I focus on informal arrangements between Charles Taylor and foreign timber firms. These arrangements illustrate the connection between unregulated private investment in weak states and state failure, which, I argue, greatly increases the likelihood of internal war. Timber firms served as proxies for collapsed state agencies, including the army, cloaking Taylor with sufficient security to remain president despite widespread discontent with the regime. Taylor's private economy had serious negative effects on ordinary Liberians. Since Taylor depended on foreign investment for capital and security, not the productivity of domestic citizens and industries for these goods, he had little incentive to provide Liberians with public goods or services. The social dislocation from the state which this produced perpetuated and lengthened the duration of the

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country's conflict that ended in 2003. Indeed, as private investment from foreign timber firms increased, government expenditures on public goods and services decreased. The Liberian state failed to monopolise coercion throughout its territory, rendering the country subject to violence and predation. Yet this did not threaten the nature of authority which Taylor had built, highlighting the significant difference between his notion of rule and that conventionally associated with the nation-state.

## Fragile Institutions & State Failure

A structural explanation of the Liberian civil war can be derived from the models developed in Max Weber's theory of the state and William Reno's theory of weak 'shadow states'. This explanation shows the logic of the war, a war that has been described as 'one of the wackiest, and most ruthless, of Africa's uncivil wars' (Richburg, 1997, quoted in Ellis, 1997:18). A theoretical framework can be created that demonstrates how a combination of the lack of a centralised body of coercion, coupled with historically weak state institutions steeped in patronage practices, predatory foreign firms, and rent-seeking elites undermine state institutional capacity for private gain, leaving the state feeble and vulnerable to insurgency while rulers and firms remain able to benefit financially.

Preceding the civil war of the 1990s, Liberia had a history of weak and fragile political institutions. Samuel Doe, a military official in the William Tolbert regime, staged a 1980 coup and took power as a staunch Cold War ally of the United States. Doe obtained much of his power from his ties to the West, which funded the bulk of his vast patronage network. Though he presided over a bloated bureaucracy, Doe did not build these structures according to meritocratic, hierarchical, legal-rational principles (Weber, 1946:196-240). Doe's method of governance more closely resembled what Weber called 'traditional authority' (1946:78-79). He built a state apparatus which maintained traditional practices of nepotism and patronage rather than a state with an institutional design based on technocratic expertise and rational administration.

Doe sustained this patronage-based system of rule for nearly a decade, in large measure, through his alliance with the United States. Estimates report that the US poured more than US$500 million (Huband, 1990:8) into Liberia between 1981 and 1985, and more thereafter. The US intended this money to be used for Doe's security, the maintenance of his political patronage networks, and for his guarantee of diplomatic solidarity with the West.[1] These funds allowed Doe to buy domestic support and protection without building strong, durable, and adaptable state institutions to promote Liberia's long-term stability and centralised state authority.

Toward the end of the 1980s, as the Cold War came to a close, the US reduced aid to Liberia. Doe found it difficult to support his large patronage networks that he had accumulated during the previous decade and lacking other large sources of revenue he pared down the state. He jettisoned bureaucrats and discontinued payment and bribery to others. This left Doe with few allies. At the same time, the industrial, service, and agricultural sectors of the formal economy were moribund. Angry Liberians, seeking retribution for the corruption of the regime and its failure to provide ample goods and services, along with former associates of Doe's whom the cutbacks affected, took up arms against the state in an attempt to gain or increase access to the informal economic networks through which much of the country's commerce was beginning to move. At this level, Liberia's war was based upon significant grievances, although as we will see the structure of Doe's patronage-based political economy elevated other interests.

Chief among the groups seeking access to Liberia's informal economic networks was Charles Taylor's National Patriotic Front of Liberia (NPFL). Taylor's motives for warfare were a combination of greed and grievance: Taylor pursued power both for its economic privileges, but also to oust Doe, against whom Taylor carried significant grievance. Taylor had previously worked in the Doe regime as head of General Services, Liberia's main procurement agency. They fell out when Doe alleged that Taylor had embezzled US$900,000 from the General Services agency, leading Taylor to flee to America, where he was eventually imprisoned for fifteen months (Daniels, 2003:25). Taylor escaped from prison, and returned to West Africa by way of Libya to start a war against Doe.

Doe's neo-patrimonial strategy faced a crisis when the United States withdrew its support: he could no longer rely on the efficacy of formal state institutions or of informal patronage networks for political support. Moreover, Doe had not developed an informal clandestine economy as a means to rule to the same extent that Taylor later would do. With neither an effective means of coercion nor an effective patronage network, insurgent factions, with his former associates as leaders, vied with each other to oust Doe. Taylor's NPFL emerged as the strongest faction, controlling most of the country except Monrovia. On 9 September 1990, Prince Johnson, a former associate of Taylor's NPFL who led the Independent Patriotic Front of Liberia (INPFL), apprehended and tortured Doe before killing him.

Yet, a West African intervention force, the Economic Monitoring Group (ECOMOG) stymied Taylor and the other warlord-led factions from gaining the Executive Mansion in Monrovia. The rebel groups retreated to the countryside, where they staged continuous attacks on Monrovia. The numerous warlord factions fought for control of strategic portions of the countryside while the interim government and the ECOMOG forces struggled to shore up order in Monrovia. Indeed, the fragile institutions that had weakened under Doe completely collapsed in his absence. This destroyed the stability which most legitimate investors sought. Most of the industries that had operated in pre-war Liberia, including the US Firestone plant, fled amid the chaos of the war.

## The Role of Foreign Firms

Not all investors shunned Liberia. As Reno (1998) has shown, Liberia attracted shady firms whose interests involved the extraction of primary commodities and/or wartime economy of weapons trade. This international dimension exacerbated and prolonged the Liberian civil war by adding significant sources of capital and weapons for non-state rebel movements and state actors. In spite of the harmful consequences of this international trade, prevailing Western consensus generally encouraged these commercial activities. The regulation of international trade, especially in natural resources, would have violated neo-liberal principles of free trade and competition. As I show below, private investment had pernicious effects in Liberia, and proved a decisive factor in perpetuating state weakness and political instability.

In most instances, foreign firms seeking operating concessions have had to collaborate with rulers to gain them. Foreign firms have provided rulers with capital, private protection and, to varying degrees, international legitimacy. This is possible because Western policy-makers have not discriminated in their support of foreign investment. The World Bank, for example, dubbed two of the most prominent architects of the conflict timber trade, the Malaysian Samling company and the Rimbunan Hijau company models of concession programmes and funded their exploits in timber-rich countries (Global Witness, 2002:12). These companies are known for illegal logging, dealing with insurgents and engaging in human rights abuses while western policymakers encourage weak state rulers to liberalise foreign investment and trade.

These circumstances create a coincidence of interests. Rulers of already weak states fear that stronger institutions will acquire their own interests if given ample opportunity. As such, strengthening institutions poses a threat to informal sources of patronage which are deeply rooted in official corruption and clandestine economies. Consequently, many weak state rulers, following the neo-liberal prescription of IFIs, reduce spending on the civil service and dramatically cut or discontinue salary payments. Under the western model, private firms would provide services previously administered by the bureaucracy with greater efficiency and less state intervention. IFI policymakers miscalculated, however. They presumed, it seems, that the African political elite would wish to use western methods of consolidating power-building strong state institutions, providing necessary state services, and seeking popular legitimacy – rather than allowing institutional collapse and ruling by other means: through militarised control over commerce and primary resources. World Bank and IMF policy failed to take into consideration the notion that without sufficient incentive to reform political and economic institutions, some corrupt rulers might willingly allow their states to crumble precisely because these rulers could prosper politically *and* economically in the shadows of state sovereignty (Reno, 1995).

The synergy between foreign firms and domestic elites has been instrumental in creating state failure. Foreign firms could not successfully export minerals, oil, or other resources without first being granted operating concessions by the sovereign incumbent regime or the rebel groups that control countries' peripheral areas. In efforts to ingratiate themselves with patronage-based incumbent regimes, firms shape their behaviour to accommodate political leaders. In most instances, weak state rulers have lost domestic support and legitimacy because of their misuse of public office for private gain and because of their unwillingness to provide public infrastructure, goods, and services. To stifle political competition and dissent, then, these rulers turn to compliant foreign entrepreneurs who seek operating concessions from the regime and who are typically willing to perform political, economic, and military favours to gain them.

Unfortunately, the types of foreign firms and businessmen who collaborate with weak state rulers often do not possess the integrity assumed by Western policymakers. A Dutch gang operating in Liberia, for example, trafficked drugs to Europe and America under the guise of legitimate business while under the personal protection of President Taylor (Kamara, 1999). The end of the Cold War created a new international class of investors, often criminal, who possess large quantities of a hot commodity in weak states: small arms. The collapse of the former-Eastern bloc generated a great surplus of weapons, which entrepreneurs converted into quick capital, selling them cheaply and discreetly on the international market. Many countries participate in the illicit arms trade. Investigations implicate Bulgaria, Romania, Moldova, and Slovakia, the Central Asian countries of Kazakhstan and Kyrgyzstan, and individuals from Yugoslavia, Ukraine, and

Russia as central to such practices (Global Witness, 2003:20). In the Liberian case, large shipments of small arms from Eastern Europe are reported to have arrived 2-3 times a month. These weapons shipments are reported to have been payments for timber concessions which had been granted by President Taylor to foreign investors (Global Witness, 2003:17-18). These transactions exacerbate already simmering conflicts. Foreign firms operating in weak states can act as conduits between rulers and weapons runners, transporting weapons to various locations at the demand of rulers. As a result, weak state leaders can manipulate and destabilise areas outside of their immediate control through the reach of foreign firms, as Charles Taylor did through much of West Africa.

## Social Dislocation from the State

Weak state rulers who inherit feeble institutional structures wish to find a way to remain in office without having to address the burdensome task of state building. Since aid from IFIs has become heavily conditional, and since Cold War aid from superpowers has largely dried up, rulers have turned to foreign firms to supply the money and security to provide sufficient patronage and to field militias in order to prevent associates and rivals from making their own bids for power. This circumvents institution building. Corrupt rulers found that they could also profit personally from these arrangements. In fact, granting operating concessions to foreign firms in exchange for capital and military protection has largely severed weak state rulers' obligations to their states. In essence, as Mustapha (2002) has lamented, such countries quickly became 'states without people'. When state rulers depended on sources other than their citizens for revenues and security, rulers had less incentive to provide citizens with goods and services that would enhance their productivity. Citizens were thus left subject to the interests of predatory networks of powerful individuals and their business partners. These citizens did not enjoy privileges that would typically accompany citizenship, such as basic personal rights or a secure public order. The informal and often clandestine elite economic transactions crowded out the formal economy, including much of the agricultural and industrial sectors, leaving citizens with few avenues through which to pursue political or economic objectives. This has produced social dislocation and grievance. Since economic opportunities tend to be embedded in these informal networks, citizens must seek accommodations with them to survive. That is a strategy to which vigorous young men, who can be turned into foot soldiers, are best suited (Murphy, 2003).

This structural aspect of patronage-based weak states turns the grievances and desperation of citizens into a resource for those who challenge the incumbent ruler. Rebel movements emerge out of this new social group, formed along with or headed by former regime insiders who now operate in areas not controlled by formal state power. Rebels attempt to secure territory with abundant primary commodities that some foreign firms trade for capital and weapons reconstitutes the relationships which rulers like Doe had used to maintain his authority. Where Doe relied on internal clientelism from domestic elites, Taylor depended almost solely on foreign associates, thereby removing most ordinary Liberians from the economy and relegating them to continual poverty and violent competition for scarce resources. *The Perspective* news magazine summed up the wider reach of this political economy particularly well: 'The empowerment of international criminals in reducing weak states to rubble for wealth is one of the effects of 'globalisation' that most may have overlooked. The 'Evil Empire (Soviet Russia) may have withered. But West Africa is now battling with its abandoned children – ex-KGB officers, arms dealers prepared to do anything for money, condemning weak countries to perpetual conflicts' (UN New Task, 2001).

## The Salience of Liberian Timber

The Liberian case reveals how the country's timber industry fostered and perpetuated state decay. It ensured that the state was unable to defeat rebel insurgencies and it prolonged the civil war. Timber itself is especially important and deserves consideration for several reasons. It became the largest sector of Liberia's considerable export economy during the Charles Taylor regime and evidence suggests that timber firms were crucial sources of income to sustain Taylor's predatory regime. The industry played a key role in supporting him while he was a rebel leader. Analysis of this industry also shows how private interests allowed Taylor to neglect public institutions. Foreign investment, long considered by liberals a valuable asset to developing countries here served to hinder political, social, and economic development. As the political economy of timber shows, the 'quality' of the investment, not its quantity, is more indicative of how successful it might be for a country's development prospects and stability.

Timber gave Liberian rulers extraordinary leverage in commercial and political operations becoming the main source of money and power for Charles Taylor's warlord control of the Liberian periphery – Taylorland – after the beginning of the war in late-1989. First, compared with most forms of resource extraction, logging is relatively easy. It requires little investment for considerable returns. A few soldiers with chainsaws and trucks can generate hundreds of thousands of dollars in a relatively short time (Global Witness, 2002:8). Second, timber's saleability on the international market boomed. Third, enterprising investors and corrupt politicians were able to use timber as an ostensibly legitimate business endeavour to enhance their own political and economic status and to mask criminal activity undertaken in Liberia. Roads into Sierra Leone, for example, purportedly built for 'development' purposes, were instead used expressly as logging roads, and by the Oriental Timber Company (OTC) to move weapons into Sierra Leone for use by the Revolutionary United Front rebels. Airplanes also reportedly delivered arms covertly via a heavily guarded OTC airstrip (Global Witness, 2002:7-11).

This raises a question as to why the United Nations failed to sanction Liberian timber for three years after it sanctioned diamonds, which Taylor used similarly to maintain influence and fight wars in Liberia and Sierra Leone? First, timber's seemingly innocuous essence allowed it to fall under the radar of many analysts. Logging is not considered a clandestine industry and is less associated with criminal activity than more exotic fare like diamonds, drugs, and guns. Second, France and China, two members of the United Nations Security Council, depended on Liberian timber imports after supply from other West African countries had diminished. French and Chinese diplomats had to weigh the consequences of sanctions on what they regarded as a legitimate operator in their domestic economies. However, after being placed under public scrutiny by human rights organisations, France and China reluctantly agreed to sanction Liberian timber exports in July 2003. This timing nearly coincided, not surprisingly, with Taylor's exile to Nigeria after his regime came under increasing attack by the Liberian's United for Reconciliation and Democracy (LURD) rebel group. Taylor could not successfully fight the rebels as timber profits fell and concern among foreign timber firms that UN sanctions were imminent threatened his primary source of revenue.

Prior to this move for timber sanctions, foreign timber firms' private militias, with standing armies of as many as 2,500 troops (Global Witness, 2001:21) had harassed, extorted, raped, and forced labour on ordinary Liberians. OTC built and maintained a military training facility behind its primary offices, where an elite force known as the 'Bush Marines' trained. Reports surfaced of gross human rights abuses against Liberians by foreign OTC employees, including public floggings and rapes of women and young girls. Other transgressions, such as separating Liberian workers from their families, destruction of private property, and widespread intimidation produced a climate of fear and paranoia in villages near logging sites (Global Witness, 2003:9-10). Indeed, timber firms provided the strength to protect Taylor from dissidents, to limit citizens' access to scarce resources, and to protect timber and mineral reserves from unruly bands of Liberian strongmen, rebel groups, and angry citizens. They replaced absent military elements which the Taylor regime had jettisoned, further undermining what remained of corroding state institutions and enabling Taylor to field a more predatory armed force without concern for threats from angry Liberians.

Finally, foreign timber firms allowed Charles Taylor to use the Liberian state as a personal cash register rather than to govern in the interest of the collective. In turn, state institutions, and the collective goods and services which they should have provided, eroded or ceased to exist, leaving instead a cast of private actors violently competing for access to Liberia's resources. Citizens were deprived of basic political and economic rights.

## The Political Economy of Liberian Timber

Presiding over a compliant parliament, President Taylor forced the Strategic Commodities Act through the Liberian Congress in late 1999. It granted him 'the sole power to execute, negotiate, and conclude all commercial contracts or agreements with any foreign or domestic investor for the exploitation of the strategic commodities of the Republic of Liberia' (Global Witness, 2001:7). This policy illustrated the weakness and lack of autonomy of Liberian state institutions. No viable option existed for parliamentary members but to pass Taylor's initiative, or else fear for their personal safety. It was well known that even small-scale political opposition to Taylor would be met with harsh measures.[2] The Strategic Commodities Act further limited the ability of non-state actors and civil society groups to incorporate themselves into the formal export economy – the only viable sector of the domestic economy – without the consent of and subservience to the Taylor regime. This initiative came mostly as a formality, since most ordinary Liberians had never held any meaningful economic clout. Taylor had controlled the extraction, distribution, and export of much of the country's resources for the past decade.

In an effort to mask the importance of timber to his regime and to thus thwart UN sanctions on timber, Taylor's regime became elusive and equivocal in its financial reports. NGO reports estimate that Liberia's timber industry was worth at least US$187 million in 2000, whereas Liberian government reported revenues of US$6.6 or US$6.7 million (Global Witness, 2001). Despite Liberia's formal GDP being significantly less than South Africa's or Nigeria's, Liberian investments in Swiss bank accounts were more than those from its wealthier African counterparts (Global Witness, 2003:17).

Although the international community was reluctant to accept Taylor as Liberia's sovereign president some of its members did still clamour to import illicit Liberian timber. Even as businessmen described the Liberian timber trade as 'organised gangsterism' (*The Independent*, 22 November, 1992) diminished timber supply from Ghana and Ivory Coast increased the value of Liberian logs. This was especially the case for European and Asian markets which had historically imported large amounts of West African timber. Importers from China and France provided strategically important sources of income for Taylor. China imported roughly 46% of Liberia's exported timber in 2000, and France imported 18% (*Africa Research Bulletin*, 2001). Despite criticism from human rights organisations both countries opposed sanctions on Liberian timber until early 2003. France and China suggested that sanctions would worsen the human cost on the lives of Liberians because of increased unemployment.

These concerns were unfounded. Foreign timber firms typically employed few Liberians. Those which did employ Liberians often 'hire' them by not allowing them to cultivate their privately owned land near the logging sites, forcing them into unskilled positions under unsatisfactory working conditions. The majority of the timber firms' employees, however, are not Liberian. Aggregately, timber firms have employed only about 3,700 Liberians, or 68% of their overall employee-base (Global Witness, 2001:3-4). Skilled positions tended to be awarded to outsiders. The Malaysia-based Oriental Timber Corporation, for example, hired 600 Malaysians who were brought to Liberia to fill the skilled positions. OTC executives boasted, too, about bringing Asian prostitutes to Liberia for OTC use. OTC reportedly 'changed' prostitutes every two months (Global News Wire, 2000).

## The Withering Away of the State?

Table 1 illustrates the dramatic decline of economic support for state institutions and services by the Taylor regime. Instead of contracting foreign firms to perform the services no longer funded by the state, Taylor used timber contracts largely for personal enrichment and allowed the state apparatus to collapse. Toward the end of Doe's reign, in 1988, Liberia spent $475.5 million on services (electricity and water, construction, trade and hotels, transportation and communication, financial institutions, government services, and others). In 1997, the year Taylor formally became president, spending on services dipped to $44.6 million, or about 9% of the amount spent toward the end of Doe's tenure. By 1999, spending on services had increased to $82.6 million, but that was still just 17% of spending in 1988. In 1999 spending on transportation and communication services, an area in which Liberia was already severely underdeveloped, was scaled back to just 16% of what it had been in 1988. Spending on electricity and water was less than 20% of what it had

**Table 1: State Expenditure on Public Services***

| | 1988 | 1997 | 1998 | 1999 |
|---|---|---|---|---|
| Services (Total) | 475.5 | 44.6 (9.4%) | 58.5 (12.3%) | 82.6 (17.4%) |
| Electricity & Water | 12.4 | 1.2 (9.7%) | 1.5 (12.1%) | 2.3 (18.5%) |
| Construction | 45.4 | 4.3 (9.5%) | 5.6 (12.3%) | 6.9 (15.2%) |
| Trade & Hotels | 89.4 | 8.6 (9.6%) | 11.0 (12.3%) | 17.0 (19%) |
| Transport & Com. | 136.9 | 12.8 (9.3%) | 16.8 (12.3%) | 21.8 (15.9%) |
| Financial Institutions | 88.8 | 8.3 (9.3%) | 10.9 (12.3%) | 13.3 (15.0%) |
| Government Services | 50.4 | 4.7 (9.3%) | 6.2 (12.3%) | 11.2 (22.2%) |
| Other Services | 51.9 | 4.9 (9.4%) | 6.4 (12.3%) | 10.3 (19.8%) |

Source: IMF (2003), 'Liberia: Selected Issues and Statistical Appendix'. *First figure is in millions of US dollars. Figure in parentheses is the percentage of the 1988 expenditure.

been in 1988, and spending on government services was less 25% of the 1988 amount.

One exasperated bureaucrat noted a link between the decay of the Liberian state and Charles Taylor's private timber boom: 'We don't see any benefits these logs are bringing. With all the logs that are being exported every day, civil servants have not been paid for seven months' (Uncontrolled Logging, 2001). In contrast to Western expectations, the increasing flow of foreign capital into Liberia has not improved the standard of living. While Charles Taylor's personal wealth has been estimated at US$4.8 billion (Taylor's Acquired Wealth, 2001) and timber profits grossed at least US$187 million per year (Global Witness Director, 2001), public utilities such running water and a dependable telephone system remain absent throughout most of Liberia (Farah, 2001). One diplomat noted, 'Ports in Buchanan are near closure, railway lines are overrun with grass, giant cranes are frozen in time, and factories are rotting away' (International Crisis Group, 2002:6; see also, Beaumont, 2001:7). The human toll was remarkable: at least 40,000 Liberians (out of approximately 3 million) were estimated to have starved to death between 1990 and 1992 (*The Independent,* 22 November, 1992). The average Liberian makes US$188 per year (US State Dept., 2003) and unemployment rates have remained high, ranging from 75-80 per cent 1992-2002, perhaps as many as 80 per cent on less than US$1 a day and Liberian literacy rates remain among the lowest in the world, at around 38 per cent. In 2001, there were only twenty-four physicians in Liberia (*The Perspective*, 2001).

Liberia continues to have a high dependence upon its export economy of primary commodities. Political and economic control over society is exercised though control of the informal, and often clandestine, economic markets for export of Liberia's primary commodities. He who controls trade controls politics.

## Taylor's Private Network: Informal, Clandestine & Criminal?

Reno's theory of the shadow state (1995; 1998) argues that corrupt post-Cold War rulers have transformed their political networks from large domestic patronage machines often run through state institutions to smaller ones composed of shadowy foreign firms, mercenaries, child soldiers, and a few loyal local strongmen. This allows rulers to remain in power and personally profit without the constraints posed by strong legal-rational bureaucratic institutions and strong civil societies.

This is what occurred in Liberia. The timber-industry businessmen and associates with whom Taylor surrounded himself were not those enterprising, legitimate investors whom the West envisaged as integral to economic recovery. On the contrary. The interplay among unsavoury foreign firms, unscrupulous investors, enterprising local strongmen, and Taylor-cronies resembled a mafia whose economic predation and violent tactics allowed Taylor to remain president of Liberia with hardly any centralised state military or police – without the Weberian requisite of a legitimate monopoly of violence within a given territory. These 'new' Liberian investors included, among others, gunrunners, commanders of corporate paramilitaries, and drug traffickers. The reason for the criminal element in Taylor's foreign economic network was simple: given the violence and disorder associated with his manner of rule, it would have been difficult for large, reputable corporations to engage in large-scale enterprise with Taylor. Shareholders, security commissions, and insurance underwriters would all have been uncomfortable attaching their fortunes and reputations to a former warlord. Taylor therefore tended to trade with small, criminal firms, many of which had ulterior motives, namely supplying weapons to various factions of the Liberian and Sierra Leonean wars. Chairmen of such firms were not risk averse when they believed they would benefit from the opportunities that Taylor and his vast reserves of primary commodities offered.

Indeed, Charles Taylor dealt with a qualitatively different *type* of foreign investor from those sought by Western policymakers. The Oriental Timber Corporation, and its main executive, Gus van Kouwenhoven, is a useful illustration of the new type of investor in 'weak states'. OTC, a Malaysian business entity referred to locally as 'Old Taylor's Children', operated on the largest scale of any timber firm in Liberia. Van Kouwenhoven, owned the Monrovia's Hotel Africa. He was a longtime crony of Taylor's and of Doe's before him and was allegedly involved in a host of illicit gambling and gunrunning activities. Van Kouwenhoven's OTC was the most predatory transnational timber corporation in Liberia. It officially logged about 40 per cent of all acreage recorded by foreign timber firms in 1999 and housed a private militia of over 2,500 troops (Global Witness, 2001:21). One observer noted:

> *Look, it's an open secret: Gus fronted Taylor up $5m for his logging concessions. They split the profits. Gus's ships take out the logs and they bring in the guns. It was the same deal with the diamonds* (Beaumont, 2001:7).

Evidence has also implicated OTC as one of the primary actors in the arming of the RUF insurgents in Sierra Leone. Logging highways into Sierra Leone paid for with OTC funds, for instance, were widely used for weapons transfer, as was a private OTC airstrip used covertly to move weapons (Teahjay; http://www.copla.org/teahjaypart1.htm)

Van Kouwenhoven has a checkered past. Known popularly as 'The Godfather of Liberia', he armed Charles Taylor's rebels during the Liberian civil war with funds obtained from timber concessions granted by the Doe regime. It is also widely known that he helped to rig the 1997 election in Taylor's favour.

Former Exotic Tropical Timber Enterprise (ETTE) owner Leonid Minin, reputedly the former head of the Ukrainian mafia, provides another classic case of the 'new investor' who operates in weak states in conjunction with corrupt rulers. Minin, an Israeli arms dealer based in Ukraine, owned ETTE from 1993 to 1999. Minin's primary endeavours, however, were criminal and clandestine, obfuscated, in part, by the subterfuge provided by his position in 'legitimate' timber commerce. His international criminal record spanned many countries, and his history of involvement in criminal activities ranged from trafficking in stolen works of art to arms trafficking and money laundering. A United Nations Expert Panel reported that Minin 'uses several aliases … he has been refused entry into many countries, including (his native) Ukraine, and travels with many different passports.' Other British reports estimated Minin to operate under no less than thirty aliases, to be proficient in six languages, and to be earning between $250-$300 million per year. Minin's main function for the Taylor regime was moving weapons from the Ukraine to West Africa and into Sierra Leone in his private jet, which he eventually sold to Taylor for use as the Liberian presidential jet (Pratt, 2001).[3]

In addition to Minin and Van Kouwenhoven, several other foreign businessmen collaborated with Taylor to form the foundation of his corruption network. Talal El-Ndine, a Lebanese businessman, was at the fore. El-Ndine acted as 'paymaster' for Taylor in Sierra Leone, paying and supplying insurgents, and also paying those extracting diamonds from that country. Equally important, El-Ndine acted as a conduit between the Taylor regime and foreign firms. El-Ndine attracted foreign interest and investment through his numerous contacts. Another associate, Emmanuel Shaw, who was wanted on criminal drug trafficking charges in South Africa, also worked closely with Taylor and van Kouwenhoven (Pratt, 2001). Shaw managed the air transport of commodities and weapons. In fact, Shaw owns the airport hangars which Taylor's associates used to transport illicit goods by air. US court documents also note Shaw's hand in privatising the Liberian oil industry for personal gain shortly before being relieved of his position as Finance Minister (Hanley, 1997).

The politics of Liberian timber remained highly personalised. In this sense, Taylor fused patrimonialism with the new foreign networks he had built. Taylor appointed his brother, Robert, for example, as the head of the Forest Development Authority (FDA). Robert Taylor had final authority over decisions made regarding timber concessions – decisions made with close consultation, presumably of President Taylor. Corruption from Robert Taylor's FDA abounded. For example, the FDA did not hold OTC responsible for any of the taxes that it agreed to pay when it signed a contract with the Liberian government. Nor did the FDA hold OTC accountable for failing to keep its promise to hire at least 4,000 Liberians by 2000, or to log a limited number of acres (Global Witness, 2001:24). Moreover, President Taylor colluded to appoint his son, Charles 'Chuckie' Taylor, Jr., chairman of another foreign-owned firm, United Logging Company. Chuckie Taylor enjoyed unlimited operating capacity and an abundance of foreign capital in his business activities (Global Witness, 2001:13-18).

## Timber Cronyism, Private Militias & the Undermining of State Institutions

A general requisite for Taylor to grant operating concessions to foreign firms was their willingness and ability to provide him with a private militia. These militias enabled Taylor to maintain remarkable 'stability' by avoiding being ousted within a failed state. First, private militias allowed Taylor to ignore the erosion in the bureaucratic control and discipline of soldiers in the Liberian national armed forces. Until the LURD insurgency became a real threat such forces barely existed. Taylor used a combination of foreign militias provided by his business associates and young Liberian boys to fight dissidents.

Table 2 shows that Liberian military spending fell from 31.2% of the Liberian GDP in 1994 to 1.8% in 1997 – the year in which Taylor formally took power as president. This illustrates his ambition to cut state spending to the national armed forces in preference to have privatised forces work exclusively for him. Milton Teahjay, who fled the Taylor regime after serving as Deputy Minister of Information corroborated these allegations. 'Logging companies', he notes 'now constitute the most powerful and politically insulated layer of our national bureaucracy. Logging companies' private armed militias have now replaced our national police apparatus in rural Liberia' (http://www.copla.org/teahjay part1.htm).

**Table 2: Military Spending as a % share of GDP**

| 1990 | 1994 | 1999 |
|---|---|---|
| 7.4 | 31.2 | 1.8 |

Source: Data taken from SIPRI military expenditure database. Figures are in millions of $US

Oscar and Maurice Cooper (Inland Logging Company), Cocoo Dennis (Salami Molawi Incorporated Logging Company), Mohammed Solarne (Mohammed Group of Companies), and Hussein, Nasser, and Abbas Fawas (Maryland Wood Processing Industries) all head foreign timber companies whose standing militias were used by Taylor (Global Witness, 2001:8). These militias were recruited from the timber companies' home countries. Ex-RUF soldiers from the ranks of what is known to be among the more predatory armed groups in recent history, and Liberian youths, many of whom were under the influence of mind numbing drugs (Berkeley, 2001:23; No to Child Soldiers, 2003). Taylor ensured prime effort and performance from his militias by not paying soldiers formal wages. He instead allowed them to keep loot which they pillaged from villages. This use of disorder and insecurity as a means of control resulted in an especially predatory and coercive regime.

Taylor not only contributed to the destruction of state structures in Liberia, but, until his ousting, he threatened to exacerbate instability he had already fostered in Sierra Leone. During Taylor's insurrection in 1989, he sought the support of then Sierra Leonean President Joseph Momoh to oust Doe. But Momoh instead offered his support to the ECOMOG contingent of West African peacekeepers who occupied Monrovia and kept Taylor from assuming the Liberian presidency in 1990. Moreover, during the early stages of the Liberian war, Momoh allowed anti-Taylor forces to use Sierra Leone as a strategic base. After Doe was ousted, Taylor set out for revenge against Momoh and to extend his regional influence into diamond-laden Sierra Leone. Foday Sankoh, a former associate of Taylor's, led Taylor-supported RUF troops against the Momoh regime. The Sierra Leonean army, impatient with Momoh's corruption, staged a coup and removed him in 1992. The military installed Captain Valentine Strasser as president who promised to squash the RUF rebels (Reno, 2001:219-225).

Even after the Sierra Leonean military ousted Momoh in 1992, however, Taylor continued to support RUF forces. He knew that a sympathetic regime in Sierra Leone would ensure continued access to the country's considerable diamonds. Taylor provided the rebels with weapons obtained from Eastern European contacts in exchange for diamonds. Highways constructed for logging companies provided the infrastructure necessary to transport guns from Monrovia to Sierra Leone. Taylor also allowed RUF rebels to be trained in Liberia and he harboured RUF members who had fled capture in Sierra Leone. Instability and uncertainty remain a tension in Sierra Leone despite a tenuous peace agreement with the RUF in 2001. But with Taylor exiled in Nigeria and with UN sanctions against conflict timber and diamonds Sierra Leone stands its best chance in more than a decade for a lasting peace.

## Conclusion

This article has shown how Charles Taylor exploited timber concessions to foreign firms as a proxy for effective state institutions in Liberia. Instead of rebuilding the collapsed institutions he inherited, Taylor exploited trade in timber and other primary commodities. This strategy offered him enormous personal profit and sufficient security to remain in power. Taylor had an incentive to allow Liberia's formal economic and political structures to decay, thereby limiting political and economic opportunities for ordinary Liberians. Timber exploitation alone did not cause state failure. Rather, state failure occurred owing to a long history of patrimonialism, patronage, and misrule that began before the civil war crippled Liberian institutions. These institutions failed to function during and after the civil war, not least because of timber exploitation. This alone is neither surprising nor unusual for a country under such circumstances. What is new is the way in which weak state rulers of countries such as the Democratic Republic of Congo, Angola, and Sierra Leone have managed state decay in the aftermath of the Cold War. Rather than viewing strong state institutions as desirable political tools of domination, authority, and security that would enhance their power, rulers have instead found state institutions threatening to their personal agendas and have sought authority through privatised, informal foreign networks composed of violent entrepreneurs. To avoid needing to build these threatening formal institutions, rulers in Liberia and other failed states used timber and other natural resources to link themselves to foreign firms, thereby enabling themselves to undermine their countries' formal economies and state institutions in order to eliminate potential threats to their illegitimate rule.

The presence of natural resources has been shown in statistical studies to increase the duration of civil wars but not to cause them (Ross, 2004:5). This is because natural resources, coupled with an increasingly global trade and an emphasis on deregulation of commerce, provide a currency to acquire weapons and to enrich faction leaders. That is, natural resources such as timber often fuel civil war, as happened in Liberia, even if they are not the primary cause of most wars. But, as we have seen in the case of Liberia, this is contingent upon the presence of a particular kind of local political economy and structural changes in the world economy.

The importance of timber and other resources lies in their ability to offer incumbent rulers an alternative to building state structures. Exploitation of natural resources lures foreign firms that provide rulers with sufficient security to avoid being ousted while offering immense personal profits to these rulers. This has changed the dynamic of failed states' roles in internal wars. Undermining state institutions poses a risk, because rulers are vulnerable to civil insurgency due to the collapsed security apparatus. No longer are states Leviathans that can suppress civil dissent or easily defeat insurgents. Since states are weak and cannot squash threats, wars tend to become entrenched and difficult to resolve. But such arrangements can make rulers significant profits. It is a classic high risk, high gain investment scenario.

What, then, are the sources of conflict? In many weak states, ostensible neo-liberal reforms that appease Western prescriptions of downsized civil services, trade liberalisation, and privatisation of state industries in fact promote the decay of state institutions, weakening the state's ability to fend off dissident activity, thus increasing the likelihood of continuous conflict. Rather than these reforms producing the small, yet strong and capable legal-rational bureaucracies and efficient free markets envisioned by neo-liberals, bureaucracies and the administration of services that reforms are intended to provide are jettisoned as commercial opportunities become limited to those with the capability, or the weaponry, to secure their place within the economy. I demonstrated this trend in post-Cold War Liberia, where Charles Taylor slashed Samuel Doe's large public patronage network and replaced former state clients with foreign business-

**Table 3: Sectoral Origin of GDP at 1992 Constant Prices, 1988 & 1997-2001 (in millions of $US )**

| | 1988 | 1997 | 1998 | 1999 | 2000 | 2001 |
|---|---|---|---|---|---|---|
| Forestry | 60.4 | 37.6 | 63.9 | 76.1 | 129.8 | 130.7 |
| Timber (logs) | 36.8 | 4.9 | 15.5 | 23.8 | 66.3 | 66.7 |
| Wood | 23.7 | 32.7 | 48.4 | 52.3 | 63.6 | 64.0 |

Source: IMF estimates. See International Monetary Fund Statistical Appendix on Liberia.

men who profited from Liberia's rich timber resources in exchange for protecting by Taylor. The incorporation of private, non-state actors allowed Taylor to let public infrastructure decay, to manage potential political threats with the strength of firms' private militias, and to augment his pernicious influence in West African and, particularly, in Sierra Leonean affairs. This rendered commercial opportunities to only weak state rulers and gun-toting rebels, not ordinary citizens for whom such liberal reforms were supposed to engender greater political freedom and economic prosperity.

Western nations, donors, and organisations have miscalculated the consequences of privatisation on African nations with weak state institutions. Rather than seeking private foreign investment to serve collective interests, tyrants choose to solicit investment for personal enrichment in a perverted form of oligarchic capitalism. What, then, should be done? As Reno points out, if corrupt weak state rulers are removed, then elites from the bloodthirsty insurgent groups which oppose them are likely to assume power (2000:458). Or, as occurred in the cases of Sierra Leone and Liberia, the main insurgent groups assume shared power. Such contentious coalitions are dangerous and volatile in weakly institutionalised governments. LURD and the RUF, the strongest rebel factions in the second Liberian civil war and the Sierra Leonean civil war, respectively, lack a clear programme and display little respect for human rights. Incorporating such groups into government coalitions appears neither a viable nor a preferable option, yet useful to quell insurgency. On the other hand, allowing tyrants to remain in power and continuing to encourage private investment and international trade promotes the lamentable status quo.

As long as Western policymakers turn their heads from weak state rulers who operate under the auspices of free trade, state failure and continuous civil conflict will persist. The United Nations sanctions on Liberian timber should relieve much of the corruption and suffering that had become embedded in Taylor's regime. The sanctions stripped Taylor of much of his ability to rule without popular legitimacy, leading to his August 2003 ousting. But these sanctions, if left in place, could completely cripple the Liberian economy. They are only a temporary solution. Beyond economic recommendations, donor organisations and governments could demand political accountability beyond the mere holding of elections. Increased demands for political liberalisation and respect for civil rights, for the integration of multi-ethnic party coalitions, and for more foreign election observers might ensure greater political freedom and accountability of Liberian political elites. And foreign trade, of course, should be closely monitored to streamline the clandestine economy.

There might also be a more concerted external support for those who oppose failed state policies and propose acceptable alternatives found in principles of good governance, such as reciprocity, the observance of individual rights, and a universal rule of law. This 'enemy of my enemy is my friend' solution may not be applicable in all cases – and may undermine conventional sovereignty norms – but nonetheless deserves careful case-by-case consideration. Most importantly, it should be remembered that economic liberalisation is not a canon that leads to good governance; individual countries and their unique circumstances should be evaluated carefully before prescribing political and economic reform.

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## Endnotes

1. The Cold War Superpowers co-opted many African states as strategic clients. Among the most significant were Congo, Angola, Ethiopia, and Sudan, all of which suffered great turmoil. For a detailed analysis of the Cold War's effects on Africa, see Mark Huband, Rene Lemarchand and Michael G. Schatzberg.

2. Sam Dokie, Manna Zaykay, Nowai Flomo, Vice President Dogolea and Minister of Information Milton Teahjay all disappeared or were found dead shortly after criticising Taylor. For more, see letter from opposition party leaders Siapoe and Konah to party members illustrating human rights abuses perpetrated by the Taylor regime. Available online at http://www.copla.org/upplppstatement.htm. Another suspicious death was that of an American known as 'Bob Hoff', who set up a timber firm in Liberia named Interior Timber Incorporated. Hoff's timber concession included provisions for training camps for NPFL and RUF fighters. Hoff's relations with Taylor soured when Hoff excluded Taylor from a large transaction in Sinoe County. The NPFL ambushed and killed Hoff and everyone travelling with him. For more, see Global Witness, 'Murder and Intrigue in the Logging Industry', The Usual Suspects, pp. 21.

3. Evidence in Pratt, many news sources, and in the United Nations Panel of Exports Report appears to be legitimate. As the *Washington Post* reported, a source with direct knowledge of Taylor's dealings said: 'Taylor and his circle were deeply shaken by the report because someone high in his government obviously gave [the investigators] very good information. It is full of truth' (31 January 2001).

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# US Trade with Africa: African Growth & Opportunity?

*Carol B. Thompson*

**This paper analyses the 'USA Trade and Development Act' (aka African Growth and Opportunity Act-AGOA) in the context of the WTO promotion for free trade. First, it briefly reviews 'free trade' relations for the African continent. It then analyses the trade relations of the US with Africa, as well as the performance of the US in following its own doctrine of open markets. The core of the paper addresses the trade agreement itself, discussing the conditionalities for eligibility for African countries to enlist the agreement, as well as analysing the provisions for the trade; it gives empirical findings about the impact of the act in its first years.**

> *The rhetoric of global trade is filled with promise. We are told that free trade brings opportunity for all people, not just a fortunate few. We are told that it can provide a ladder to a better life, and deliverance from poverty … Sadly, the reality of the international trading system today does not match the rhetoric*[1] (Kofi Annan, 10 September 2003).

During 1999-2000 no African embassy in Washington, DC opposed the African Growth and Opportunity Act(AGOA) because at last, the United States government would reduce trade barriers – opening the door to the vast American economy. Four years later, African governments found the door opened to only six economies and only a crack. Provisions of AGOA also permit the door to be slammed shut at any time, making it impossible for African enterprises to plan. The first years of the new trade protocol show that it is serving well the interests of the US, especially when the World Trade Organisation (WTO) was again derailed in Cancun in September 2003. However, as recent trade data reveals, it is providing neither growth nor opportunity for African economies.

## Free Trade Theory vs. Reality

Almost from the beginning of the Uruguay Round in (1986-1994), data has shown that the African continent would benefit little, if any, from the World Trade Organisation. The prediction was stark:

> *according to OECD [Organisation for Economic Cooperation and Development] figures, there was only one loser in the Uruguay round, Africa … Africa can expect a* **contraction** *of US$2.6 billion per year* (van Staden, 1994:18).

Now the evaluation of the first years of the WTO is documented and the pessimistic prediction has become dire reality:

> *Africa's share in world exports fell from about 6 per cent in 1980 to 2.0 per cent in 2002, and its share of world imports from about 4.6 per cent in 1980 to 2.1 per cent in 2002 … More than*

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> *any other developing region, Africa's heavy dependence on primary commodities as a source of export earnings has meant that the continent remains vulnerable to the vagaries of the market and weather conditions. Price volatility arising mainly from supply shocks and the secular decline in real commodity prices and the attendant terms-of-trade losses have exacted heavy costs* (UNCTAD, 2003:ii).

The above explanation gives familiar, long-term causes, but as will be discussed below, remedies are still not forthcoming. The continent of Africa finished the 20th century with trade profiles not much different from when the continent entered the century: its exports (including South Africa) are non-processed minerals and agricultural products. Although the countries are now independent, their exports remain colonial products. As President Joaquim Chissano of Mozambique remarked:

> *globalisation is not new. Interdependence between North and South is like the interdependence between the cow and its owner. The owner needs the cow because of its milk. The cow needs the owner because he provides it with hay. But when the cow ceases to produce milk, the owner may well decide to slaughter it. The cow cannot do the same to the owner.*
>
> *… circumstances have confined us to act as producers of raw materials and unprocessed goods for export to the rich countries of the North …*
>
> *While we are pressed to open up our countries and streamline our methods of doing international business, so that the global economy may sink roots, invisible barriers are still making it difficult to for us to access resources and advanced technological know how. Our manufactured goods can hardly find a place in the rich markets of the North* (Chissano, 1998).

To give one example, mineral exports comprise two-thirds of total regional Southern African exports. When South Africa and other neighbours export manufactured goods, they are destined mainly for each other in the regional market. Zimbabwe has been the least dependent on primary commodities, which nevertheless account for almost 60 per cent of total exports. Other members of the Southern African Development Community (SADC) fair less well: Angola – oil (86% of total exports); Botswana – diamonds (88.2%); Namibia – uranium (24%) and diamonds (40%); Zambia – copper (84%).

The governments have not ignored advice to promote 'non-traditional' exports, increasing production of flowers and horticulture, for example, to export during Europe's winter. However, those policies quickly confronted the 'fallacy of composition', for as more countries exported flowers or game meat, the increased quantity available reduced prices. This fallacy, where simultaneous expansion of export volumes by several countries actually reduces export revenues, has also hit traditional commodities such as bananas, cocoa, coffee, cotton, tea and tobacco (Akiyama and Larson, 1994:93).

As the African continent has increased its exports, the industrialised countries importing these goods maintained or increased their trade barriers. World Bank economists estimate that if North America, Europe and Japan eliminated all barriers to imports from sub-Saharan Africa, the continent's exports would rise by 14 per cent, an annual increase in revenue of $2.5 billion (Ianchovichinaa and Mattooa, 2001; *The Economist*, 2001).

One example of increased barriers, allowed under the WTO, are more stringent phytosanitary standards. From the African perspective, those standards have become formidable non-tariff barriers (NTBs). The Dutch, for example, control the European Union (EU) market for flowers and have imposed high standards for producers to receive positive 'eco-labeling' on their flowers. Producers must follow detailed standards on crop protection agents, fertilisers, energy use, waste disposal, water use (i.e. collecting rain water, recirculation, drip irrigation). Inspection to pass the requirements may be by EU-based inspectors only, and 'qualifying' takes over one year of repeated inspections. Further, participants must keep records of all activities carried out on the farm, including non-floriculture areas of the farm. Handling of water must be done according to Dutch floriculture standards, even on areas of the farm where cattle are bred for a local market. It is perhaps not surprising that thousands of Dutch farmers qualify for the eco-labeling while only a handful of growers in Kenya, Tanzania and Zimbabwe do (personal interview, Heri, 1998).

Given minimal success at finding niche markets, the African continent, therefore, remains vulnerable to continuing deterioration in the terms of trade for primary commodities. As the countries increased the quantity of exports, the result of explicit government policies, prices for the exports did not compete with escalating prices of the imports. A scholar from Sweden, depicted the inequity well:

> *It is claimed that we in the rich world have no great demand for products from Africa. However, Africa's marginalisation within world trade owes more to the fact that we are paying only a pittance for its products, rather than a lack of need for them. Imagine that African farmers were paid for their real productive work in the same manner as a Swedish worker – the price of a kilo of coffee, for example, would increase to some US$200-300.*
>
> *If we compare the gross national products … fewer than 9 million Swedes produced commodities and services measured at a market value of 30-40 per cent higher than 500 million Africans. Either we in Sweden must have an enormous productive capacity or there is something wrong in this kind of calculation* (Narman, 1995:46-7).

The insistence to open all markets in Africa has been advanced by industrialised countries exactly while the terms of trade have been declining. Therefore, as exports increase, revenues actually diminish. An individual country has to export more and more to purchase the same import commodity. And this decline in the terms of trade is not only for primary commodities, but for manufactures – not only for Africa, but for all developing countries. The 1999 *Trade and Development Report* of UNCTAD gives the summary for two decades:

> *The growth of the purchasing power of exports [for developing countries] has* ***constantly*** *been below that of export volumes. Income losses were greater in the 1990s than in the 1980s not only because of larger terms-of-trade losses, but also because of the* ***increased of share of trade in GDP*** *… even those developing countries for which manufactures have been the main source of export earnings have faced terms-of-trade losses* (emphasis added) (UNCTAD, 1999:85-86).

As the major power behind the WTO, the US government negotiated the WTO treaty with the EU while the African continent looked on. The WTO is really a bilateral agreement between the US and the EU, with the rest of the world required to sign on. A major goal of this and the other trade instruments, such as AGOA, is to remove barriers to accumulation for global corporations. Disparate national laws relating to customs, codes for environmental and safety standards, licensing, and many other regulations created *national* markets; to increase profits, the corporations needed one global market. If national regulations could be removed, the corporations could more easily test and introduce their products across diverse tastes. Production could be for a single global market and therefore, render accumulation on a world scale.

Such an approach, whether in the free trade theories or in practice, does not raise the issue of equity. There is little or no discussion of who benefits most easily from reduced controls on the exchange of goods. Throughout the various discussions of the General Agreement on Trade and Tariffs-GATT (starting in with the Geneva Round in 1947 and ending with the Uruguay Round in 1993), there was acceptance of the principle that developing countries would receive differential and special treatment, to protect infant industries and to guarantee food security. By the time of signing in December 1993, the only major differential treatment accorded was a slower pace toward reduction of trade barriers. Although protecting food security is mentioned, developing countries are still forced to remove barriers to grain imports (e.g. maize in Southern Africa, rice in S.E. Asia).

If anything, WTO exceptions benefited the industrialised more than the developing countries. The 'blue box' (exemptions for production subsidies) and the 'green box' (exemptions for environmental concerns) were written by and for the industrialised countries.[2] There is no 'development box' in the WTO. As India has persistently pointed out, if reciprocity, let alone preferential treatment for the less-developed, were really on the agenda, then opening one's commodity and financial markets should be matched by opening up labour markets; if goods and capital can both pass freely across borders, why not workers?

## Trade Not Aid

In this free trade environment, the most important role of the state is to negotiate the competitiveness of its own corporate production, which is the overwhelming goal of the USA Trade and Development Act. For over five years, it was debated in Congress as the African Growth and Opportunity Act (AGOA) and suddenly, Caribbean Basin Initiative provisions were added to the bill. It was passed in the US Congress in less than 24 hours, abrogating the requirement that any bill must be presented 24 hours before it is discussed on the floor of Congress.

Since 1993, US aid to Africa has declined precipitously, for many reasons. One official reason often given is that Africa is not of strategic importance to the US, but that explanation is doubtful, given the intense support of the US for apartheid in South Africa until its end, historical support for Egypt, for Morocco, for Mobutu's Zaire (Congo), and more currently, American military bases in Djibouti. What appears to be more operative is that instability (war) does not seem to hinder profits from mineral extraction; wars in Angola, the Democratic Republic of the Congo (DRC), and Sierra Leone did not deter extraction of oil, diamonds, or other minerals (e.g. coltan, another name for columbite-tantalite, used for cell phones and laptop computers). Further, US military grants and aid far surpass any development aid on the African continent, and with the increased US training of African security forces, it will continue.[3]

The many other reasons for declining American aid to Africa range from general reduction in all non-military international programmes (e.g. the decade-long refusal to pay dues to the United Nations required by international law) to failure of US aid programs on the African continent. The US is the lowest aid giver of all the industrialised countries (including Italy, Spain, and Greece), not just to Africa, but to the world (0.11% of gross national income in 2001, down from 0.21% in 1990) (UNDP, 2003:228). Given this refusal to meet repeated commitments, by 1993, the US government changed its foreign policy to 'trade not aid', defending the change as transforming aid dependency into trade choices. This policy pursues the logic that trade promotes development, not aid, but does not explain how trade would promote development if 50-80 cents of every dollar earned was for debt repayment alone or if African countries had to export more and more to attain less. While rejecting any responsibility for development aid, the US has also minimised debt forgiveness, regardless if the debt were due to defence against apartheid incursions or drought.

Either trade or investment can be a leading sector to the other. One goal for AGOA is to encourage foreign direct investment (FDI), but in 2002 sub-Saharan Africa accounted for less than 1 per cent of US global FDI.[4] According to the United Nations *World Investment Report of 2003*, inflows of FDI to sub-Saharan Africa from all sources were $8.1 billion in 2002, a 41 per cent decline from 2001. This inflow to Africa represented only 1.2 per cent of global FDI inflows in 2002, a figure similar to Africa's global trade share. For the US, the oil-rich countries of Nigeria, Equatorial Guinea and Angola received 47.5 per cent of the total. South Africa is the leading US FDI recipient accounting for 38.3 per cent ($3.4 billion, 2002). Except for South Africa, almost all of the US FDI follows mineral exploitation.

In relation to the US, therefore, trade remains the only option for African industrial development. Consequently, there were high expectations for AGOA, for there was much room for increased trade. As the chart below shows, US imports from Africa are also dominated by oil and mineral imports (82.4 per cent of total imports from Africa). Textiles, the only sector that exports processed goods, not raw materials, accounted for less than 5 per cent of all imports from Africa.

The highly specialised trade is also restricted to very few countries. Imports from just five countries (Nigeria, South Africa, Angola, Gabon and Equatorial Guinea) comprise 86 per cent of total US imports from Africa. And all but South Africa are overwhelmingly oil imports. Africa buys less than one per cent of US exports, with five countries accounting for 70 per cent: South Africa, Nigeria, Angola, Ghana, Equatorial Guinea (US Dept. of Commerce, 2004:3). In this era of globalisation, therefore, few trading patterns have yet to change: the US is not a market for African goods; nor is Africa viewed as a market for the US.

With corporations accounting for 75 per cent of world trade, they are actively involved in formulating US trade policies. For example, global corporations were the major drafters of much of the WTO provisions (especially those relating to intellectual property rights, IPRs). Representatives of large corporations, such as Bristol Myers, DuPont, General Electric, General Motors, Hewlett Packard, IBM, Johnson and Johnson, Merck, Monsanto, Rockwell, and Time Warner lobbied strongly for trade-related intellectual property rights (TRIPs) during the WTO negotiations. Diplomats in Geneva conceded that the pharmaceutical industry actually drafted much of the text (Dawkins, 1999; Dutfield, 2003).

**US Imports from Sub-Saharan Africa, by Commodity Sectors, by Shares, 2001**

| | |
|---|---|
| Energy-related products | 67.8% |
| Minerals & Metals | 14.6% |
| Textiles & Apparel | 4.7% |
| Agricultural Products | 4.0% |
| Chemicals & Rleated Products | 3.1% |
| Special Provisions | 1.3% |
| Other | 4.5% |

Source: Compiled from official statistics, US Department of Commerce

Many US corporations also supported AGOA, and their goal is increasing imports of low cost primary commodities from Africa's wealth:

*significant portions of Africa's wealth and resources remain outside of many of the existing global commodity chains dominated by US based firms … In an era of stagnating profits … cost cutting via access and/or control of lower cost inputs remains a short term alternative strategy for sustaining profitability in this global environment* (Mealy, 1999:1).

Not only do the corporations desire low cost inputs, however, they also wanted a share of domestic African production. Therefore, a major tenet of AGOA is 'national treatment', where a country must treat foreign corporations equally with its own national corporations, not giving incentives to one without the other. For example, the government of Zimbabwe cannot give any special considerations to its local Seed Co., even though it has provided sufficient seeds for planting after severe droughts and has had several decades of success in developing local drought-resistant varieties of food crops, especially maize. Local small businesses, such as those interested in providing appropriate irrigation technology, cannot be given special interest rates on loans so they can serve the small-scale farmers. At the same time, global corporations, such as Monsanto or Pioneer Seed, can borrow money anywhere in the world, finding the lowest interest rates, and can offshore their profits to the Cayman Islands, or other tax havens, to avoid paying taxes either in Zimbabwe or the US.[5] National treatment, coupled with the privatisation of state industries advocated by structural adjustment programs (SAPs), also opens up ownership of local firms to foreign corporations.

The American International Group, for example, fully supported AGOA. With a subsidiary in Zimbabwe, it wanted a waiver of Zimbabwean law requiring insurance operators to enter into joint ventures with local firms. When no waiver was granted, it sent a letter to the US Senate Appropriations Committee:

*Attached for your review and consideration is draft language of the amendment we discussed … It would cap AID funding to Zimbabwe in FY 1997 at $10 million, roughly a 50 per cent cut from 1996 expenditures, unless Zimbabwe waives the localisation requirement for insurance companies* (Public Citizen, 1991).

Other corporations strongly lobbying for the act included oil companies, such as Chevron, Mobil and Occidental Petroleum, none of which has socially responsible records. Chevron security forces joined the Nigerian army in stopping demonstrators against environmental pollution by Chevron in Nigeria; two people were killed.[6] Mobil also worked closely with the notorious military regimes of Nigeria. In 1997, Occidental Petroleum successfully negotiated a waiver from the US Government to form a partnership with the Sudanese government, in spite of a US Government embargo because of violation of human rights by the Sudanese government.

Also supporting the act were corporations with questionable labour relations in their overseas factories. Caterpillar has been accused of violating US labour laws more than any manufacturer in US history. General Electric was the first company to be investigated under NAFTA (North American Free Trade Agreement) for labour violations. K-Mart has been fined for violating child labour laws. National Labor Committee documentation shows it pays below poverty level wages in Nicaragua, forces overtime, and conducts body searches of employees (Public Citizen, 1999).

The major goal of such global corporations is to remove barriers for accumulation by creating a global market. They expect the US government to negotiate that goal on a world scale (in the WTO) and also, within particular regions such as North America

(NAFTA, FTAA) or Africa (AGOA). Because the purchasing power of Africans is so low, the first impetus for the act could not have been to create a market for US goods, but rather, to further access to African resources, including cheap labour.

Excitement over the bill by various African governments was based on the expectation that the US would reciprocate and open selected markets for Americans to purchase African goods. This increased demand would stimulate African production. The most hopeful promise echoing in the halls of Congress during the five-year discussion was for entry of African textiles into the US market. The final act was more than a disappointment, perhaps a mockery. Only textiles made with American thread and yarn could enter the US duty/quota free if the African country is not 'less developed' (e.g. South Africa and Mauritius). Further, if Congress established that the new imports reduced employment in the US, then the act would be revoked (a major violation of the WTO which explicitly prohibits unemployment as an excuse for trade barriers). Finally, the provision for duty-free imports is to be reviewed every year, with the right of the US to revoke the law at any time (full provisions are discussed below). This annual review caused turmoil in the AGOA-country textile industry in mid-2004. During presidential and Congressional election campaigns, Africa was not a priority, causing a delay in the renewal of a 'special treatment' clause by the US Congress. Swaziland started firing textile workers, as its Taiwanese factory owners diverted orders to their factories in other countries; Kenya predicted textile doom if the extension were not passed by the September 2004 deadline (*The Star*, 2 April 2004; *The Nation*, 17 June 2004). Although the US Congress did pass the renewal of 'special treatment' in July 2004, AGOA still requires an annual review for approval of each country's overall eligibility, keeping African trade vulnerable to US politics.

What enterprising manufacturer would seriously invest in factories which might lose their major market in a few months? Even venture capital does not venture into such relations.

## Opposition

Many non-governmental organisations (NGOs) opposed the Africa bill from 1997, offering alternative approaches to a comprehensive trade bill for Africa. First, they pointed out, in contrast to extended Cotonou discussions with Africa by the EU, the US government failed to engage African governments in negotiations; this trade act is unilateral, not even bilateral. The NGOs called for a) respect for the sovereignty of African governments in implementing economic policies; b) economic relationships that are mutually beneficial, and c) linking debt relief to trade, because trade alone cannot end the marginalisation of Africa.

Stating that the 'one-size-fits-all' approach to liberalisation (SAPs) had proven highly deleterious, they asked for tangible trade benefits for the poorest African economies. Given that relatively better off economies could take advantage of open markets, the American NGOs wanted the bill to acknowledge the least developed, not simply countries like Mauritius which were already globally competitive.

Congressman Jesse Jackson Jr. from Illinois introduced an alternative bill in 1999. It called for substantial debt cancellations as a corollary to trade opportunities, for even if many of the economies earned more foreign exchange, they would be paying back 50-80 per cent of each dollar in debt servicing.

Acknowledging that trade is not the same as aid, Representative Jackson also called for American equity funds to be used for African health services, education facilities, transport – all fundamental services necessary to respond to opportunities for increased production. His bill stipulated that targeted funds go to small, women-owned businesses with 60 per cent African ownership. The US Congressional Black Caucus was split over the two bills, some saying that Jackson's would never receive the support of Congress. Some said the act which was eventually passed was a first step for America engaging Africa in trade; others replied that the step was backwards.

Although no African embassy in Washington spoke against the act,[7] civic organisations in Africa were highly critical. COSATU (Congress of South African Trade Unions), numerous other African national labour federations, the Africa Office of the International Confederation of Free Trade Unions (ICFTU AFRO), and the continent wide COASAD federation of development oriented NGOs all opposed the conditionalities.

## Conditionalities

Before a country can become a trading partner with the US under this act, it has to fulfil strong and specific criteria; only the President of the US may certify that those stipulations have been met. And what is not often pointed out is that these conditionalities refer only to Africa, not to the Caribbean countries, even though the trade opportunities apply to them equally with Africa. Requirements for African countries to become eligible for AGOA are summarised in Section 104 of the Act:

> *countries must have been 'determined to have established, or are making continual progress toward establishing the following':*

- Market economy, with guaranteed right of private property;
- Rule of law and political pluralism;
- No barriers to US trade and investment;
- 'National treatment' of foreign corporations;
- Intellectual property rights similar to stringent US laws;
- Poverty reduction policies;
- Increasing availability of health care and education;
- System to combat corruption and bribery;
- Respect for internationally recognised workers' rights;
- Respect for internationally recognised human rights;
- Elimination of certain child labor practices;
- Refrain from activities that undermine US national security.

Taken together, the requirements demand full liberalisation of an economy. A potential African trading partner has to pursue structural adjustment reforms, such as cutting government spending, removing price controls and subsidies, even if they were for selected key industries. Although profit margins in Africa are among the highest in the world, the trading partner has to lower corporate taxes. And industry must be privatised. In short, the US government is forcing open the door of African production for American corporations, many of which have assets several times the size of the GDP (gross domestic product) of an African economy. An elected African government cannot choose the form of economy it wants to pursue if it also desires to trade with the US under this act.[8]

Other conditionalities require respect for human rights, as defined by the US, and respect for workers' rights, including child labour. Given that the President will judge whether the rights are honoured and given the history of US financing governments with gross violations of human rights, implementation of these conditionalities will vary with how closely aligned a country is with the US (such as Uganda versus Zimbabwe). A report (2003) on the impact of the first years of the Act found sweatshop conditions in several AGOA countries, including gross violations of human rights of workers. Systematic repression of workers in factories set up to respond to AGOA trade opportunities violate the very pre-conditions which the US government says it requires for AGOA partners.[9]

As part of the conditionalities (Section 104(2)), the US requires that an African country wanting to trade should not undermine US national security or foreign policy interests. There is no mention that the US will reciprocate by supporting the African trading partner's national security. This provision hinders African states' sovereignty and denies their freedom of association and trade. It is especially problematic, given the intense pressure the Bush Administration put on Angola, Guinea and Cameroon in the United Nations Security Council (February 2003) to support the US invasion of Iraq, in violation of international law.

While the US abrogates aspects of the WTO, such as no reduced employment in the US as mentioned above, this act fast-tracks other parts of the WTO, namely intellectual property rights. At the end of 1999, the African countries in the Organisation of African Unity (OAU) asked that its unanimous resolution against patenting of any life forms be put on the agenda for the WTO Ministerial meeting in Seattle; the US refused. However, South countries have also refused to implement the TRIPs (Trade Related Intellectual Property Rights) provisions of the WTO by the designated deadline of 2000. They asked for time to find alternative protection instruments for their biodiversity; they refused the privileging of plant breeders' rights over farmers' or community rights, the latter two which the Convention on Biological Diversity (CBD) protects. With the WTO stalled in implementing its narrow approach to intellectual property protection, which privatises living micro-organisms, the US required enforcement for intellectual property rights (IPRs) as a condition for AGOA trade.

If in a scramble to enter a bit of the US market, sub-Saharan African countries accept Section 104(A) conditions, then the impact of strengthened IPRs will increase royalty payments required by the technology holders. Moreover, unless an effective system of compulsory licences is established on the African continent, the technology holders may simply refuse to transfer their technology and thereby block industrial initiatives by third parties. Reverse engineering, and other methods of imitative innovation that industrialised countries extensively used when their economies were not competitive, is made difficult under the TRIPs/WTO agreement; AGOA now makes it almost impossible. How then are developing countries to catch up? The stringent intellectual property rights (IPR) requirements seem to have little or no relation to AGOA trade. It appears this conditionality, therefore, is a means for the US to enforce its national IPR laws on African countries resisting TRIPs of the WTO.

## Trading Window

If an African country manages to meet the multiple conditionalities (or more likely, have some waived), what new open market is the US offering? Because African/ Caribbean textiles account for less than one per cent of US apparel imports, the new act calls for an increase to 1.5-3.5 per cent. This increase would be worth about $4.2 billion in trade but, for Africa, it will mainly benefit Mauritius and South Africa. For the least developed African economies (defined as annual per capita income as less than $1,500 in 1998), textiles can enter free. If the economy is above that line, then to enter free, the textiles must be made with American thread and yarn. If apparel is wholly assembled in Africa from fabric wholly formed in the region from regional yarn, it is subject to an increasing annual limit. Such detailed restrictions requiring the use of US thread or thread from AGOA eligible countries for duty-free entry abrogates the goal of open markets.

Even these highly restrictive options may not be operative, however. A Congressional Budget Office study (March 1999) suggested that in reality 90 per cent of African textiles would probably be declared 'import sensitive' and denied access to US markets.

Finally, by 2005, all quotas on textiles should be removed under WTO and, by 2009, all tariffs. If the US honours the WTO deadline, then any country will be able to compete for the US market. AGOA, therefore, sets up African economies to start new industries for trade with the US, when they will very likely lose out to competition by larger, more experienced producers within five years. It would be difficult to imagine an infant industry in an African country competing with the Indian or Chinese textile industries for a niche in the US market.

## Industrial Agriculture

During the more than 40 years of discussions for the GATT, finally culminating in the WTO, the US was largely responsible for the agricultural exemptions from liberalisation measures until the 1980s (Dorner, 1979). The US had a propensity to opt for exemptionalism over liberalisation in agricultural trade negotiations. Europe went along because after World War II it was not self-sufficient in food for decades. A major portion of the Uruguay Round was devising the Agreement on Agriculture, an accord to lower tariffs, subsidies and non-tariff barriers on agricultural commodities. Dumping was to cease. Yet agriculture remains a major export sector for the US, second only to armaments. The two together are the sectors which register a positive trade balance, always a dire need given the chronic US balance of payments deficits for over two decades. Agriculture is not just about US food security but about domestic economic security. More than 1 in 3 acres of US crops is exported in bulk or in value-added form. The US Department of Agriculture reported in 1993:

> *Because the domestic market absorbs a smaller and smaller share of production, US agriculture must compete more and more effectively with other countries for a share of the world market – or else accept a reduction of productive capacity* (Watkins, 1999:36).

Further, the power of the US is related to its dominance in the world grain markets, for food exports whether by loans, grants or in trade are regularly used to promote US national security interests. During the 1970s, Secretary of Agriculture, Earl Butz, advocated the use of 'food as a weapon' against the USSR during its years of failed harvests. In the late 1990s, the US delayed food deliveries to starving North Koreans until the government complied with demands about opening its economy.

On the African continent, the US has dumped large quantities of food, mainly grain, often disguised as food aid. In the 1980s, during the height of the Renamo onslaught in Mozambique, the US government provided the overwhelming majority of food aid to Mozambique (at the same time, it did not discourage private religious and right-wing foundations from funding and arming Renamo). The Government of Zimbabwe, always faced with importing wheat, now offered to ship its surplus white maize to neighbouring Mozambique in payment for wheat purchased from the US. This triangular trade/aid deal would provide Mozambique with preferred white, not yellow, maize and would greatly reduce transport costs. The US Department of Agriculture rejected the triangular exchange, with the explanation that they were trying to create a taste for yellow maize among Mozambicans, to create a market for the US (Thompson, 1991).

During the 1991-92 drought in Southern Africa, Zambian farmers were able to produce some wheat because of irrigation schemes. Because Zambia had opened up its agricultural markets under a structural adjustment programme, the US could dump wheat in landlocked Zambia at a selling price cheaper than the Zambian farmers' break-even price. Zambian wheat, which should have elicited premium prices because of the drought, could not be sold. The US price had little or nothing to do with 'cost effective, competitive production', but rather reflected the high rate of subsidy (Thompson, 1993).

In 1997, Ugandan Vice President, Specioza Kazibwe, noted that after her country started trying to market significant maize surpluses in neighbouring Kenya,

> *tonnes and tonnes of yellow maize, very cheap, were dumped into Kenya by the United States … Where is the equity in this issue of global liberalisation?* (Harsch, 1997:10).

Because many other examples could be cited, it is not surprising that the performance of the US in implementing the WTO requirements for reducing subsidies and opening agricultural markets is abysmal. As Kevin Watkins stated:

> *In the real world, agricultural production and trade are determined not so much by comparative advantage as by comparative access to subsidies* (Watkins, 1999:33).

In 1989 before the WTO, the US rate of farm subsidies stood at 25 per cent; in 1999, it was 24 per cent.[10] The US government points out that during the same period, EU supports were 44 per cent of gross farm receipts in 1989 and 49 per cent in 1999. Canada, a highly competitive grain exporter, however, moved from 34 per cent in 1989 to only 20 per cent in 1999 (OECD, 2000).

The first five years of the WTO was so disappointing that President William Clinton admitted just before leaving office (December, 2000):

> *If the wealthiest countries ended our agricultural subsidies, levelling the playing field for the world's farmers, that alone would increase the income of developing countries by $20 billion a year.*

During the Clinton years (1995-2001), however, the US spent an average of $14 billion per year on farm support, much above the average under the first President George Bush (*Guardian Weekly*, 2001).

In 2002, members of Congress from farm states proposed one of the largest subsidies ever. That most of these proponents profit personally from the subsidies was duly reported in the American press, but the elected officials are exempted from conflict of interest accusations by the ruling that subsidies affect an entire class, not just them personally. The 2002 plan offered subsidies of $15-17 billion per year over five years and guaranteed 80 per cent of qualified farmers' income, no matter what they grow and offers further incentives for conservation (*New York Times*, 2001). Further, this income support scheme violates the WTO, thereby exposing US Congressional duplicity in demanding 'free market' agriculture from African countries, and across the globe, while maintaining protection for the American agricultural industry. 'Trade not aid' is a hollow slogan if subsidies prohibit either free or fair trade.

By 2003, rich countries were spending some $300 billion a year on farm subsidies, about six times more than on development aid. The World Bank estimates that abolishing these subsidies would give a 17 per cent rise in global agriculture production, adding $60 billion a year, or six per cent, to the rural incomes of low and middle-income states (Cobb, 2003). Instead of eradicating this 'double standard' of requiring open markets of African economies, while subsidising American farmers, AGOA legalises this practice. Section 409(b) outlines US agricultural trade objectives by giving 'highest priority' to other countries' 'expeditious elimination of all export subsidies worldwide' while 'preserving United States market development and export credit programs' (both of which are forms of subsidies). This section also affirms WTO Sanitary and Phytosanitary measures while at the same time saying that labeling cannot be used as a disguised trade barrier. It also requires that other countries eliminate 'price-depressing surpluses' (i.e. strategic grain reserves), with no provision for reciprocity by the US, even with its vast quantities of grain surpluses in most years.

## Impact of the First Years of AGOA

At the end of 2002, President George W. Bush declared that 38 sub-Saharan African countries had gained eligibility for trade preferences under the Act, which went into effect in October 2000. According to the US government, AGOA is conducive to promoting economic relationships between African countries and the US that are based on 'shared values' and equal responsibilities.[11]

In contrast to the glowing official US government interpretations, empirical findings demonstrate the positive impacts of AGOA as narrow (6 countries), ephemeral (until 2005), and an impetus for increased inequalities on the continent. Of the 37 eligible countries, only six countries have significantly increased exports, mainly in the textile and apparel sectors: Kenya, Lesotho, Malagasy Republic, Mauritius, Swaziland, and South Africa. As the Table 2 shows, only in Kenya and South Africa did exports substantially rise in other sectors, primarily in agricultural products: Kenya by 235 per cent and South Africa by 173.9 per cent.

Because trade benefited mainly the textile and apparel industries, some will applaud this result noting that the textile industry has historically been the impetus for further economic growth. As stated above, however, the Multi-Fiber Agreement (MFA) will expire on 1 January 2005, according to WTO rules; this expiration will

**Changes in US Imports from Top AGOA Exporters, 1997-2001 (000s of $US )**

| | Kenya | Lesotho | Malagasy | Mauritius | SA | Swaziland |
|---|---|---|---|---|---|---|
| Agricultural Products % change | 235 | 0 | -60.40 | -35.80 | 173.90 | -70.30 |
| Amount | 899 to 3,016 | 0 to 0 | 6,276 to 2,484 | 15,825 to 10,162 | 28,754 to 78,750 | 1,812 to 6,487 |
| Textiles/Apparel % change | 79,217 | 12,952,200 | 15,430 | 49,172.20 | 1,714.40 | 100 |
| Amount | 65 to 51,556 | 1 to 129,523 | 596 to 92,558 | 79 to 38,925 | 1,853 to 33,621 | 0 to 8,195 |
| All Sectors % change | 361.10 | 12,952,200 | 943.20 | 149.50 | 105.30 | -41.60% |
| Amount | 12,767 to 58,873 | 1 to 129,592 | 9,308 to 97,105 | 21,633 to 53,975 | 449,813 to 923,243 | 25,290 to 14,770 |

Source: compiled from US International Trade Commission. www.usit.gov; see Ahmed et al. 2003:6.

allow textile and apparel industries in China, India and other Asian countries to compete freely in the US market with these minuscule and nascent industries in AGOA countries. If this competition occurs, AGOA will have encouraged only short-term, ephemeral (2-3 years) industrial production. De-industrialisation in textiles is not new on the African continent, often resulting from liberalisation requirements of structural adjustment programs (e.g. Tanzania, Zambia, Zimbabwe).[12] After 2005, AGOA may have reinforced, not reversed, this trend.

As the investigative report documents (Ahmed et al. 2003), most of the enterprises invested in textile and apparel manufacturing are from Southeast Asia, especially from Taiwan, Hong Kong, and Singapore. Among the African countries, South African companies have investments in Lesotho, and Mauritius invests in the Malagasy Republic; companies from the US, France, China, India, Bahrain and Israel also have investments in textile and garment factories since AGOA, taking advantage of the national treatment requirement discussed above. Because they are producing mainly in export processing zones (EPZs), the foreigners pay little or no taxes and they offshore profits. Often the state is required to provide infrastructure (i.e. sufficient water is an issue for textiles), even when it cannot deliver adequate health care or education for the workers. Foreign ownership, with corporations paying no taxes and providing sweatshop oppression for workers, might increase GDP, but it does not promote human development. Economic growth with less than a living wage increases corporate profit only – ignoring human survival, let alone national development. Such production for trade provides 'growth and opportunity' not to Africans, but to foreign owners.

Some attribute the success of AGOA to increased employment. The small states of Swaziland and Lesotho see AGOA providing jobs. Swaziland credits AGOA with the creation of more than 28,000 jobs (Lucke, 2004:2) and employment in textiles has surpassed that in government for Lesotho (Ahmed et al. 2003:9). Yet the employment, as stated earlier, is in sweatshops offering no labour rights. Further, this increased employment is highly contingent upon sustaining AGOA provisions.

AGOA has facilitated both Mauritius and South African investment in other AGOA-eligible countries where labour is even cheaper than in their own countries. Some will argue this expansion promotes regionalism. Others will note that such expansion exacerbates South African and Mauritian regional economic domination, assisting the strongest economies. This result is not unusual for 'free trade' relations, which privilege stronger economies.

AGOA seems to have redirected trade away from traditional markets, mainly the EU, toward the US. It appears this result was an original goal of AGOA, reinforced with the new negotiations for a USA/SACU free trade area (FTA) (Verbeck et al. 2004).

## African Rejoinder & Activism

Many African NGOs have joined in a coalition with US NGOs to discuss how to transform the Act. One coalition is the Africa Grassroots Response Initiative (GRI; see also Washington Office on Africa) whose goal is to build a mutually supportive relationship between social justice leaders in Africa and America. When US NGOs protested and lobbied against passing the act, as discussed above, they were told by the US Congress that they were misrepresenting Africa's interests because all the embassies had declared support for the bill. What was not mentioned by the Congress was the fact that many components of African civil societies, as mentioned above (trade unions, human rights groups etc.) were against the bill. Coalitions such as this one, therefore, prioritise public education and lobbying of each government about the social justice dimensions of trade. They are networking across countries to demand incorporation of equity and basic human rights issues in public policy, both in the US and in African countries.

Many African economists are not convinced that trade automatically leads to development, for often the lack of development creates supply problems. A 2001 UNCTAD study challenges the 'export led growth hypothesis' (ELGH) as a development strategy. In a study of Costa Rica, 1950-1997, it concluded that such an approach is beneficial to only a limited extent for only certain economies. A less developed economy cannot always respond to favourable trade opportunities or if it does respond, cannot sustain the production and delivery (Medina-Smith, 2001). The final version of AGOA did concede a bit to Representative Jackson's idea of equity funds for infrastructure, authorising $500 million (which has to be approved in annual budget allocations).

In an area where one might imagine that Africa would concede to its 'inability' to compete on a global scale, a Batswana spoke out strongly for regulation, even in the context of Botswana open markets for over a decade. The following quote underlines the different perspectives of those involved in competition versus simple pronouncements about open markets. At an International Air Transport Association (IATA) meeting, an Air Botswana general manager called the 'open skies' multilateral regime, where firms could operate where and when they pleased, a 'thugs charter – the usual self interested gospel of the strong when dealing with the weak.' He elaborated:

> *We are not frightened by competition, but such competition must have rules, and we do have legitimate interests related to national development which we cannot abdicate to bottom-line decisions in boardrooms in London, Atlanta and Dallas … Commercial aviation to us is a vital and essential national resource. We understand the saying, 'get out of the kitchen if you can't stand the heat', but we also insist that we are entitled to some right in our own kitchen … From this will emerge a world dominated by a very few enormous and monopolising carriers, based*

> *outside Africa and with little concern for our domestic and regional aspirations. Our legitimate interests will be swept aside*[13] (*Financial Gazette*, Harare, 25 November 1993).

The same type of statement could be made for nascent textile industries. Recognising that industrialised countries are all promoting trade liberalisation as the only means toward development, Zimbabwean economist Moses Tekere proposes that African countries employ this logic and demand that African reduction of trade barriers be linked to economic performance indicators. For example, until the debt service ratio is reduced to 20 per cent of exports, the African economy may place tariffs on the import of luxury items, saving hard earned foreign exchange. Or if the Human Development Index (HDI) is quite low, then subsidies and government controls of drugs or of basic food should be allowed (Tekere, 2000:24-25). This approach recognises the highly disparate levels of development of economies which are to be linked in 'reciprocal' agreements. Reciprocity should only be demanded of similar economies. With targeted subsidies, tariffs, and selected controlled prices, a developing economy can first provide food security, basic health care and education – and only later offer free entry to liquor, synthetic textiles, luxury cars – or wheat subsidised by a foreign government. Quite the opposite of asking for reciprocity, AGOA privileges the US in trading relationships with Africa. The US retains all its protective legislation for its industrial, employment and environmental needs, but demands that elected governments forego such priorities in the name of free trade.

African NGOs have organised campaigns to spread awareness among the African governments and people regarding AGOA. For them, instead of bringing any meaningful change to African economies, it will not only destabilise African economic initiatives, but also buttress the iniquitous measures in the World Trade Organisation rules. The People's Forum, organised by 30 organisations within Mauritius civil society for other African civic organisations, is one of the most outspoken; referring to the US-financed Second AGOA Forum held in Mauritius (January, 2003), they stated:

> *We have come together because we ALL oppose the conditions (technical, political and economic) of the AGOA which we consider colonial, anti-democratic and economically disastrous for Africa.*[14]

The 'No to Bush' Platform was set up at the end of 2002 following a number of meetings of African civic organisations. A few of the points of the Platform are as follows (see note 14):

> **We oppose all the overt and hidden conditionalities in AGOA which lead directly to increased poverty and social inequality and which undermine social and economic human rights of our people;**
>
> **We denounce the USA failure to ratify most of the ILO Conventions and the UN Declaration on the Rights of the Child;**
>
> **We oppose the USA for its leading role in imposing globalisation worldwide, in part through its own military force and in part through the Washington-based IMF and World Bank;**
>
> **We oppose the USA for its constant work to erode the sovereignty of other states.**

To the contrary, a consortium of more than 160 US-based development and humanitarian NGOs support AGOA. According to the US Department of State, US Trade Representative (USTR) Robert Zoellick heralded the Second AGOA Forum (Mauritius, January 2003) as 'a success and an exemplary example for all of us.' The US formed a large delegation of 25 officials, joining ministers of trade and finance from the 38 eligible AGOA nations. While proclaiming the success of free trade under AGOA, they also acknowledged that AGOA can do even better.

Odour Ong'wen, Chairperson of the NGO Council of Kenya, and Professor Yash Tandon of Uganda countered, that 'African governments have let their people down by signing treaties that bind them to perpetual hardships.'[15] They maintain that the crisis is not in Africa but among developed economies which seek to exploit low-priced African resources through unilateral treaties (e.g. AGOA, and the EU's 'Everything but Arms' trade implemented in 2001).

Except for South Africa, trade union movements are not strong in African countries. Currently, labour movements are increasing their strength in Lesotho with international attention and support. Because of workers' weak organisations as well as the governments' and sweatshop owners' unwillingness to implement labour laws, trade unions are unable to implement labour rights and fulfil their demands. Although exports increase from sub-Sahara Africa to the US, factory labour practices violate US law. Trade unions will continue to raise the issue internationally that the practice of AGOA trade violates the human rights provisions of AGOA law.

## Conclusion

In contrast to laudatory official reports about AGOA, empirical findings demonstrate the positive impacts as narrow (mainly one sector in 6 countries), ephemeral (until 2005), and inequitable (favouring the stronger economies and foreign textile companies). AGOA neither impacts the macro-economies of African countries in a positive manner nor brings any meaningful change in the economic conditions of the workers. The results of AGOA's first years question reliance on trade as the primary means for equitable or sustainable growth. Living in an extremely wealthy continent, but with the majority in abject poverty, the peoples of Africa must benefit from the export of the wealth, or trade will never lead to development.

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### Endnotes

1. For full text: http://www.un.org/apps/sg/sgstats.asp?nid=491

2. For the 'green box', in the first four years of the WTO, subsidies up to $16 billion were ruled permissible, including $1.5 billion spent on research by the US government and $2 billion allocated for US crop insurance (Watkins 1999:35).

3. A major part of the Clinton Administration involvement in Africa was approving export of arms to Africa worth more than $20 million in 1998 alone; during his presidency, the US trained military officers from 36 African countries (Cason, 1999; US Department of Defense, 2000). By 2003, the Bush administration cancelled military aid to 36 African countries because they continue to support the International Criminal Court, in spite of US opposition. For updates of US military involvement on the continent, see www.prairienet.org/acas/military.

4. Statistics on FDI are from the *UN World Investment Report 2003*, quoted on the official AGOA website, US Department of Commerce, 2004; http://www.agoa.gov

5. In 2004, the WTO ruled that US corporate use of tax havens represented unfair trade practices. The US government is appealing.

6. The George W. Bush Administration, known in the US as the 'oiligarchy', is even more aligned with corporate oil interests. Condoleezza Rice was a director of Chevron until she was appointed by Bush to be his National Security Advisor. A Chevron oil super-tanker is named after her.

7. President Nelson Mandela declared AGOA 'unacceptable' when President Clinton visited South Africa in April 1998; however, in 2000, the South African government rushed to qualify as eligible for the trade arrangements.

8. Joseph Stiglitz, Vice President and Chief Economist of the World Bank before being forced to resign at the end of 1999, argued that demanding trade liberalisation and privatisation overestimates the benefits and underestimates the costs, especially of increased unemployment. He called for an end to conditions imposed by 'experts who are not disciplined by having to be accountable to the citizenry' (Stiglitz, 1998).

9. Giving six case studies of AGOA traders, the report documents working conditions in the sweatshops in Kenya, Lesotho, Madagascar and Swaziland as appalling: overflowing and dirty toilets in open view of cafeteria tables, inadequate light and ventilation, locked entry gates and bathrooms, no protective clothing, etc. Management systematically violates human rights by beatings, forced overtime and demanding sexual favours (Ahmed et. al. 2003:5-18).

10. Support rates are reported as producer support estimates, or PSE, which indicate annual subsidies – from consumers through prices and from taxpayers through budgetary payments – to support agricultural producers. The PSE is reported as a per cent of gross farm receipts (OECD, 2000).

11. See http://www.agoa.gov/agoa_forum/ and http://www.whitehouse.gov, accessed April 2003.

12. In 1991, Zambia had 140 textile firms and in 2001, after strong liberalisation policies under President Chiluba, only seven remained (Jeter, 2002:30).

13. AGOA also manages to insult Africa in the field of aviation: 'the US Government should make every effort to donate to governments of sub-Saharan African countries, determined to be eligible under section 104 [conditionalities discussed above], air traffic control equipment **that is no longer in use** ...' (Section 126, emphasis added).

14. Correspondence to Bread for the World, 7 January 2003.

15. 'Another Africa is Possible' debate forum, 3-5 March 2003.

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# Terror in the Sahara: the Implications of US Imperialism for North & West Africa

*Jeremy Keenan*

**Whichever way one looks at it, the Sahara has now become an extremely dangerous place. If one believes all that has been said and written on events in the Sahara by US and other (notably Algerian) military intelligence and associated government agencies and the media since early 2003, then the Sahara-Sahel region of Africa has become a front line in the 'War on Terror'. If that is the case, the inability of the security forces to apprehend the key terrorists, notably the GSPC (*Groupe Salafiste pour la Prédication et le Combat*) under the leadership of their supposed *emir* Abderrezak Lamari (aka Amari Saifi but generally known as *El Para* after his stint as a parachutist in the Algerian army), would suggest that the current US administration and its military, which now has special forces and 'contractors' fanned out across the region and whose intelligence and operational services have the region under more or less total satellite, air and ground surveillance, is remarkably inept – something which should no longer surprise us in the light of their debacles in Afghanistan and Iraq. If, on the other hand, and as now seems increasingly likely, the Sahara has been made the arena of an elaborate intelligence deception, then the danger to the local populations and the security threat presented by the seemingly inevitable 'blowback' from this operation to other regions, notably West Africa, North Africa and Europe itself, is probably even greater.**

As long as the US-Algerian-driven intelligence-media services continue to rewrite the contemporary history of the region on a near-daily basis,[1] albeit increasingly in the genre of farce, there will be some degree of controversy over which of these two perspectives is the more likely. However, the *Briefings* in the last two issues of *ROAPE*[2] have given strong pointers as to where the 'truth' may lie. Since the second of these was written,[3] there has been an increasing amount of evidence to suggest that the alleged spread of terrorist activities across much of the Sahelian Sahara, has indeed been an elaborate deception on the part of US and Algerian military intelligence services.

This immediately raises the question of how and why this deception could be mounted and sustained over such a vast geographical area for what has now been almost two years. Three points should be made in answer to this question. The first is that if one is going to fabricate a story, it helps enormously if the place chosen for its enactment is 'out of sight' and 'beyond verification'. The Sahara, with its vast empty spaces, is the perfect location for such scams.

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The second point stems from my use of the term 'intelligence-media services'. The success of this deception has been reliant on the compliance of a gullible and uncritical media. The media, both local and international, has been a willing and culpable agent in this duplicity. In the case of the Algerian press, the main public source of information in this affair, this is not surprising. Anyone who knows the Algerian media appreciates that its apparent relative freedom masks the fact that many of its journalists and editors, especially those handling military-security matters, are in the control of the country's military intelligence and security services. They thus act as a conduit for whatever scenario those services, notably the DRS (*Direction des Renseignements et de la Sécurité*) might wish to purvey. The international media, with its greater 'real' freedom, is especially culpable. The sloppiness of its working practices, notably its cut-and-paste culture and failure to do its own research,[4] has meant a piecemeal and quite uncritical acceptance of US-Algerian misinformation. Furthermore, a combination of 'neo-con' thinking, government-compliant press interests – especially in the US, a blind acceptance until recently of the Bush-Blair line on 'terrorism', and the fact that terrorism, especially for the specialist intelligence and security publications, is 'good business', has ensured the rejection of those articles that have offered a more critical analysis of alleged 'terrorism' in the Sahelian Sahara.

The third point concerns the knowledge and perceptions of the local peoples of the Sahelian Sahara. Most of them do not recognise the picture that has been painted of their region by the intelligence-media services over the last year or two and believe that many of the alleged terrorist incidents attributed to it have been fabricated by some sort of combination of US-Algerian-local government interests. In the short run, this does not pose any threat to the efficacy of the deception, as the local populations are relatively sparse in number and politically marginalised, with little or no effective forms of representation through which to express their views. The few that have raised concerns, notably in Algeria, have been subject to state harassment. In the longer run, however, as I discuss later, the perceptions and actions of these peoples are likely to become critically important.

The purpose of this article is to explain what lies behind this deception and what it is designed to achieve. Only then can we 'make sense' of what has been happening in North and West Africa – and in the Sahelian Sahara especially – during the course of the last couple of years. More importantly, it explores the implications of such a dangerous strategy for both local peoples as well as Europe and western interests elsewhere.

The broad trajectory and objective of this media-intelligence hype and misinformation over the last couple of years becomes even more clear when we re-examine the scenario of events in the Sahara within the contexts of both the established pattern of 'dirty tricks' undertaken by America's main regional ally, Algeria, and the interests of the main beneficiaries of this deception, namely: US imperialism, the beleaguered Bush administration, elements within the Algerian military and local Sahelian governments. The deception has been designed to create the ideological conditions for the US's 'invasion' of Africa and the securing of US strategic national resources.

## Pan-Sahel Initiative

The events to which I refer came to the world's attention with the disappearance of European tourists in the Algerian Sahara in February 2003. Within a matter of a few weeks, 32 tourists had disappeared, taken hostage, so it transpired, by the GSPC. As news of the hostage-taking became more prominent, so US-EUCOM commanders, notably Generals Jones and Wald, began hyping up their statements about terrorist activity in North and West Africa. Referring explicitly to the bombing of a synagogue in Tunisia, the arrest of al-Qaeda suspects in Morocco and the Algerian hostage-taking, they warned of the region – Europe's backdoor – becoming another Afghanistan. They spoke in increasingly exaggerated language of terrorists from Afghanistan and Pakistan 'swarming'[5] across the vast, ungoverned and desolate regions of the Sahara desert – through Chad, Niger, Mali and Mauritania. The GSPC, so they claimed, had now emerged in Europe – only a stone's throw away across the narrow Straights of Gibraltar – as an al-Qaeda recruiting organisation, while in North Africa it sought nothing less than the overthrow of the Algerian and Mauritanian governments. The apparent seriousness of this terrorist threat was demonstrated by the American government's decision to send its own troops into the region. In what the Bush administration calls the Pan-Sahel Initiative (PSI), but what local people are inclined to refer to as the 'US invasion', some 1,000 US Special forces, marines and contractors were sent into Mauritania, Mali, Niger and Chad in January 2004 to help train and beef-up local military units in counter-terrorism. The legitimisation of this intervention was there for all to see, or at least read about in the media, as GSPC 'terrorists' began popping up all over the region, first in Mali and Mauritania and then, in one of the Sahara's most bizarre escapades, in the form of a seemingly contrived chase of *El Para* and his small band of GSPC across the northern desert regions of Niger (Air, Tenere, etc.) and into the even more remote Tibesti mountains of northern Chad, where he reportedly remains, either captured by or in cahoots with the rebel MDJT (*Mouvement pour La Democratie et la Justice au Tchad*).[6]

By early 2004, western intelligence and diplomatic sources were claiming to be finding the footprints of this new terror threat almost everywhere. Indeed, it was only a matter of days before the media,[7] quoting 'western diplomatic sources', linked the Madrid train bombings to al-Qaeda groups, specifically the GSPC, lurking deep in the Sahara, and with their leader, *El Para*, being described as 'a main subcontractor of al-Qaeda'. It required little more imagination for the media-intelligence services to warn that these al-Qaeda bases could launch terror attacks on Europe itself. By the summer of 2004, the only thing missing from this 'terror scenario' (apart from the small matter of any verification!) was the actual discovery of al-Qaeda bases in the Sahara. This was soon remedied, with the tone being set by an Algiers-based correspondent of *Jeune Afrique*, who claimed that *El Para* had been in touch with al-Qaeda's military leader, Mohamed Atef (alias Abou Hafs el-Misri), before he was reputedly killed by American bombing of Kabul in November 2001, and that Atef's last wish had been to turn the Tibesti into 'a sort of Saharan Tora Bora'.[8]

A week later, and on cue, the hitherto missing piece in the Saharan jigsaw, Libya, was painted into the ever more terrifying picture of Saharan terrorism. A relatively obscure French newspaper *Le Journal du Dimanche*, quoting the ever-dependable 'source proche d'un service de contre-espionnage européen',[9] claimed that Libyan security forces had intercepted members of *El Para*'s GSPC terrorists 'ready to strike', and that the GSPC had established an operations base in the desert mountains of Tibesti 'au nord du Tchad'.[10] Notwithstanding the geographical ambiguity of this expression, the *New York Times* went the whole hog, stating that 'Libyan forces have discovered a terrorist camp with ties to al-Qaeda in the country's southern desert.' Agence France Presse (AFP) added the final touch, confirming that the Tibesti was now a 'new sanctuary for the Osama bin Laden movement'.[11] It remains to be seen if the US military will take up its recently threatened option to use air strikes in the region, as broadcast by *Voice of America*, or perhaps even use these remote and desolate mountains for testing any upgrades of its 'daisy-cutter' bomb, which was last seen on TV with such dramatic and devastating effect in Tora Bora itself. It is more likely, and probably more politically destabilising in the long-term, that Libya's Col. Ghadafi, already showing signs of reverting to 'old form', will play a proxy 'counter-insurgency' role in the region.

## Why has the US become involved in NW Africa?

The reason for the US's involvement in North and West Africa needs to be understood from both a US and an Algerian perspective, for the two countries are now close allies in the affairs of the region.

The main reason for US involvement in North and West Africa is, quite simply, oil.[12/13] The US is facing an increasingly serious energy crisis as a result of a fundamental imbalance between energy supply and demand. One of the first actions of the new Bush administration, many of whose top members had been seconded from the oil industry, was to establish a National Energy Policy Development (NEPD) Group under the Chairmanship of Vice-President and former Halliburton CEO Dick Cheney.[14] The Group's report, known as the Cheney Report, was presented in May 2001, four months before the terrorist attack on the World Trade Center. Its findings were stark. Between 1991 and 2000, Americans had used 17% more energy than in the previous decade, while during the same period domestic energy production had risen by only 2.3%. It projected that US energy consumption over the next twenty years (2000-2020) would increase by about 32%, with the oil share remaining at around 40%.[15] In 2000 that share was an average of 19.5 mb/d (million barrels per day), more than a quarter of the world's total consumption. Thus, although the share of oil in total energy consumption might remain the same, it is estimated that the absolute amount of oil being consumed will rise by 33% by 2020.[16] These estimates look like being met: according to the International Energy Agency, US oil consumption this year (2004) is estimated to rise by 2.9%, the fastest rate of growth in 23 years. These figures would not be so critical if domestic oil production were on the rise. But that has not been the case for about 30 years: domestic production peaked in the early 1970s at 11.3 mb/d and has been declining ever since, with the result that US dependence on oil imports has grown sharply from about 4.3 mb/d in 1985 to 10 mb/d in 2000.[17] In spite of technological advances transforming exploration and production, the US now (2000) produces 39% less oil than in 1970.

The main conclusion of the Cheney Report is that US oil consumption over the next 20 years (2000-2020) will grow by more than 6.0 mb/d. At the same time, if US oil production follows the same historical pattern of the last 10 years, it will decline by 1.5 mb/d. In other words, by 2020 domestic oil production would be supplying less than 30% of US oil needs. Thus, to meet US oil demand, oil and product imports will have to grow by a combined 7.5 mb/d, from around 10 mb/d in 2000 to some 17.7 mb/d in 2020. That means that US imports, already at over 50% of US consumption, will increase by more than another 50% by 2020, with the result that the US will be importing nearly two of every three barrels of oil that it uses. Not surprisingly, the Bush administration has recognised that if this imbalance is allowed to continue, it 'will inevitably undermine our economy, our standard of living, and our national security.' But it is a crisis, which, for a number of reasons, is not readily solved. On the domestic front, America's infrastructure is old and inflexible. US refining and pipeline capacity has not kept pace with increasing demand. With the oil pipeline system stretched to capacity and not a single new refinery built in nearly a generation, many access and infrastructural challenges have to be addressed.[18] As for electricity, an antiquated and inadequate transmission grid prevents long-distance routing of electricity. Bottlenecks, not helped by corporate corruption, are everywhere. At the same time, the diversification of primary energy sources is being limited by the current narrow range of energy options. At present (2000), coal (52%), nuclear (20%) and natural gas (16%) account for 88% of electricity generation. However, under existing policy, and notwithstanding the fact that matching supply and demand for natural gas will require 38,000 miles of new pipelines plus 225,000 miles of distribution lines, natural gas is expected to constitute 90% of the projected increase in electricity generation between 1999 and 2020. This is in spite of the US having enough coal to last another 250 years and the fact that nuclear generation has a favourable cost structure and good safety record.[19]

Nor is there a simple fix on the global front. Although the world still has substantial oil reserves,[20] much of them, at least from a US perspective, are either in the wrong place or of the wrong type. America's somewhat antiquated refining and pipeline infrastructure places a premium on Gulf oil, which is sweet (low sulphur content) and light, compared to other major suppliers such as Russia, Indonesia and Venezuela. However, Middle East oil, especially that from Saudi Arabia (not to mention Iraq), is not only some two months shipping distance from the US, but subject to high political risk.

The immediate effect of the Cheney Report was to focus the attention of the Bush administration on Africa. Sub-Saharan Africa, as US Deputy Assistant Secretary of Defence for African Affairs Michael A. Westphal noted, supplies 14% of US oil imports and has the potential to increase significantly over the next decade.[21] US Assistant Secretary of State for Africa Walter Kansteiner declared that 'African oil is of strategic national interest to us' and 'it will increase and become more important as we go forward.'[22] Africa's largest oil producer is Nigeria, which is currently the fifth largest source of US imported oil.[23] However, African oil production is not limited to Nigeria: other countries on which the Bush administration is fixing its sights are Angola, Gabon, Congo-Brazzaville, Chad and Equatorial Guinea, and especially the offshore deposits in the Gulf of Guinea between Nigeria and São Tomé and Principe.[24] West African oil is especially significant to the US. First, it is the 'right type', providing a ready alternative to Middle East oil, being 'sweet' (i.e. low sulphur content) and 'light' and thus easy to pump and refine. Second, it is geographically close (compared to Middle East oil) to the US East Coast markets and its main VLCC (Very Large Crude Carrier) terminal, the Louisiana Offshore Oil Port (the LOOP). Third, West Africa, compared to the Middle East, is a region of comparative low political risk.

The Cheney Report anticipates that West Africa will provide 25% of America's imported oil by 2015. It is therefore disturbing but not surprising that the Bush Administration has defined African oil as a 'strategic national interest' and thus, a resource that the US might choose military force to control.[25]

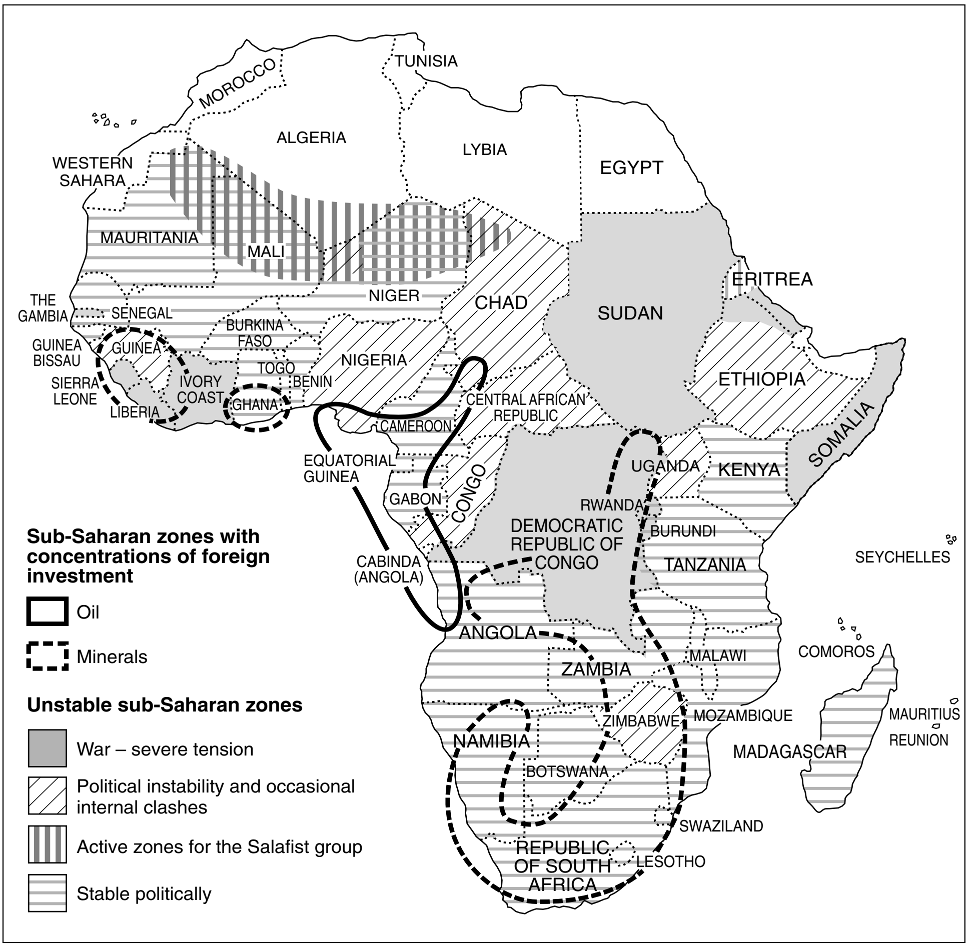
## US-Algerian Relations

Algeria is a major oil and gas producer. New exploration and production techniques are seeing proven oil reserves of 9.2 billion barrels being revised upwards, with oil exports set to increase substantially. Algeria's gas resources are even more significant. Proven reserves of 160 trillion cubic feet (Tcf) are being revised upwards of 200Tcf, making Algeria one of the world's leading gas producers. However, with 90% of its oil exports going to Europe and with its gas expected to meet 30% of Europe's future demand,[26] Algeria is not seen as a major supplier to the US. That, however, does not mean that Algeria's hydrocarbons are not strategically important to the US. On the contrary, the greater the contribution of North African countries (notably Algeria and Libya) to Europe's future energy supplies, the less the demand from Europe for oil and gas resources from elsewhere. In that sense, what is good for Europe is also good for America. Moreover, Algeria is the world's second largest liquid natural gas (LNG) producer, with significant exports to America's New England coast.[27] US interests in Algeria are also reflected in the substantial investments and/or operational involvements of US companies in Algeria's hydrocarbons sector.[28]

While these hydrocarbon ties are important, they are not enough to explain the nature of America's new alliance with Algeria. To understand this alliance, we need to appreciate both the wider geo-politics of the entire northern and western part of the continent and a specific problem faced by the Algeria's army.

The key to understanding the geo-politics of north and west Africa now lies in the Sahelian Sahara: a belt of perceived political instability and unrest, marginal to and largely beyond any effective state control, which extends from the Horn of Africa to the Atlantic coast of Mauritania. Four features of this region have been exercising the minds of the US administration.[29] First, US military intelligence sees this zone as a conduit for potential terrorists moving between what it sees as the traditional terrorist havens of Afghanistan, Pakistan, Yemen, Somalia and the Sudan, and the Western Saharan-Sahel regions of Niger, Mali, Southern Algeria, Mauritania and the Senegal Valley. The fact that there is little or no verifiable evidence of any such movement, other than the rhetoric of US military intelligence services, is a matter to which I shall return presently. Second, the region serves as something of a hub for major trans-Saharan narcotics and other smuggling operations, which are seen by the US authorities, rather simplistically, as a source of terrorist funding.[30] Third, the region is seen as feeding into and threatening to destabilise the adjoining regions of West and North Africa. In this respect, the US is particularly anxious that Nigeria, with its 60% Muslim population, might become a theatre of al-Qaeda operations.[31] Fourth, the central part of this zone, straddling much of Niger, Mali and southern Algeria, and perhaps now also Chad, and lying strategically between the two oil/gas rich regions of Nigeria (and the rest of West Africa) and Algeria (and Libya) to the north, has become the base for what the Americans claim (and perhaps even believe) to be al-Qaeda subsidiaries. In short, from an American perspective, control of this Sahelian belt, as manifested in the Bush Administration's Pan-Sahel Initiative (PSI) and the regional establishment of associated basing rights (see below),[32] is designed to secure US national security interests – namely oil.

The specific problem facing the Algerian army, namely that of weapons procurement, goes back to the army's annulment of the National Assembly elections in January 1992 and the ensuing violent struggle between the Algerian army and Islamic militants which has left some 150,000 dead. The first round of the elections on 26 December 1991 showed that the FIS (*Front Islamique du Salut*) was heading for a massive majority in the new assembly on the second ballot scheduled for 16 January. This would have brought to power the world's first democratically elected Islamist government, something that neither the leadership of Algeria's army nor western powers was prepared to allow. The Algerian army had sought and received




the covert backing of the two key western powers, France and America, for its annulment of the elections, which to all intents and purposes was a military coup. In the violence that followed, the country succumbed to an increasingly dirty 'civil war' in which army elements and their various militia were probably responsible for as many atrocities as Islamic militants. Indeed, there are some Algerians who say that the main armed Islamist Group, the *Groupe(s) Islamique(s) Armé(s)* (GIA) was a construct of the Algerian army. Certainly, there is now increasing evidence to show that the army and its various militia groups were responsible for many of the civilian massacres and other atrocities. As the violence intensified, so western countries kept their distance, with both the US and EU countries being reluctant to sell arms to Algeria for fear of Islamist reprisals[33] and criticism from human rights groups. This has resulted in the Algerian army becoming progressively under-equipped. As Mustafa Barth noted,[34] a major preoccupation of the Algerian army for some years now has therefore been to acquire modern, high-tec weapon systems, notably night vision devices, sophisticated radar systems, an integrated surveillance system, tactical communications equipment and certain lethal weapon systems. The Clinton administration distanced itself from Algeria.[35] However, in July 2001, Algeria's President Bouteflika was invited to Washington. He told President Bush that Algeria was 'seeking specific equipment which would enable us to maintain peace, security and stability in Algeria.'[36] Bouteflika's visit to Washington was followed less than three weeks later by a visit by Algerian army chief of staff, General Lamari, to US military HQ Stuttgart at which he sought further support for the army's modernisation effort.

As Barth observed,[37] the 9/11 attack on the World Trade Center heralded a new era in US-Algerian military relations. Bouteflika, who made a second visit to Washington in November, was one of the first Muslim leaders to offer help and support to the USA in its 'War on Terror'. He hoped that the US would now see Algeria's struggle against Islamic militants as comparable to its war against al-Qaeda and thus be more willing to sell lethal weaponry. Although 2002 saw a marked increase in military collaboration, with the US announcing that it was planning to expand military and security aid to Algeria through the transfer of equipment and accelerated training, it was mostly symbolic in the form of frequent visits to Algiers by senior US officials,[38] regular visits by US naval ships and a doubling of the International Military Education and Training Program (IMET).[39] Although Bouteflika paid another visit to Washington in June, at which the sale of night vision military systems was agreed, little equipment actually seems to have been transferred during the course of the year.

## A Turning Point in US-Algerian Relations

By the end of 2002, US-Algerian relations were beginning to become a little tetchy, with Algeria complaining publicly that US assistance was both minimal and slow in arriving. One reason for America's tardiness was the American government's expressed fear of criticism by human rights groups.[40] Another was the decline of 'terrorism' in Algeria,[41] which was probably leading the US administration to think that the Algerian army was on top of the terrorist situation[42] and could manage without US military equipment.[43]

However, within a matter of months, US-Algerian relations had been ratcheted up to an altogether higher and more active level: they were front-line allies in the 'War on Terror'. The circumstance behind this transformation was the kidnapping of 32 European (German-speaking) tourists in the southern Algerian Sahara. The action was almost immediately attributed to the GSPC, now branded as an al-Qaeda subsidiary. To begin with, the *emir* (leader) singled out as being responsible for the kidnapping was Mokhtar ben Mokhtar (Belmokhtar), an outlaw who had been driven over the border into northern Mali in the late 1990s, where he was now established as a local war-lord-cum-bandit operating a major cigarette-smuggling operation across the Sahara. Mokhtar ben Mokhtar was known to have had links with Hassan Hattab, the leader of the GSPC at that time. However, as Mokhtar's involvement became seemingly less likely, the name of Abderrezak Lamari (*El Para*), another alleged GSPC *emir*, whose sphere of operations until that time had been in the mountainous north-east of the country, began to emerge in media-intelligence reports as the *emir* responsible for the kidnapping.

Irrespective of who was behind the incident, it was immensely beneficial to both the Algerians and the Americans. From Algeria's perspective, this was stark proof that 'terrorism' was not only far from eradicated in Algeria, but that militant Islamists (terrorists) were now established in the hitherto tranquil Sahara. Algeria also made much ado of blaming the long time (3 months) spent in locating and freeing the first group of hostages and the further three months involved in engineering the release of the second group on the fact that its army lacked the sophisticated military equipment that it had been seeking from the Americans.

From the US perspective, the hostage-taking was 'good news' in terms of the US administration's attempts to demonstrate the global threat of terrorism and to 'globalise' its 'War on Terror'. This high profile 'terrorist act' was absolutely pivotal in enabling America to take its 'War on Terror' into Africa, and so legitimise its 'political-military' interest in Africa as a whole. In particular, the hostage-taking provided firm evidence that a network of al-Qaeda links not only stretched from the Horn of Africa across the Sahel to Mali and Mauritania (a questionable assertion which is examined below), but that al-Qaeda, or rather al-Qaeda subsidiaries, now straddled the Sahara from Mali (and perhaps elsewhere in West Africa) to northern Algeria, providing a major threat to US oil and gas interests in Algeria, the southern Mediterranean rim and Europe itself. 'Proof' of al-Qaeda terrorists in the Sahara gave US-EUCOM's commander, General James Jones, all the legitimacy he required to pursue his mission of acquiring basing rights and establishing what he referred to as a 'family of bases' across the continent.[44] General Jones was now able to talk with confidence of 'threats to the southern rim of the Mediterranean', from 'large uncontrolled, ungoverned areas across Africa (vast swathes of the Sahara, from Mauritania … to Sudan) that are clearly the routes of narco-trafficking, terrorist training and hotbeds of instability,' and which 'are going to be potential havens for that kind of activity.'[45]

I shall presently show how the sequel to the hostage-taking, namely the GSPC's escapades across the Sahel, is now enabling the US to take its 'War on Terror' into sub-Saharan Africa. For the moment, though, before moving any further south, we need to pause and raise two crucial questions. First, what was the nature of the US intelligence that led both the Pentagon and the State Department to see the Sahel as a 'terrorist' zone? Second, was the hostage-taking, as Mustafa Barth has suggested,[46] initiated by elements within the Algerian military establishment, and if so, at what time and at what level did the Americans become involved?

## The Nature of US Intelligence

What was the nature of the US intelligence that led both the Pentagon and the State Department to see the Sahel as a 'terrorist' zone? The answer, in a nutshell, would appear to be very little – or, in contemporary parlance, the product of 'group-think'. The fact that most of the peoples in this region in recent years have suffered drought, rebellion, refugee status and political marginalisation, does not make them 'terrorists', although the potential for some of them to become such, especially after America's recent 'invasion' of their region, may be there. This 'group-think' seems to be based on little more than the assertion that

> *as terrorist cells were uprooted from Afghanistan and elsewhere by US central Command, … they shifted to … the wide-open, relatively desolate areas of Africa, … an easy back door into Europe through Algeria, Morocco and Tunisia.*[47]

That statement was made by US Air Force Maj. Gen. Jeff Kohler, director of EUCOM's plans and policy division. Colonel Victor Nelson, responsible for overseeing the Pan Sahel Initiative, thinks along the same lines:

> *We have said for a long time that if you squeeze the terrorists in Afghanistan, Pakistan, Iraq and other places, they will find new places to operate, and one of those places is the Sahel/Maghreb.*[48]

On the one hand, such statements must be seen within the turf war between US-EUCOM and US-Central Command. On the other hand, they tend to reflect a sort of received wisdom, which, on the basis of no verification of any such terrorists actually having been killed or captured in the Sahel prior to the GSPC's recent escapades (see below), may derive from a combination of the facts that there are Islamic networks across this region, that US intelligence believes that these networks are driven or infiltrated by Islamists from Afghanistan-Pakistan (i.e. what has become termed, quite misleadingly, as the 'talibanisation' of the region) and that this has been confirmed by CIA activities in Mali. US military links to Mali go back to 1992 when US contingents arrived in Mali after the end of the Gulf War.[49] It is not altogether clear when the CIA first took an active interest in the country's desert regions, but it certainly became aware of heightened insecurity in northern Mali and Niger after the publication of the International Work Group for Indigenous Affairs (IWGIA) 2001-2002 international year-book.[50] The report made specific reference to the activities of Mokhtar ben Mokhtar's smuggling operations in Mali and his links to the Armed Islamic Group (later the GSPC) in northern Algeria. CIA agents were known to be in the Timbuktu area later in the year, checking out 'terrorist' training activities believed to be in the area and reconnoitring a possible site for establishing a military base for what local people referred to as 'anti-al-Qaeda purposes'.[51] At this time, US intelligence services were beginning to become interested in the GSPC and the *salafiste* movement in general. It is believed that their enquiries in Mali about *salafistes* may have led them to confuse the links between Mokhtar ben Mokhtar and Hassan Hattab's GSPC in Algeria with another *salafiste* group referred to locally as the 'Pakistanis'. Whereas US intelligence agents seem to have understood the reference to 'Pakistanis' as referring literally to people ('terrorists') who had fled from Pakistan (i.e. Taliban elements uprooted by US forces) and moved across the Sahel in search of 'new places to operate', it is in fact a reference to members of the *Dora* sect, an orthodox Islamic sect that has been active around Kidal and elsewhere in the Sahel for some 5-6 years, but which originated in India about 30 years ago and whose centre is now in Pakistan.[52]

What little other US intelligence there is on the region seems to be derived mostly from young, ambitious officers in the militaries with which the US has good connections and which they are training. These are often the worst possible intelligence sources, as the vast majority of them come from ethnic groups that are alien to the region (i.e. non-Tuareg, Tubu, etc) and whose knowledge of the indigenous Sahel populations is usually prejudiced by their experience of the region's several recent rebellions and other, often long-standing inter-ethnic conflicts. The result of this poor 'ground intelligence' is that the US is operating in a more or less permanent 'Iraqi situation' (i.e. the Chalabi syndrome) in which it is highly vulnerable to misinformation.

## Who was Behind the Hostage-taking?

There is an increasing amount of evidence to support the suggestion, first made by Mustafa Barth,[53] that the hostage-taking was initiated and orchestrated by elements within the Algerian military establishment, and that this may have been condoned by the US. There is insufficient space here to list and examine in detail all the evidence behind this point of view, which has already been outlined in the two previous editions of *ROAPE*.[54] Nevertheless, a few points should be highlighted. The first is that a hijack attempt, as mentioned by Barth,[55] was made on tourists near Arak in October 2002, and that the abductors, having been tracked down by the gendarmerie and caught near Tin Gherhoh, were released on orders from those close to the highest levels in the military. Significantly, the military and civilian authorities (i.e. *wali*) made no mention of this 'hijack' to travel agencies in the region who bear a major responsibility for the safety of tourists. It was first drawn to their attention through reports in a Swiss newspaper and subsequently confirmed by personnel attached to the gendarmerie. The tourists' account of the incident strongly suggests that neither the GSPC nor *El Para* were involved in this kidnap attempt. The timing of this incident coincides with the onset of the slight tetchiness in US-Algerian relations mentioned above.

There are massive, irreconcilable differences between the official statements of the Algerian military authorities, as carried in the media, and the hostages' versions of events. For example, 'terrorists' reportedly killed by the Algerian military in their assault to free the first group of hostages in the Gharis region subsequently joined the second group of tourists on their journey to Mali. They were also identified on later occasions after their move to Mali, including through subsequent photographic identification and their phone contacts with their former hostages in Europe .

It is also inconceivable, as both Barth and I have indicated, that the second group of hostages (numbering 15 people) and their captors (by that time numbering 64 people[56]) could have made the 3,000 kilometre journey (their estimate – probably a little less) to Mali without the knowledge and support of the Algerian army. The journey itself took approximately 45 days, from the third week of May to the first week of July. Because of the way the vehicles were being driven, more days were spent doing repairs than driving. Such a large convey would easily have been seen and identified by the US satellite surveillance of the region, especially as the convoy was stationary in one place for some four days while repairs were undertaken. Moreover, as Barth stated, and as the hostages themselves have confirmed, they were given logistical support throughout the journey in the form of GSP-coordinated supplies of fuel and spare parts. On one occasion, an urgently needed spare part was delivered as a 'special order', brand new and in the original Toyota packaging. On another occasion, a cylinder head gasket had to be replaced. They waited in a single place for 3-4 days while a vehicle went back 300-400 kms to have it repaired!

We also know that from the outset of the drama, that is from the end of February, the Americans were intercepting the kidnappers' radio communications.[57] It is also inconceivable that the Americans, who were working closely with the Algerians in the ongoing surveillance and monitoring of the drama, did not have their own translation facilities and were thus able to follow the entire development and orchestration of events.

This last point raises the obvious question of whether this operation was planned in the way that it developed from the outset. The answer is almost certainly No. The latest official explanation of the kidnap,[58] as put out by official Algerian media-intelligence, is that the leader of the GSPC, Nabil Sahraoui, who allegedly replaced Hassan Hattab in October 2003 (later reputedly found shot) and who was himself reportedly killed by Algerian forces in Kabylia on 18 June 2004, came up with the idea of raising ransom money for kidnapped European tourists in order to finance a 'spectacular' (perhaps in Algiers) and establishing a 'Tora Bora' (see above) in the Sahara. The problem with this version of events is that no mention of a ransom was made prior to the release of the first group of hostages on 13 May 2003. It was not until a week or so after the fabricated attempt to release the second group on 19 May that any reference was made to a ransom demand – by which time the 'orchestrators' were in need of an 'exit strategy'. If the idea of a ransom only entered the arena three months after the hostages were abducted, and after half of them had been freed, the obvious question is why the hostages were taken in the first place. The answer, which goes beyond the bounds of this paper, will probably never be known. Suffice it to say that there are several possible strands. The most obvious, as already suggested, was to demonstrate the existence of terrorism in the previously tranquil Sahara and so inveigle the Americans into developing the Sahara-Sahel as a front-line in the 'War on Terror'. However, one seemingly ridiculous idea that holds sway amongst certain 'security elements' in Europe is that elements within the Algerian army, still tied up with former East German-Stasi connections, thought that they could use the hostage drama to do a deal with Germany to acquire the European Tiger Attack-Helicopter (AH),[59] following the refusals of the Americans and the French to supply Apaches and the French-modified South African Rooivalk[60] AHs respectively.

The failed helicopter deal would explain the 'cock-up' of 19 May, when the Algerian army announced on public radio around midday its successful assault on the second group of hostages held in Tamelrik, only to deny it in the evening. From then on, the hostage-takers had to find an exit-strategy – a search, which, after much publicity over negotiated ransom deals through the good offices of Libya, took them on the long trek to Mali – a country where Algeria could control the intelligence environment.[61]

In my review of Barth's Briefing,[62] I stated that the plausibility of his allegations hinged on the question of whether *El Para* is a genuine *emir* of the GSPC or one of the many infiltrators that the Algerian army is believed to have introduced into the GSPC. In the last few months, two lines of suggestive evidence have begun to emerge. One is a rumour, which seems to be circulating increasingly in Algeria, that *El Para* was 'turned' by the Algerian security forces in January 2003. The background to this rumour is as follows: *El Para* was held responsible for an attack on an Algerian army convoy at Teniet El-Abed in the Aures mountains on 4 January 2003 in which 43 soldiers were killed and 19 wounded. Shortly afterwards, the Algerian media carried a report stating that the army had surrounded a mountain near Tebessa, a little to the east of the Teniet ambush, on which a force of GSPC was trapped. There appears to have been little media follow-up to this story, triggering the rumour that *El Para* was captured on the mountain and 'turned'. His first mission for his new masters was allegedly to make amends for the botched Arak hijack three months earlier and to organise the abduction of the German-speaking tourists. It is still widely held in the media-intelligence reports that Mokhtar ben Mokhtar was used to actually abduct the hostages and that *El Para* took over the operation in March. This is most unlikely as the operation was not in Mokhtar's commercial cigarette-smuggling interests. Moreover, the hostage-takers (unlike Mokhtar's Sahel-based operatives) were GSPC men from the north with little familiarity with the desert.[63]

The second line is more concrete and derives from the almost phantasmatic qualities of *El Para*'s alleged escapade through the Sahel in the first few months of this year.

## Establishing a GSPC 'Terrorist' Presence in the Sahel

If this analysis is correct, then it would have been difficult, if not impossible, for either the Algerians or the Americans to have foreseen or planned the Mali endgame, which seems to have been an ingenious and hastily contrived exit strategy. As I described in the last issue of *ROAPE*, the outcome of the hostage liberation in Mali was that at least 62 GSPC 'terrorists', along with their *emir*, *El Para*, were left free to remain in Mali on the condition that they did not bother the local population. It was clearly impossible for the Algerians and Americans, who were now making much ado about terrorism in the Sahara, to leave so many known 'terrorists' at large. At the same time, the terrorists' presence in the Sahel provided the Americans with the opportunity to legitimise the Pan Sahel Initiative (PSI) and to show to the world that the Sahel had become the location of Europe-threatening al-Qaeda terrorist training camps.

The US-Algerian alliance took this opportunity to develop a twin strategy. One arm was to give the impression that their military alliance was indeed waging an aggressive war against terrorists (portrayed through their intelligence-media as *El Para*, now described as the second-in-command of the GSPC and its undisputed *emir* in the Sahara-Sahel, and his GSPC, now described as an al-Qaeda subsidiary); the other arm being to create the impression that the GSPC was expanding and spreading its operations throughout the Sahel, especially the PSI countries of Mauritania, Mali, Niger and Chad.

Between mid-December 2003 and early February 2004 considerable media coverage was given to what appeared to be a major assault by Algerian, American and Malian forces on the GSPC 'hostage-takers' in Mali. However, a careful analysis of these reports, all of which lack verification, indicates that no more than four 'terrorists' may have been killed in the course of these operations.[64] That is surprising considering that the US has the region under permanent satellite and listening surveillance, has threatened to use air strikes in the region, and that both ground and air forces in the region are substantial.[65] One is left with the conclusion that it was perhaps never the intention of this particular campaign in the 'War on Terror' to eliminate these particular 'terrorists'.

The second strand of the strategy, creating the impression of expanding GSPC activity across the Sahel, has had two dimensions to it. The first consisted of incidents in southern Algerian in late 2003 which gave the impression of continued terrorism (banditry?) in the region. As described in the last issue of *ROAPE*,[66] it transpires that elements in the local/regional security and administrative authorities may have used their kinship connections with local smugglers-bandits to create the impression of terrorism in this hitherto tranquil region.

The second and major dimension of this second strategy relates to what can only be described as the pantomime of *El Para*'s escapade across the Sahel in February-March 2004. Scarcely a day has passed since mid-February without the media carrying some report of alleged GSPC activity in the Sahel. The picture that has been created is of a 'break-out' by *El Para* from his alleged base(s) in northern Mali, with possible sorties into Mauritania, followed by an almost desperado-like sweep across Niger and on into the Tibesti mountains of Chad – a journey of some 4,000 kms. This is a remarkable journey, not simply because of the difficult terrain, but in *El Para's* case because they were allegedly under US satellite surveillance and being chased (according to media reports) by US Special Operations forces. There is no point in commenting on all these reports, as most of them are wildly imaginative, except to say that they have served to create the impression of the Sahel being turned into an extremely dangerous 'terror zone'. They have also helped elevate *El Para's* 'wanted' status to that of the top echelons of al-Qaeda.

Behind this picture, however, are some interesting facts. The first is that photographs of *El Para's* group taken in mid-January show that it been re-equipped with petrol-driven Toyota station wagons (the most popular vehicle amongst trans-Saharan smugglers) mounted with 14.5mm heavy machine guns. This would be explained by expenditure of the alleged hostage ransom money (5 million euros). However, an interesting feature of the vehicles is that they are mounted with fog lamps, suggesting perhaps that they may have had a coastal origination, such as Algiers. Perhaps more significant is the fact that the Chad government, on capturing some of these vehicles in March, reported that they bore Algerian registrations.[67]

Second, the only verifiable incident on his alleged journey from Mali to Tibesti occurred on 23 February when a group of tourists were hijacked at Temet in northern Air by a group of 40-50 bandits claiming to be *El Para's* group of GSPC. The bandits went to a lot of trouble to make their identities known, including giving the tourists written 'contracts' stamped with a GSPC stamp and signed with *El Para's* signature by an individual who claimed to be *El Para* and whose identity has been confirmed by photographs taken of him and identified by members of the previous hostage group.[68] There is therefore virtually no doubt that *El Para* and his group were at Temet on February 23 and that the group went to absurd lengths to make sure that their presence there could be verified and well publicised – hardly the actions of a hunted terrorist group. There was no sign of the US Special Operations Forces reputedly in pursuit!

Third, it is almost certain that the group divided at Temet, with a number, estimated at much less than the original 40-50, heading on to Tibesti, and a smaller group, thought to include *El Para*, returning to Algeria.[69] The group that continued to Chad was thought to be under the command of Abdul-Haqq, one of *El Para's* lieutenants with a close likeness to his leader.

Fourth, the group that travelled to Chad had a mixed fleet of vehicles, containing its own petrol-driven Toyotas, as well as diesel-fuelled vehicles taken from the tourists at Temet. This is particularly significant as there are effectively no fuel supplies, either petrol or diesel, between Air and Tibesti.

Fifth, according to all reports of the battle between this group and the Chad forces, the group must have arrived in Chad around 1 March. This means that they made the journey from Temet to Tibesti (Wour region) in 5-6 days. This is a remarkable achievement (especially if being chased by US Special Operational forces!), as the journey from Tenere to Tibesti involves some of the most difficult passages in the Sahara, not least because most of the few accessible routes are mined. There is also no fuel available in the region apart from occasional small supplies amongst traders at Dirkou, the military at Chirfa and Madama and secret caches held by smugglers and bandits. The only sure source of fuel in the region would be from the Algerian military base at In Ezzane in the extreme SE corner of Algeria. The western scarps of the Djado and Mangeni plateaux are effectively inaccessible, which would have obliged the GSPC group to take either a northern route via Salvador, the north of Mangeni and then across or around Tchigai, or a southern route heading east of Seguidine. Neither route would have been accessible without detailed knowledge of the terrain (and fuel), suggesting that the group must have been assisted by either the Niger army, which is most unlikely, the Algerian army or local bandits. The main bandit operating in this area is Aboubacar Alembo. However, his family claims that he played no part in it. That is quite likely, as he had only recently survived an attempt to execute him arranged by senior elements in the government. The plan had


almost worked: four of his gang were killed, but Alembo managed to escape thanks to his captors suffering a car crash. At the time of the GSPC incursion, he was reportedly keeping low and would have been unlikely to risk himself on the GSPC's behalf. One is therefore left with the question of whether the Algerian army once again provided the logistical support.

Why did *El Para* send this Group to Chad? First, to show that the GSPC was active right across the Sahel, from Mauritania, through Mali and Niger and into Chad. It is this extensive terrorist activity which justifies and legitimises the Pan Sahel Initiative. Second, to show to the Germans (who had an international warrant for *El Para's* arrest) that he had been killed. The first reports from the Chad government were that its forces had killed 43 members of the GSPC, a number that was later reduced, possibly when the government learnt that not that many had arrived in the country! Early reports indicated, with varying degrees of uncertainly, that *El Para* himself, although not formally identified, was amongst the dead. These initial reports received little credibility, especially amongst those who are familiar with the pattern of Algeria's 'civil war': Mokhtar ben Mokhtar, for example, has been reported killed at least six times and is now generally referred to as one of the Algerian government's more useful 'phantoms'. Third, there must now be the question of whether the Tibesti incursion was also designed to draw Libya into the situation, as now seems dangerously likely. Finally, those who may still be inclined to believe the danger of the *El Para*/GSPC terrorist threat to the Sahel must ask themselves why neither the Americans, Algerians or any other government have rushed to take *El Para*, as one of the world's most wanted terrorists, into their custody. The story that has been widely published in the media in the last few weeks is that *El Para* escaped the onslaught of the Chad army, but fell into the hands of the rebel MDJT who, in turn, have been trying for several weeks to trade him in for some level of ransom or other recognition. If he was one of the world's top terrorists, there can be no question that he would not already have been seized. If, on the other hand, his role in the 'War on Terror' has been as I have suggested, then neither the Algerians nor Americans would want him returned to them in this way. Neither would any of the Sahelian governments be keen to put an end to the GSPC/*El Para* saga as it is their presence in the region which underpins their receipt of US financial and military support. However, from what we know of the Temet incident, it seems, as both the Americans and Algerians would also know, that *El Para* probably never went to Chad. Wherever the actual whereabouts of *El Para*, both the US and the Algerians need some sort of closure on the Chad episode, which is becoming increasingly farcical and embarrassing to them. The latest story coming out of Algeria is that *El Para* is going to be extradited to Algeria to stand trial.[70]

## Deception for the Peoples of the Sahel, Africa & Europe

It might be argued that this article has not provided definitive proof that the 'War on Terror' in the Sahara has been an elaborate deception. That may be so. However, the circumstantial evidence is nigh overwhelming, so much so that the US-Algerian alliance must put forward indisputable verification for all that it has claimed, something which it has singularly failed to do since the outset of this saga, if it is to have any credibility. However, more important than the actual 'proof' of this deception is how it is being perceived by the peoples of the region and how they are likely to act on those perceptions.

People of the region, especially the Tuareg of Niger, Mali and southern Algeria have already suffered severe loss of livelihood by this fabrication of terrorist activity across the Sahel. The major industry of the region, tourism, has all but collapsed. Nearly all local people know that there has been no 'real' terrorism in this region and believe that the reported incidents have been initiated by a combination of forces centring around the US, the Algerian government (the DRS) and their own Sahelian governments. The immediate outcome of these events, especially the PSI ('invasion') is the generation of widespread anti-Americanism. There is also a growing fear and suspicion of their own governments. People in the Sahel know their governments are benefiting from the US in the form of financial and military support and therefore have a vested interest in both generating and maintaining this climate of terror. They are therefore seeing many actions of their local governments as attempts to provoke unrest. For example, in southern Algeria, many Tuareg now see the provocative actions of the Tamanrasset *wali*[71] over the last year or two as perhaps being attempts to provoke them into demonstrations or other sorts of anti-government action.[72] In Niger, Tuareg in Air are increasingly beginning to see the arrest and detention of Rhissa ag Boula, the Tuareg Minister for tourism and the former rebel leader, as a move to regenerate the ant-government feelings of the 1990s rebellion. Indeed, a number of provocative articles in the national press have been questioning the reason for recent Tuareg army desertions and suggesting that there may be attempts to revive the Tuareg rebel movements of the 1990s. Indeed, people are now talking of this new fear and mistrust of the government as recreating the same sort of conditions that underlay the rebellions of the 1990s. The indigenous populations, notably the Tuareg and Tubu, have been angered and are frightened by many media reports now branding them as part of this 'terror zone'. These reports do not belong to the esoteric: they are readily accessed by Internet and disseminated by way of discussion through the local communities. People are beginning to understand that they have become part of America's 'War on Terror' on largely fabricated and fictitious grounds. They resent these references to their ethnic identities, which now associate the words 'Tuareg' and 'Tubu' with 'terror', and fear that they may ultimately involve 'massacres' by local government militia or US air strikes purporting to be striking at fictitious terrorist bases. Threats of US air-strikes have already been broadcast by *Voice of America*.

There is a growing recognition amongst local peoples throughout the region that the PSI, combined with the Algerian intervention, has led to an increase in the political instability of what was a politically complex, fragile, but relatively stable region. Many of these people now believe that the US presence and actions will not only draw Islamist extremists into the region in the same way as in Iraq, but that local men, not only youth, will be driven by fear, anger and desperation into 'terrorist' activities. In Nigeria, with its 60% Muslim population, local *imams* are already preaching that the US and Algerian military are behind the alleged terrorism in the Sahel. This is a little more than a year (February, 2003) since a taped message, purportedly from Osama bin Laden, singled out Nigeria as a potential theatre for al-Qaeda operations. Local people also realise that the American military, especially in the desert, does not offer good targets. They therefore believe that softer targets may be sought elsewhere in North and West Africa, or quite possibly in Europe itself. The almost inevitable 'blowback', to use the fashionable US intelligence term for their own 'cock-ups', from the US intervention in this part of Africa is increasing the risk and insecurity to all western interests in the region, whether they be oil and mining companies, other commercial interests such as tourism, or even civilians themselves.

In a matter of months, the US and its new-found allies, have succeeded in creating a 'terror-zone' across southern Algeria, northern Nigeria, Mauritania, Northern Mali, Northern Niger and Chad. Together, they have managed to create the conditions for the emergence of terrorism that previously only barely existed.[73] In July 2003, Algeria, Chad, Niger and Nigeria, encouraged by the US, signed a cooperation agreement on counter-terrorism that effectively joined the two oil-rich sides of the Sahara together in a complex of security arrangements whose architecture is American. Not only is this a criminally dangerous strategy, but in the light of what we now know of US intelligence in the wake of Iraq, it is likely to end in disaster for all concerned.

Where is this dangerous strategy heading? Four likely scenarios might be aired. The first, as already mentioned, is that there is an increased likelihood of provocative and/or reprisal action against local peoples in the Sahelian-Sahara (especially in regions such as Air-Tamesna-Azaouagh Valley, Ahaggar, Adrar-n-Iforas and, of course, Chad) by their governments, possibly with the support of the US facilities in the region (e.g. air strikes). Second, the increased military presence in the region, especially in border zones is seriously disrupting the enormous and highly lucrative smuggling businesses. It will be surprising if the major players in these businesses, who are well financed, equipped and armed, tolerate this situation for long. Indeed, they might well become the main agencies for alliances with Islamist extremists being drawn into the region. Third, the recent (early July) involvement of Libya in this affair, whether deliberate or inadvertent on the part of the Americans and Algerians, marks a potentially dangerous escalation of the international implications and ramifications of this affair. Now that Ghadafi holds the 'oil initiative' over the US and Europe, he is perhaps more of a loose canon than in the past. Libya's bellicose threats to the MTJD earlier this month (July) suggest that Libya may be returning to old form in terms of Ghadafi's designs on Chad, the Sahel and perhaps elsewhere in sub-Saharan Africa. Finally, the next step in the American scheme of things would appear to be to use the pretext of the 'War on Terror' in the Sahel to firm up basing rights and militarisation (aid!) programmes in sub-Saharan Africa, especially where US strategic interests are at stake.

## Postscript

Although the US has not been one of Algeria's traditional markets for its oil exports, it is significant that Algeria increased its export of 'Saharan Blend' to the US during the first 5 months of 2004 by some 400% over the same period of 2003, from 48,000 bpd (barrels per day) to 193,000 bpd. The US is seen as becoming an increasingly important customer of Algeria's light, sweet grade crude oil. This is not simply because of US increasing demand, but also because Algeria has been increasing its crude production rapidly and needs to find new customers. In addition to the US, these include the Asian market: Indonesia now purchases around 1 million barrels per month; India will receive its first cargo of Saharan Blend this summer; ExxonMobil may this month (July 2004) ship some Saharan Blend to its Japanese refinery, while in March Sonatrach, the Algerian state oil firm, sold the first shipment of a one-year contract to supply 2 million barrels to the Chinese trader Unipec. Production of Saharan Blend has surged over the last four years to reach 1.25 million bpd, substantially above its (1 August 2004) OPEC quota of 830,000 bpd. Production of Saharan Blend is projected to hit 1.5 million bpd by 2005. This is good news for the US, as is the fact that a new export birth for VLCCs (very large crude carriers) was opened at Algeria's Arzew port in 2003 (source: Reuters).

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## Endnotes

1. On average, about a dozen major stories/articles are published each week that would fall into this category of propaganda. Although most are little more than cut-and-paste articles, the basic source of the information emanates from US and/or Algerian intelligence services.

2. Mustafa Barth, 'Sand Castles in the Sahara: US military basing in Algeria', *ROAPE* No. 98, 2003, pp. 679-685; J. Keenan, 'Americans & 'Bad People' in the Sahara-Sahel', *ROAPE* No. 99, 2004, pp. 130-139.

3. I am referring to the five months period between the publication of the *ROAPE* Briefing in Issue 99, which went to press on 8 February, and the writing of this article five months later in early July 2004.

4. For example, during the course of the hostage drama, from March to August 2003 (and subsequently) scarcely a single journalist, either local or international, bothered to check the map location of Tamelrik, the mountains in which the hostages were reportedly being held. Consequently, the vast majority of newspaper reports, mostly relying on each others errors, placed Tamelrik at 150 kms NE of Illizi, whereas it is in fact 150 kms to the SW.

5. We should be indebted to US counter-intelligence services for noting that terrorists, like bees, swarm.

6. Several reports claim that *El Para* was chased across this vast expanse of desert by US special operations forces. *World Tribune.com* (20 May 2004), for example, quoted 'western diplomatic sources' as saying that 'Saifi and leading Salafist insurgents were pursued through southern Algeria into Chad by US special operations forces in cooperation with North African militaries.' This is almost certainly propaganda. First, the most likely route taken was across Niger entering Chad to the south of Wour, and not through southern Algeria, although it is possible, but difficult, to enter Tchad by passing to the north of the Djado Plateau and the Mangeni scarp, cutting the corner of Algeria between In Ezzane and Passe de Salvador, and an even more difficult and dangerous passage around Tchigai. More significantly, several individuals who encountered the GSPC group in the course of what seems more like a preamble across the desert saw no signs of any pursuing forces, US or otherwise.

7. For example, *World Tribune.com* (20 May 2004) ran a headline following the alleged capture of *El Para*, which read: 'Leader of group tied to Madrid blast captured in Chad'.

8. *L'Intelligent.com – Le Groupe Jeune Afrique*, 27 June 2004

9. *Le Journal du Dimanche*, 4 July 2004

10. The report did not state whether the base was active or abandoned. Neither did this report, nor any of the international media which quoted it, question whether the base might not have been one of dozens of abandoned camps that litter this part of the Sahara after decades of almost continual military activity in the region.

11. AFP, 4 July 2004.

12. This was confirmed by US Deputy Assistant Secretary of Defence for African Affairs, Michael A. Westphal; see US Department of Defence News Transcript 'DoD News Briefing – Deputy Assistant Secretary of Defence for African Affairs Michael A. Westphal', 2 April 2002.

13. Taking the continent as a whole, the US has wider interests in Africa than merely oil. The US is also dependent on Africa for many other raw materials such as manganese (for steel production), cobalt and chrome, both vital for alloys especially in aeronautics, vanadium, metals in the platinum group, antimony, gold, fluorspar, germanium, industrial diamonds, and uranium. An important, but often overlooked factor, in the current US Administration's strengthening of ties with Africa is the pressure within the Republican party from the religious right, which, in its own extremist way, sees Africa as the battleground for its brand of Christianity against Islam.

14. President Bush established the Group in his second week in office.

15. Per capita oil consumption peaked in 1978 at 31 barrels a year. By 2000 it had fallen by 20% to 26 barrels per head (source: US Dept. of Energy).

16. Natural gas consumption is estimated to increase by more than 50% over the same period.

17. In 2000 oil accounted for 89% of net US energy imports (source: US Dept. of Energy).

18. The situation is not made easier by the fact that states have different specifications for gasoline which impedes the transfer of storage capacities between them.

19. Very few coal powered electricity plants are under construction, while the number of nuclear plants in the US is projected to decline.

20. That is the conventional view. However, only 10% of world oil output and about 4% of proven reserves are in the control of the four largest oil companies: Exxon Mobil, BP, Shell and ChevronTexaco. As company statistics have been showing increasing discrepancies between their stated proven reserves and production targets over the last half dozen or so years, there is increasing uncertainty about the size and accessibility of the bulk of the world's oil reserves which are in the control of national governments and subject to even less disclosure.

21. See note 12.

22. Kofi Akosah-Sarpong, 'Washington eyes Africa's oil', *West Africa*, No. 4354, 2-8 December 2002, p.10; quoted in Daniel Volman, 'The Bush Administration and African Oil: The Security Implications', *ROAPE*, No 98, 2003, pp. 573-584.

23. The US is Nigeria's largest customer for crude oil accounting for 40% of Nigeria's oil exports. US investments of $10 billion in Nigeria are expected to rise substantially over the next decade.

24. For details of outputs etc., see Daniel Volman, note 22.

25. Volman note 22.

26. Exports are by pipeline under the Mediterranean and by LNG.

27. A significant contribution to Algeria's gas production will come from the recently discovered gas fields close to In Salah, where engineering work began in 2004. Two of the main contractors are the US-based Halliburton subsidiary Kellogg, Brown and Root and the Bechtel corporation.

28. These include Amerada Hess, Anadarko, Bechtel, Burlington Resources (predecessor Louisiana Land & Exploration), ConocoPhillips, Edison, ExxonMobil, Halliburton and SunOil (Sunoco), (source: US State Dept.). Altogether more than 30 major foreign companies are involved in Algeria's hydrocarbons sector.

29. See Mustafa Barth, note 2.

30. While contraband is indeed a source of funds for 'terrorist' groups, much of the 'profit' is taken by corrupt elements in the army, customs services, etc.

31. In February 2003, a taped message, purportedly from Osama bin Laden, singled out Nigeria as a potential theatre for al-Qaeda operations.

32. See note 2 for explanation of basing rights.

33. For example, Algerian terrorists hijacked an Air France Airbus in December 1994 and planted a bomb in St Michel RER station in Paris in July 1995.

34. see note 2.

35. Military relations were not cut altogether. In 1997 the US delivered 6 Gulf Stream carriers to Algeria. In 1998 America's Vice-Admiral Joseph Lopez, second-in-command of NATO's southern European flank, visited Algiers. A visit to Algiers in February 1999 by US Admirals Abbot (Deputy Commander US forces in Europe) and Daniel Murphy (US Sixth Fleet) preceded joint naval manoeuvres in 2000 between the small Algerian navy and warships and aircraft from the US Sixth Fleet based in Naples, Italy. Moreover, according to the MAOL (*Mouvement Algerien des Officiers Libres*), a CIA agent (named) worked closely with Algerian military intelligence throughout this period.

36. *World Tribune*, 16 July 2001.

37. see note 2.

38. Notably EUCOM's Supreme Allied Commander, General Ralston (General Jones' predecessor).

39. This was from a modest $121,000 in 2001 to $200,000 in 2002 and to $550,000 in 2003.

40. An American official was reported in December 2002 as saying that the US would proceed slowly on the military aid package, in part because of the criticism by human rights groups. (*New York Times*, 10 December 2002). Washington also stated publicly that no approval of the sale of lethal weapon systems to Algeria had been given.

41. By 2000, average monthly killings had fallen to around 200, a marked drop from the 1990s, when an estimated 100,000-150,000 people were slaughtered. By 2002, Algeria appeared to have reduced and largely contained terrorist activities to the more remote and mountainous parts of northern Algeria. This more secure situation was reflected in a doubling of tourists visiting the Algerian Sahara in both 2001 and 2002, following a complete absence of tourism from 1991 to 1999.

42. It is highly debatable whether the Algerian regime has ever wanted to end the violence entirely. As Hugh Roberts noted: 'There is little or no evidence of a serious will within the regime to end the violence, as distinct from reducing it to tolerable proportions. It should be noted that the violence in itself serves to justify the annual renewal of the state of emergency, and that the regime may be considered to have an interest in maintaining the restrictions on opposition political activities which

the state of emergency authorises.' H. Roberts (2003), *The Battlefield Algeria 1988-2002: Studies in a Broken Polity*, London: Verso, p. 270.

43. An analysis of statements made by US officials on arms sales to Algeria around the end of 2002, although seemingly positive on the subject of military collaboration, reflects America's caution on the sale of lethal weapon systems. One US spokesman, when pushed, said: '… down the road we might consider it. We will consider requests if we believe they contribute to the counter-terrorism effort' (*New York Times*, 10 December 2002). It was also noticeable that William Burns, assistant secretary of state for Near East affairs, made no reference to lethal weapon systems when he said that: 'We are putting the finishing touches to an agreement to sell Algeria equipment to fight terrorism' (*Guardian,* 10 December 2002).

44. See Mustafa Barth (note 2) for a discussion of US military basing in Algeria, and Jeremy Keenan (note 2) for clarification of America's new concept of basing rights in Africa.

45. *World Tribune*, 6 May 2003; *New York Times*, 4 July 2003.

46. See note 2.

*47. Stars and Stripes*, 15 January 2004 (European edition, 11 January 2004)

48. Jim Fisher-Thompson, 'US-African partnership helps counter terrorists in Sahel region', Washington File, US Department of State Information Service.

49. *Le Monde Diplomatique*, 8 July 2004.

50. *The Indigenous World 2001-2002*, International Work Group for Indigenous Affairs, Copenhagen 2002, pp.353-364

51. J.Keenan, note 2, p.137-8.

52. It is possible that there is some confusion amongst local people between the *Dora* sect and the *da'wa* Algerian Islamist movement, known collectively as the *Ahl al-Da'wa* (the 'People of the Call'), to which many individuals and groups lay claim and which developed strength as a movement in Algeria in reaction to President Boumediène's secular reforms in the 1970s.

53. See note 2.

54. Ibid.

55. Ibid.

56. The hostages had been held in two groups, a little over 300 kms apart (because of radio frequencies), one in Tamelrik and the other around Gharis. When the group from Tamelrik moved out of their mountain hideaway in the third week of May, they headed north and then west before being joined in the Mouydir (Immidir) region by the captors of the first group, all but two (possibly three) of whom had either left the group or escaped the Algerian army assault.

57. For the six-week period prior to 10 April, German intelligence services were being provided with this information. At that point, when the US and Algerian security forces had knowledge of the groups' whereabouts and their safety, they pretended to find a written message from the hostages scratched on a rock confirming that they were alive. On that date the US ceased forwarding intercept information to German intelligence (source: personal communication with European intelligence services).

58. See, for example, 'Vie et mort d'un terroriste', *L'intelligent.com (Le Groupe Jeune Afrique)*, 27 June 2004.

59. Tiger is built by Eurocopter, a subsidiary of the EADS (European Aeronautics Defence and Space) company formed by DaimlerChrysler Aerospace of Germany, Aerospatiale Matra of France and CASA of Spain. For specifications, see: www.army-technology.com/projects/tiger/

60. For specifications, see: www.army-technology.com/projects/rooivalk/

61. Libyan intelligence seems to have been highly suspicious of the circumstances of the hostage drama from the outset. French intelligence services, which kept an extremely low profile throughout the drama, appear to have done the Algerians a considerable favour by removing Libyan agents from the Mali arena.

62. See note 2.

63. Information derived from hostage de-briefings.

64. This was described in the last issue of *ROAPE* (note 2). The report of 6 February (p. 134), which mentioned the killing of 30 of the hostage-takers, has not been verified and appears to have been disinformation.

65. Questions are also being raised within Algeria as to whether the large cache of arms, allegedly bought in Mali with the hostage ransom money and reputedly destined for GSPC cells in the north of the country, that was intercepted by the Algerian military near In Salah in January 2004, was a fabrication. Questions relate to why Algeria's high profile media coverage of this event was managed so closely (to the surprise of foreign correspondents in Algiers) by the DRS and why the interception was made some 750 kms into Algeria territory (as the crow flies and nearer to 1000 kms by recognised road/piste). A suggested answer to the second question is that the arms may have originated from military barracks in Tamanrasset, not Mali. Without satisfactory verification, such speculation will remain.

66. See note 2, p. 136.

67. Agence France Presse, N'Djamena, 9 March 2004.

68. Copies of the signed contracts and the identification photographs are in the author's possession.

69. There was a subsequent, unverified report of *El Para* being seen in Djanet.

70. Algeria's Minister of the Interior, Yazid Nouredine Zerhouni, has announced that Abderrezak *El Para* will be extradited from Chad and brought before an Algerian tribunal. Zerhouni made the announcement in the presence of the French Defence Minister, Michele Aliot-Marie, during the course of her official visit to Algeria. The head of Algeria's army, General Mohamed Lamari was noticeable by his absence, giving rise to speculations that his health may be failing, that he is in the process of retiring or that he has fallen out with President Bouteflika. Officially, he is on holiday, raising comments that it is odd that he should take a holiday during an official visit of France's Defence Minister. One reason for the general's absence may be so that the army can later distance itself from or countermand Zerhouni's statement. Two significant aspects of the Algerian press reports are that Washington is reported as having indicated that *El Para* must be extradited to Algeria, his country of origin, and that Berlin, which has issued an international warrant for *El Para*, seems to have condescended that *El Para* should be judged in Algeria. *Le Quotidien d'Oran*, 18 July 2004; *La Liberté*, 18 July 2004; *Le Matin*, 18 July 2004.

71. A *wali* is the head of the administration of a *wilaya* (province), appointed by the President and roughly equivalent to the former *Préfet.*

72. These actions and their responses are discussed in J. Keenan, 'Contested Terrain. Tourism, environment and security in Algeria's extreme south' in *Journal of North African Studies* (Special Issue), 2003, Vol. 8 numbers 3-4, pp.226-265.

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# Investigating NEPAD's Development Assumptions

*Sally Matthews*

**The New Partnership for Africa's Development (NEPAD) proposes a new strategy to bring about the development of the African continent. In order to assess NEPAD, it is necessary to reveal what NEPAD takes development to be. This article suggests that development, however it is understood, includes three aspects: a characterisation of the current situation which shows this situation to be undesirable, the envisaging of a desirable future, and the positing of a strategy that should be followed in order to bring about the desirable future. The article assesses NEPAD by examining the assumptions it makes with regard to these three aspects of development; and through such an examination reveals NEPAD to be an ambiguous and unimaginative project. While Africans thus have reason to feel discouraged by the emergence of NEPAD, the critical responses to NEPAD made by African academics and civil society groups are encouraging. These responses give rise to the hope that the African continent may yet see the emergence of alternative visions of a better future, and alternative paths to realise such visions**.

Africa's most prominent leaders have proclaimed the New Partnership for Africa's Development (NEPAD) as the strategy which will bring about the long-awaited African Renaissance.[1] As suggested by its title, NEPAD is concerned with bringing about Africa's development. But what does NEPAD take development to be? The concept 'development' is vague and has been used to refer to a diversity of projects and processes. Consequently NEPAD cannot be comprehensively assessed without clarification regarding what NEPAD takes development to be. This article provides such clarification by teasing out the assumptions NEPAD makes with regard to the idea of development. These assumptions are examined and problematised with the aim of being able to critically evaluate the NEPAD project.

Notwithstanding the vagueness of the concept 'development', it is possible to identify key aspects of the concept. 'Development', however described, suggests change from a lesser to a more desirable state. Theorists writing about development use the concept to indicate positive change, improvement or amelioration. Implicit in the concept is the idea of an undesirable starting place (or at the very least a *less* desirable starting place), a process of improvement, and a desired destination.[2] Thus, if NEPAD aims to bring about Africa's development, it must describe what is understands to be the undesirable starting place from which Africa must move away, and also conceive of a destination towards which Africa ought to be headed, and a strategy to reach this destination. While these three aspects may not be explicitly identified by NEPAD, all three are implicit in NEPAD, as in any other fairly comprehensive development strategy, and a careful analysis of NEPAD can reveal them and thereby reveal what NEPAD takes development to be. In this article

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I will analyse NEPAD by looking at some of the assumptions that NEPAD makes with regard to the three aspects mentioned above. Rather than attempting to comprehensively analyse every assumption made in NEPAD with regard to development in the space of so few pages, I will make some comments which will hopefully stimulate further discussion about NEPAD's understanding of development. The comments on NEPAD are also generalisable to several other development strategies as many other strategies make similar assumptions to those made in NEPAD, and so it is hoped that the comments made here will also have broader relevance.

## Africa's Undesirable Starting Place

NEPAD aims to transform Africa's current situation, which it views as undesirable, into a more favourable one. NEPAD's introduction highlights some of the aspects of Africa's current situation which are viewed as undesirable by NEPAD's architects, giving special attention to the problems of poverty, 'backwardness' or 'underdevelopment', marginalisation, and a lack of African control over Africa's destiny. The terms 'backwardness' and 'underdevelopment', which appear in NEPAD's introduction, have several connotations which make their use in NEPAD problematic. The term 'backwardness' calls to mind modernisation theory which understands development to be a natural linear process through which all societies progress, throwing off 'backwardness' and tradition as modernity is embraced. The term 'underdevelopment' on the other hand, is reminiscent of dependency theory which sees the 'Third World' as being in a state of 'underdevelopment' as a consequence of the 'developed' world's exploitation of it. NEPAD not only uses terms from these sets of theories, but also borrows extensively from both modernisation and dependency theory, leading Pretorius and Patel (2002) to say that NEPAD 'uses an eclectic combination of modernisation and dependency theory as its theoretical framework'.

What are the implications of borrowing from these two theories when discussing Africa's development? The terms 'backwardness' and 'underdevelopment' and the theoretical frameworks they evoke imply a single direction of progress towards a universally desirable state: that of being 'advanced' or 'developed'. Although modernisation and dependency theories differ in significant ways, both theories are universalistic in so far as they understand there to be a single desirable future for all humanity. Furthermore, the characteristics of the desirable future posited by these two theories do not differ that significantly. Nederveen Pieterse (1991:15) argues that because both theories assume that development is at its most advanced in the industrialised world, they are 'variations on a theme', despite their apparent differences. Gülalp (1998:957) concurs pointing out that both theories are concerned with achieving economic and technological development, and Manzo (1991:12) contends that although dependency theory provides an insightful criticism of several aspects modernisation theory, its critique is limited because it retains the West as the model of what it means to be 'developed'. Both theories consider the industrialised, technologically advanced nations to be 'developed', and both consider industrialisation and technologically advancement as desirable. Thus, despite the fact that dependency theory is a critical response to modernisation theory, the desirable future envisaged by dependency theory is not radically different to that envisaged by modernisation theory. NEPAD's borrowing from modernisation and dependency theories implies an acceptance of these theories' assumption that there is a single desirable future for all humanity, and that some societies (the industrialised, 'advanced', 'developed' societies) are closer to realising this future than others. NEPAD's acceptance of this assumption is not only evidenced by its borrowing of several terms and themes from modernisation and dependency theories, but is also evident in the frequent references made in the NEPAD document to the idea of a single global civilisation with a universal project of progress. Africa's role in this project of progress is seen in NEPAD as having been limited so for, leading emphasis to be placed on the importance of positioning Africa 'on a pedestal of equal partnership in advancing human civilisation'. NEPAD's architects clearly assume that there is a single project of progress directed towards a universally desirable future, and that the leaders of this project are the industrialised nations. Two possible concerns about this assumption can be raised. Firstly, NEPAD does not consider the possibility of there being several different, but equally desirable futures for the various societies of the world. NEPAD accepts the universalism of modernisation and dependency theories and assumes that Africa can be said to be behind the industrialised nations on a universal path. The possibility of Africa being on a different path heading in an altogether different direction is not considered. Secondly, NEPAD's assumption that the 'developed' or 'advanced' societies are leading the way towards a universally desirable future can be questioned. While this assumption is certainly not unusual, the image of the West leading the rest towards the best possible future has become tarnished to such an extent that this assumption can be called into question. Several thinkers have pointed out that the Western path to development has had numerous negative consequences including ecological destruction, social polarisation, loss of diversity, the marginalisation of alternative ways of seeing and doing, alienation, and ethical bankruptcy;[3] and thus that we should not be so quick to assume the West to be leading the way to a universally desirable future. NEPAD does not consider the possibility that Africa may not need to 'catch up' to the 'developed' societies, but rather to join progressive groups in other parts of the world in suggesting alternative directions towards alternative futures.

NEPAD's conception of what it is that makes Africa's current situation undesirable is impoverished by the assumptions discussed above. There is a suggestion that what makes Africa's current situation undesirable is that fact that it is 'backward' in relation to other regions, and therefore that the way forward, and thus the way to develop, involves trying to emulate what these more 'advanced' regions have already done in order to become more like them.

In addition to depicting Africa's current situation as undesirable due to Africa's poverty, 'backwardness' and 'underdevelopment', NEPAD describes Africa as being marginalised. This marginalisation is explained as being a result of Africa's poor integration into the global economy. Critics of NEPAD agree that Africa has been marginalised, but dispute NEPAD's linking of marginalisation with poor integration into the globalisation process. Nabudere (2002) argues that Africa's marginalisation is a consequence of exploitation *within* the global economy, rather than of exclusion from it. Bond (2002a) makes a similar point, saying that 'marginalisation occurred not because of a lack of integration but because of *too much* of the wrong sort' (emphasis in original) and Saul (2002) remarks that exclusion from the globalisation process is not the problem, rather globalisation itself is a problematic process that has frequently aggravated poverty.

Indeed, even NEPAD concedes that the globalisation process has been disadvantageous to Africa, admitting that '[i]n the absence of fair and just global rules, globalisation has increased the ability of the strong to advance to the detriment of the weak …'. Nevertheless, NEPAD insists that 'the advantages of an effectively managed integration present the best prospects for future economic prosperity and poverty reduction'. Why and how this conclusion is reached is not clear.

A further characteristic of Africa's undesirable present situation, according to NEPAD, is the lack of control that Africans have had over Africa's destiny. NEPAD suggests that Africans have thus far capitulated to the will of others and to unfavourable circumstances, leading NEPAD to call on Africans to put an end to this situation by becoming 'masters [sic] of their own destiny' and 'architects of their own sustained upliftment'. The notion that Africans should assess the African situation and, using their own expertise and experience decide on a way forward for Africa, is commendable. It is a pity that later sections of NEPAD appear to compromise this idea of Africans determining their own destiny by emphasising a peculiar type of partnership which undermines NEPAD's call for Africans to determine Africa's destiny.[4]

## Africa's Desirable Destination

It is vital that some understanding of the kind of future which NEPAD is aiming to bring about is sought, as one can only decide whether or not to endorse NEPAD once one has decided whether or not one believes that the future which NEPAD aims to bring about is indeed a desirable one. Before deciding upon a strategy for the development of Africa, it is surely advisable that time and careful thought be dedicated to discovering exactly what condition such a strategy should be aiming to bring about. One must be clear about one's goals before one plots progress towards them. Not to do so would be like setting out on a journey to Thabazimbi without first determining exactly where Thabazimbi is and exactly why one is keen to visit it. No one would set about planning such a journey by discussing what mode of transport to use, and at which speed to travel before having decided where exactly one is headed, and why one would like to go there.

NEPAD, like many development programmes, does not articulate a clear and detailed vision of the future that it aims to bring about, but rather focuses on 'strategies for development'. NEPAD makes mention of goals and objectives, but there is no over-arching description of the kind of future NEPAD is ultimately trying to bring about. Furthermore, it is sometimes difficult to differentiate between what NEPAD views as necessary *in order to reach* the desirable destination, and what NEPAD sees *as part of* the desirable destination. For example, NEPAD names the achievement of a seven per cent Gross Domestic Product (GDP) growth rate per annum for the next fifteen years as its primary goal, but surely economic growth is a means rather than a goal? What is the growth for? Is it good in and of itself regardless of how it is acquired and how it changes society? What is to happen once the fifteen years are completed? NEPAD does not answer questions like this with regard to its stated goal of economic growth, nor does it address similar questions with regard to its other stated goals and objectives.

It is difficult to assess NEPAD's vision of a desirable destination for Africa, as NEPAD does not clearly distinguish between its means and ends nor does it give a detailed description of this destination. However, by examining some assumptions made throughout the NEPAD document, a description of the desirable destination which is suggested by these assumptions can be revealed and examined. Because many of NEPAD's stated goals and objectives sound more like means than ends, a critical assessment of them will not provide a clear idea of NEPAD's vision of a desirable future for Africa. In order to try to provide some idea of this future, this section will therefore attempt to tease out some implicit assumptions NEPAD makes with regard to the future it sees as desirable for Africa, rather than systematically analysing each of NEPAD's stated goals and objectives.

## Neo-liberal Economics & NEPAD's Vision of Africa's Future

One of the most common criticisms levelled against NEPAD is that it follows a neo-liberal agenda.[5] The implications of following such an agenda will be discussed in more detail when discussing NEPAD's strategy for reaching the desirable destination, but what is important in this section of the article is to determine what vision of the future is implied by the acceptance of a neo-liberal orientation.

Slater (1993:97-99) argues that neo-liberal economic ideology, like all economic ideologies, suggests a particular conception of the individual, in this case that of 'market man': a consumer who displays apathy towards public matters and cynicism regarding politics. Preston (1996:22) points out that the neo-liberal perspective (or liberal market perspective, to use Preston's terminology) invokes a model of people as consumers acting according to selfish desires. While neo-liberalism may not explicitly promote a particular vision of the future, its understanding of human nature places limitations on the kind of future that can be visualised by a neo-liberal economic strategy. A vision of the future based upon a neo-liberal understanding of human nature is limited in that it cannot allow for human beings to transcend their selfish natures and act altruistically. Furthermore, neo-liberal economics views the market as being able to best provide for the pursuit of interests, thus suggesting that human beings do not have significant interests outside those which can be satisfied through the consumption of goods provided by the market. As a result, the ideal future, as envisaged by neo-liberalism, would be one in which individuals were as free as possible to pursue their own interests, these interests being defined as of such a nature that the market can satisfy them. A neo-liberal economic ideology is thus not conducive to the flourishing of a vision of an ideal future which includes behaviour aimed at something other than the pursuit of selfish interests, or a future in which needs which cannot conceivably be met by the market (such as the need for meaning, God, love and joy) are also met. Moreover, neo-liberalism has been associated with the rise of the New Right (Brohman, 1995:135-136). Neo-liberalism's rootedness in the political conservatism of the New Right leads it to inhibit radical change in any form, and therefore makes it unfavourable to the envisaging of an ideal future radically different from the present.

It is not possible here to provide a comprehensive critique of the kind of ideal future implicit in a neo-liberal economic orientation. However, the limitations which neo-liberalism appears to place on the flourishing of a vision of a desirable future radically different from any currently existing situation, allow for one to question the suitability of such an orientation for a project aiming at Africa's development. Africa, surely, requires a project which will allow for radical change, rather than one that will only make a few slight alterations to the current state of affairs. After years of failed development strategies in Africa, surely it cannot be denied that a development strategy for Africa must be one which involves a creative envisaging of a radically different future. NEPAD's choice of neo-liberalism as its ideological orientation prevents it from providing this much-needed imaginative vision for Africa's future.

### Copycat Development

An analysis of the NEPAD document reveals that much of NEPAD's strategy for development is based upon the identification of differences between the 'developed' world and Africa, and the planning of ways to eliminate these differences. NEPAD frequently uses the term 'bridging the gap' and related terms, such as 'catching up' and 'overcoming chasms', when discussing Africa's development. The use of terms such as these suggests that NEPAD accepts the 'developed' regions as a model for Africa's development, and believes that Africa's development will occur through the reduction of differences between the 'developed' world and Africa. This kind of thinking is also reflected in sections of NEPAD where the characteristics of the 'developed' world (such as extensive telecommunications networks and wide-spread access to advanced technology) are held up as goals for Africa.

NEPAD's enthusiasm for 'catching up' to the 'developed' world suggests that NEPAD likens development to (at the very least partial) assimilation with the 'developed' world. Africa is not to identify its own desired destination and chart its own path towards this future, but is rather to follow eagerly in the footsteps of the 'advanced' societies, emulating them and rejoicing as Africa becomes more similar to them. This kind of thinking has implications both for discussions of NEPAD's desired destination and NEPAD's chosen strategy for reaching the destination. It seems that NEPAD frequently views contemporary life in the 'developed' world as a model for the kind of future towards which Africa should strive, and the emulation of the 'developed' societies as a strategy for development. This is deeply problematic in a strategy that claims to be part of the African Renaissance project, as NEPAD does in the beginning of Section IV. Thabo Mbeki and several other promoters of NEPAD have given powerful speeches proclaiming an African Renaissance and declaring an end to the era during which Africans were made to feel ashamed to be African. How can such African leaders declare an African Renaissance and then inform Africans that the new Africa whose birth they are proclaiming, is indeed not very African at all? In fact, the process of rebirth involves celebrating assimilation with other parts of the world. Admittedly, the idea of 'African-ness' is a disputed one and the question of which kind of changes are consistent with remaining 'African' and which not, is very difficult to resolve. However, NEPAD does not engage with questions such as these and does not recognise the possible ambiguity between declaring an African Renaissance and then suggesting that the Renaissance will be achieved through the emulation of the West.

## The Strategy for Reaching the Desirable Destination

NEPAD may be short on vision, but it certainly does not lack strategy. Most of the NEPAD document consists of a *Programme of Action: the strategy for achieving sustainable development in the 21st century*. It is in this lengthy section that NEPAD's choice of a path from Africa's undesirable starting place to Africa's desirable destination is revealed. When discussing NEPAD's development strategy, it is necessary to probe into this Programme of Action, as well as to investigate the implications of NEPAD's continued emphasis on the importance of partnership in its strategy for development.

### Neo-liberal Economics & African Support for NEPAD

As mentioned earlier, a commonly voiced objection to NEPAD regards its neo-liberal economic orientation. The limitations that neo-liberalism places upon the visualisation of an ideal future are discussed in the previous section which argues that NEPAD's acceptance of a neo-liberal economic orientation is problematic because of the way in which it narrows the scope for envisaging a radically different future. While this may be so, most of the critics condemning NEPAD for its adoption of a neo-liberal orientation are not concerned with the implications of such an orientation in terms of NEPAD's visualisation of the future, but rather object to NEPAD's neo-liberal economic orientation because they doubt that a neo-liberal strategy will indeed bring about Africa's development. Many critics do not believe that neo-liberal strategies for development bring about the changes they promise. Such critics say that instead of developing Africa, neo-liberal strategies worsen poverty, increase unemployment, aggravate economic and gender inequities, result in deprivation of basic needs and erosion of basic human rights, exacerbate debt and repeat the disastrous consequences of Structural Adjustment Programmes.[6] Thus NEPAD's choice of a neo-liberal economic orientation is not only problematic because of the kind of future implied by such an orientation, but also because there is much scepticism regarding whether or not a neo-liberal strategy can achieve what it claims to be able to achieve. Africans are perhaps especially sceptical of neo-liberal strategies as Africans have already experienced the failure of neo-liberal strategies such as the Structural Adjustment Programmes (SAPs) proposed by the International Monetary Fund as strategies for Africa's development during the 1980s. NEPAD does not address the concerns of critics of neo-liberal economic strategies, nor provide an adequate defence of its choice of economic orientation.

Furthermore, NEPAD claims that it 'will be successful only if it is owned by the African peoples united in their diversity'; thereby admitting that widespread African support is vital for NEPAD's success. Thus even if NEPAD's promoters are convinced that a neo-liberal strategy is most likely to bring about Africa's development (despite widespread scepticism amongst Africans), they are still obliged to take into account the questions and criticisms given by the many Africans who are reluctant to support NEPAD because of its neo-liberal orientation, if they are committed to gaining widespread African support.

## A Peculiar Partnership

As suggested by its title, NEPAD proposes that a new partnership be forged in order to further Africa's development. The NEPAD document makes it clear that the partnership it suggests is not, as some may have thought, a partnership between the various African states, but rather a partnership of Africa with the rest of the world, especially the industrialised world. Section VI of NEPAD, entitled *A New Global Partnership*, speaks of the role which must be played by the industrialised or developed states and by multilateral organisations, who are jointly described as Africa's 'development partners'. It seems that NEPAD's partnership is to involve Africa being partnered by the region of the world generally referred to as the West.

A few concerns can be raised about the decision to develop Africa in partnership with the West. A first concern is that NEPAD's chosen partner for Africa has a chequered history with regard to its relations with the African continent. There has been considerable variation in the relations between Africa and the West over the last few centuries. Different eras have seen different relations, and different countries and institutions of the West have varied in the nature of their relations with Africa, with relations between the two regions more often than not being characterised by exploitation of Africa by the West. While it may be unfair to assume, on the basis of past experiences, that the West is *necessarily* a bad partner for Africa's development; it certainly cannot be assumed that all Western countries and institutions are helpful well-intentioned partners eager to further Africa's development. NEPAD does not provide an adequate explanation as to why the West has been chosen as Africa's development partner, and why it is believed that such a partnership will benefit Africa.

A second concern relates to the argument NEPAD uses in attempting to convince the West to join this partnership. NEPAD's appeal to the West to partner Africa is focused on the suggestion that Africa's development will be in the West's own interest. NEPAD argues that if Africa becomes developed, the West will benefit because Africa is an expanding market for Western producers and because Africa could provide great opportunities for investment. Furthermore, a developed Africa, according to NEPAD, would contribute to world science, technology and culture, which would benefit all humanity. On the other hand, argues NEPAD, if Africa does not develop it will become a threat to global security and stability. Thus, the West should help Africa develop because ultimately this will be favourable to the West, as well as to Africa. Two comments can be made regarding this whole argument. Firstly, the picture NEPAD paints of Africa's vast and growing market and its increasing ability to consume Western products is both inaccurate and deeply problematic. Is Africa's market a vast and growing one which will be able to consume more and more products? Bond (2002b) prefers to describe the African market as 'tiny and stagnant'. And even if the African market is growing or would grow under conditions brought about by NEPAD, can it really be desirable to transform Africa into a market for manufactured goods from other parts of the world? Dladla (1997) warns against Africans being valued only because of their 'ability to absorb and popularise foreign ideas, trinkets and junk' and Bond (2002b) says that NEPAD should condemn the importation of Western 'junk culture and luxury goods' because Africa's scarce hard currency should be devoted towards meeting basic needs. It could be argued that Africa is not a rapidly expanding market for Western goods, and that indeed it should not become one.

Secondly, this whole section appeals to the idea that in doing 'good business' one does 'good deeds' and, reciprocally, that in doing 'good deeds' one does 'good business'. This argument has been articulated in various ways within both the liberal and Keynesian economic traditions, but Latouche (1993:77-78) notes that such arguments place economic justifications for doing 'good deeds' alongside moral justifications, which ultimately make moral justifications redundant. NEPAD avoids calling on the West to partner Africa because this is 'the right thing to do', but rather relies on the argument that partnering Africa will be to the economic benefit of the West. In other words NEPAD presents economic rather than moral justifications for trying to get the West to join this partnership. The implication of this is that if it can be shown that in fact 'good deeds' do not appear to be 'good business' (for example, that giving development assistance and debt relief to Africa does not result in economic benefits for the West), then the West is quite justified in ceasing to do any 'good deeds'. If the West is being told to invest in Africa because such investment will work to the West's own benefit, then it is only obligated to assist Africa to the extent to which it is indeed in the West's interest. Thus NEPAD's idea of partnership rests on the shaky premise that Western aid and debt relief work to the benefit of both the West and Africa.

A further concern regarding the idea of partnership, is that given the voluntary nature of the partnership, how are the partners to be held to their commitments? NEPAD's authors estimate that about $64 billion per annum will be needed and that most of this will have to come from outside Africa. In Section VI of NEPAD a summary of what is needed from the West is given. The long list of 'responsibilities and obligations' of the West given in this Section, includes increasing debt relief, increasing Overseas Development Assistance to 0.7 per cent of each developed state's Gross National Product and ensuring more equitable trade terms for African countries. It is very likely that several Western countries will absolutely refuse to meet these obligations – and what will NEPAD's promoters do then? What sanctions does Africa have to ensure that these obligations are met? And why should the West meet its obligations if it believes that NEPAD's leaders are not upholding their commitment to encouraging 'good governance' and 'sound economic management' in Africa? These are crucial questions which must be addressed by those proclaiming NEPAD as the solution to Africa's problems.

A final concern relates to the nature of this partnership. NEPAD's authors make powerful statements regarding how Africa must rise up and take control of its own destiny. Africans are exhorted to no longer be the 'wards of benevolent guardians' and are told to become the 'architects of their own sustained upliftment'. Such comments suggest that whereas Africa has been conditioned by circumstances, and whereas Africans have had their destinies controlled by others, the time has come for Africans to take hold of Africa's destiny and to determine Africa's future. However, in the context of the NEPAD document as a whole, NEPAD's partnership clause appears to be a request for a powerful and wealthy partner to help Africa become more like that powerful and wealthy partner. One of the criticisms given of NEPAD is that it is the latest version of the 'age-old begging bowl' as its focus is upon asking wealthy nations for generous financial assistance.[7] A beggar is not the same as a partner, and the relationship between a beggar and a potential donor is very different from the relationship between two partners. NEPAD can be marketed as a viable project requiring a partner rather than a donor, but NEPAD's dependence upon Western financial aid, makes it difficult for NEPAD to be rid completely of the image of Africa as the beggar and the West as a reluctant potential donor. This disempowering image haunts NEPAD and casts doubt upon the idea that NEPAD indeed transforms the relationship between the West and Africa from one of donor and recipient to one of equal partners. Furthermore, when the appeal for money is related to the desire to become more like the donor of the money, the idea of Africa and the West being equal partners seems even less likely. A relationship between two parties in which one party provides the model for what the other party would like to become, and in which the first party also provides the means to enable the second party to achieve its goal of becoming like the first party, could accurately be described as a mentor-pupil, parent-child or guardian-ward relationship, but to describe such a relationship as a partnership is misleading.

## An Unimaginative & Ambiguous Project

Having completed an investigation into what NEPAD takes as undesirable about Africa's current situation, what it views as the desirable destination towards which the process of development should take Africa, and the strategy it proposes to reach this destination; it is possible now to evaluate NEPAD's understanding of development, and to make some conclusions regarding the NEPAD project as a whole.

NEPAD sees several characteristics of Africa's current situation as undesirable. While some such characteristics, like poverty and marginalisation, are fairly uncontroversial, NEPAD's labelling of Africa as 'backward' and 'underdeveloped', its borrowing from modernisation and dependency theories, and its linking of Africa's marginalisation to a lack of integration into the global economy are problematic.

NEPAD's visualisation of a desirable future for Africa (and thus a destination towards which the process of development ought to be directed) is limited and unimaginative. Very little of the NEPAD document is dedicated to a discussion of NEPAD's goals and objectives, and the few goals and objectives mentioned are unclear as it is not evident why NEPAD views these 'goals' as ends rather than means towards ends. NEPAD's choice of a neo-liberal economic orientation prevents it from envisaging a radically different future for Africa and thus prevents NEPAD from being an imaginative project with new insights and visions for the future. Furthermore, NEPAD's suggestion that development will be achieved through the emulation of the 'advanced' societies fits uncomfortably with its claims in other parts that NEPAD will realise the African Renaissance and thereby allow Africans to be proud to be African. The future aspired to by Africans cannot be both a copy of the current Western situation and the outcome of an African Renaissance.

NEPAD's strategy for development has already received much criticism because of its neo-liberal economic orientation. Critics are sceptical that a strategy rooted in such an orientation can truly bring about the changes it promises. NEPAD's conception of a 'new partnership' as the way to achieve development is also deeply flawed. The choice of partner, the argument given to attract the partner and the suggested nature of the partnership are all problematic, and make NEPAD's strategy for achieving development ambiguous in that while NEPAD insists on Africans taking control of Africa's destiny, it also proposes a partnership that appears to involve considerable dependence upon the goodwill of the West.

Thus the NEPAD project can be said to be lacking in imagination and courage. It says little new, lacks creative vision, and for the most part sounds like it was written to convince Western donors to increase their investments in Africa, rather than to inspire Africans to work towards the realisation of a different and better Africa. Furthermore the NEPAD document is filled with ambiguities – it calls for African ownership and then suggests a partnership that compromises this ownership, it claims to be able to bring about and African Renaissance but appears to encourage African emulation of the West.

## NEPAD: Inspiring Alternatives

The analysis above provides many reasons to feel discouraged by the proclamation of NEPAD as the strategy for African renewal. However, the picture is not as gloomy as it may seem. The NEPAD process has been a high profile one and as a result NEPAD has received much attention from civil society and academics. Those who find the proclamation of NEPAD disappointing, may find many of the responses to NEPAD emerging from civil society and academia more encouraging.

The reponse from civil society has been divided. Some civil society groups have embraced opportunities to engage with NEPAD, others are more cautious in their engagement with NEPAD, and then there have also been those who have chosen to remain outside the NEPAD process altogether. Civil society comments on NEPAD range from uncritical support to absolute rejection, with many comments falling somewhere in between.[8] Academics too seem divided on NEPAD, although few seem to endorse it fully. The responses emerging from academia range from those which support NEPAD's general stance, but have some reservations about aspects of the document or of the process through which the document emerged; to those who see little good in NEPAD.[9]

Those who find aspects of the NEPAD document and process discouraging, may wonder about how best to respond to NEPAD. Is the best stance one of cautious engagement or is it better to come out and condemn NEPAD altogether? Should a recognition of NEPAD's flaws be followed by a denouncing of the process as a whole, or should it be followed by a stance of critical engagement with NEPAD? A recent analysis of NEPAD by John Loxley (2003:127) reveals NEPAD to be deeply flawed, but concludes:

> *NEPAD does offer, however, the possibility of more genuinely African solutions emerging from its process … It is for this reason that many organs of civil society in Africa, while being very cautious and critical about it, have not rejected it out of hand. And it is for this reason alone that it may be worth supporting. For possibilities to be translated into realities, NEPAD will have to become a more open, consultative process and the programme will need reformulating and refining …*

Indeed, if there are signs that engagement with NEPAD may result in changes and improvements to NEPAD, then there are good reasons to engage critically with NEPAD rather than to reject it outright. It may have been out of hope that critical engagement with NEPAD could allow an improved document to emerge, that some civil society groups, while finding NEPAD deeply problematic, chose not to denounce it absolutely. And this stance may have been the most prudent one when NEPAD first appeared. However, now that two years have passed since the emergence of this document, it is necessary to ask if critical engagement with NEPAD has indeed been fruitful.

Civil society was finally afforded the official opportunity to take part in the NEPAD process when the NEPAD secretariat decided to hold several civil society forums, the first of which took place in Dakar in April 2002, followed by further meetings in Elmina, Libreville, Accra and Maputo.[10] These meetings appear to be designed to be occasions for civil society organisations to receive information from the NEPAD secretariat as well as advice on how they can best be involved in the implementation of NEPAD. There is nothing to suggest that one of the reasons for holding the meetings was to give civil society organisations an opportunity to voice their concerns about NEPAD, and to have these concerns attended to by members of the NEPAD Secretariat. Consider the three objectives given for the Elmina meeting:

> *[to] strengthen the capacity of civil society institutions in Africa to enhance their appreciation of NEPAD;*
>
> *[to] improve participation and empowerment of civil society institutions in the NEPAD process and*
>
> *[to] empower civil society organizations to contribute to and monitor the implementation process of NEPAD.*

The meetings aim to provide opportunities for the NEPAD Secretariat to disperse information about NEPAD and to urge increased support for NEPAD without any acknowledgement of the legitimacy of many of the concerns raised by civil society organisations about the NEPAD document and process. There is little evidence of any eagerness on behalf of NEPAD architects to learn from civil society, although there is a definite expectation that civil society learn from the promoters of NEPAD.

Comments made in response to civil society criticism of NEPAD by South African president Thabo Mbeki, one of the leaders most involved in advancing NEPAD, are illustrative. He recently criticised civil society for being ill-informed about NEPAD and commented sharply that they should 'come forward and ask what they can do' rather than criticising (Stoppard, 2002). It seems that civil society organisations have been assigned a role in the implementation of NEPAD, while having been excluded from the process through which NEPAD was formulated, and while not being afforded the opportunity to suggest ways in which NEPAD may be improved, or to advocate an alternative strategy.

The NEPAD Secretariat's decision to hold civil society forums on NEPAD can be commended, and, if the format and objectives of these forums had been different, it could be argued that the best route for critics of NEPAD would be to continue to engage with NEPAD through such forums in the hope that such engagement could lead to the emergence of better projects aimed at African renewal. However, so far it does not seem that the NEPAD process is becoming the more open and consultative process that Loxley (2003:127) indicates it needs to become in order to allow engagement with NEPAD to be fruitful. The continued reluctance of NEPAD's architects to seriously consider and try to address criticism of NEPAD suggests that alternatives may more easily emerge from outside the NEPAD process rather than from engagement with the NEPAD process. Hope remains that from outside the NEPAD process, from those who are providing critical commentary on NEPAD, something positive may emerge. Perhaps the best feature of NEPAD is its ability to stimulate discussion. Debate on NEPAD has renewed discussion about development in Africa. Various civil society groups are being united in their opposition to NEPAD or to aspects of NEPAD, and it can be hoped that this kind of collaboration will assist in bringing alternative strategies for development to the fore. It is still to early to see whether or not this is happening, but it is not foolish to hope that something positive may emerge from debates among those groups which are critically debating NEPAD and alternatives to NEPAD.

## Conclusion

Calls for an African Renaissance made by prominent politicians during the last few years of the 20th century inspired hope in many Africans that the renewal of Africa may soon occur. NEPAD emerged out of calls for an African Renaissance and was marketed as being the strategy which would bring about Africa's long-awaited renewal by establishing a new partnership for Africa's development. In order to understand what NEPAD means when it promises to bring about Africa's development, NEPAD's assumptions about what is undesirable about Africa's present, what a desirable future would look like, and how to bring about this desirable future, have been investigated by this article. The scrutinisation and questioning of these assumptions reveals the inadequacy of NEPAD's understanding of development, showing this understanding to be ambiguous and unimaginative.

In many parts of the world there appears to be consensus that, as suggested by Fukuyama (1989), the 'End of History' is upon us: the best way in which to live has been discovered, and all alternative possibilities have been exhausted. It seems unlikely that alternatives to the prevailing political and economic ideologies in the West are to gain much support in the Western world in the immediate future. However, Africa is fertile soil for the flourishing of alternatives. The failure of Western economic and political systems in Africa has led many Africans to doubt the universal validity and desirability of such systems. In addition, it seems that Africans (or at least some Africans), unlike people from many other regions of the world, are willing to admit the undesirability of their current situation and to advocate the need for substantial change on their continent. This gives hope that Africa may be the birthplace of alternative ideas about the best ways to conduct politics and economics, and the best kind of future to which to aspire. Thus while many may feel disheartened by the emergence of NEPAD, the critical responses to NEPAD given by a diversity of African groups and individuals, indicate that there is hope that the African continent will indeed see the dawning of a new era – an era which encourages the cultivation of alternative visions of a better future, and the charting of alternatives paths to realise such visions.

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## Endnotes

1. The full NEPAD document is available from the Department of Foreign Affairs, South Africa's website at http://www.dfa.gov.za/nepad.htm.

2. It must be acknowledged here that the concept 'development' may imply a direction without a clearly specified end. It is possible for development to be conceived of as a continuous and infinite process in a particular direction, without any specified end. However, even if development is not understood as having an end point, the concept includes the feeling that change should be change in the 'right' direction, suggesting some kind of destination, however vague. In the absence of such a 'right direction', it would be impossible to distinguish between development and regression or stagnation. Thus, when speaking about development, the idea of a desirable future destination towards which the process of development is directed is always implicit, even if it is possible that this destination is a shifting and/or indefinite one. In this article, the idea of a desirable destination must be understood to mean a desirable final destination, a desirable interim destination, or a desirable shifting destination. Thus, by speaking about a desirable destination I do not mean to imply that the idea of development suggests a finite process, but rather would like to use the term development to mean either a finite or infinite process moving in a particular direction.

3. Included here are Escobar (1995), Esteva (1992), Illich (1997), Latouche (1993) and Sachs (1992).

4. This point will be elaborated upon in the section: The Strategy for Reaching the Desirable Destination.

5. Critics accusing NEPAD of following a neo-liberal agenda include Bond (2002a), Civil Society Indaba (2002), Ngwane (2002), Patel (2002), Pretorius & Patel (2002), South African Catholic Bishops Conference (2002a), Tandon (2002), and Vale (2002).

6. This list of the consequences of neo-liberalism is compiled based upon the following: African Social Forum (2002), Alternative Information and Development Centre (AIDC) (2002), CIDA (2002), Civil Society Indaba (2002), Ngwane (2002), Robidoux (2002), Pheko (2002), Pretorius and Patel (2002) and TWN/CODESRIA (2002).

7. Seepe (2001) describes MAP, NEPAD's predecessor, in this way. Given that NEPAD is an extended version of MAP, with a name change, the criticism is apt for NEPAD as well.

8. For a fairly representative overview of civil society statements on NEPAD see, *The African Voice On The New Partnership For Africa's Development (Nepad): A Compilation Of Declarations, Statements And Critique From The African Civil Society On NEPAD Prior To WSSD,* Vol. 1, May 2002 (Chimpango, 2002). Other relevant statements on NEPAD are those issued by the African Caucus (2002), the African Social Forum (2002), the Alternative Information and Development Centre (2002), the Civil Society Indaba (2002), the South African Catholic Bishops' Conference (2002a, 2002b) as well as the joint statement issued by the Third World Network-Africa and the Council for Development and Social Science Research in Africa (TWN/CODESRIA 2002).

9. Cautious supporters include Deng (2002), Ekpo (2002), Kanbur (2002) and Mills and Oppenheimer (2001), while more critical assessments of NEPAD have been written by Nabudere (2002), Longwe (2002), Mbilinyi (2002), Pheko (2002), Vale (2002), and Bond (2002a, 2002b).

10. For more information on these meetings see 'NEPAD Dialogue: Focus on Africa' – the weekly electronic newsletter of the NEPAD Secretariat, 8 July (NEPAD Secretariat, 2003a), or read the 'Summary Of Main Recommendations On The Nepad Civil Society Forum On Building Stronger Partnerships With Civil Society', Elmina, Ghana, 25-28 March 2003 (NEPAD Secretariat, 2003b).

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# SADC: A Development Community without a Development Policy?

*Arrigo Pallotti*

**During the last decade a major shift occurred in the policy strategies of African sub-regional organisations. Self-reliance and pan-African solidarity have been replaced by trade liberalisation as the primary aim of inter-state economic cooperation in sub-Saharan Africa. This article analyses the economic strategy pursued by the Southern African Development Community (SADC) during the 1990s. After reviewing the theoretical and political ambiguities surrounding the creation of SADC in 1992, the article examines the main political issues raised by the implementation of the SADC Trade Protocol and questions the neo-liberal approach that underlies the new industrial strategy now under discussion within the SADC. The analysis of contemporary trade and investment trends in Southern Africa highlights the increasing economic polarisation among the countries of the region and raises serious questions on the regional development potential of the market-driven integration promoted by the SADC.**

Economic regionalism in sub-Saharan Africa has a long-standing tradition. Since independence African governments have emphasised the benefits that could be drawn from economic regionalism and have consistently taken part in regional economic organisations at both the continental and regional level. While neo-liberal economists have constantly criticised African regional economic organisations for their lack of significant economic results, it is important to point out that in the post-independence era, the issue of inter-state regional integration in sub-Saharan Africa has been closely intertwined with the broad political objectives of pan-Africanism, self-reliance and third world solidarity. Being part of (at least) one regional economic grouping has always been an important component of the national, regional and continental political legitimacy of any African government. It is only from this perspective that we can explain the determination of African leaders to pursue economic regionalism. In Southern Africa the political appeal of regional integration has historically been strengthened by the presence of the apartheid regime in South Africa. Although during the 1980s security cooperation among the independent countries of Southern Africa took place within the group of the Frontline States, the economic projects of the Southern African Development Coordination Conference (SADCC) were also pursued as part of the struggle against apartheid South Africa.

During the last decade economic regionalism in sub-Saharan Africa has increasingly lost its peculiar pan-African and solidarity motives and self-reliance has been abandoned as a legitimate goal of regional cooperation. Under the pressure of the new international order brought about by the end of the Cold War and the deepening process of globalisation, African regional economic organisations have taken on new military security functions, while the liberalisation of intra-regional trade has

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become the main aim of their economic programmes. As a result, it has become almost impossible to distinguish the aims and content of the development strategies pursued by African regional economic organisations from the standard structural adjustment reforms sub-Saharan African countries have being implementing since the 1980s. Parallel to this political emphasis on trade liberalisation, during the last decade many analyses of economic regionalism in sub-Saharan Africa have focused attention on the static gains from regional trade liberalisation and, in particular, on the problem of trade creation versus trade diversion, in accordance with Viner's theory of customs unions (Radelet, 1997). As a consequence, the issue of the dynamic gains African countries could reap from politically planned processes of economic cooperation and integration has often been neglected by both academic analyses and the economic strategies implemented by African regional groupings during the 1990s (Keet, 1999).

In this context, the transformation of the SADCC into the Southern African Development Community (SADC) in 1992 and the economic programmes the latter has pursued during the 1990s have been paradigmatic not only of the increasing de-politicisation of economic regionalism in sub-Saharan Africa, but also of the unresolved contradictions between the neo-liberal economic agenda pursued by African regional groupings and the new role of conflict prevention and resolution they have been called to play during the 1990s (Williams, 2001). In particular, an analysis of the patterns of economic integration in Southern Africa during the last decade allows us to critically interrogate the alleged neutrality of the neo-liberal strategy of regional market integration and raises serious questions on the nature of the future insertion of African countries into the world economy.

The technical and only apparently neutral neo-liberal approach to regionalism and regional integration, with its emphasis on regional market liberalisation, neglects to consider two important issues: first, the redefinition of the inter-state and intra-state power relations brought about by the process of regional integration, and second, the possibility of elaborating and putting in place alternative development strategies more appropriate to the needs of developing countries. The dynamics of inter-state regionalisation and the creation of a regional economic bloc set in motion a complex process of redefinition of the economic and political power relations among the countries of a region and within each of them. Understanding this process is of extreme importance since it has a crucial bearing on both the shaping of democratic institutions at the regional level and the seeding of new intra-state and inter-state tensions and conflicts. As Swyngedouw as observed in the case of the European Union:

> *the ideology of an ungovernable and largely abstract process of global reorganisation […] has become a powerful weapon in the struggle over the content, democratic accountability, and forms of representation and of power that emerges in the new scalar configurations that are in the process of construction. […] There was a concerted attempt to make the 'market imperative' the ideologically and politically hegemonic legitimisation of institutional reform* (Swyngedouw, 2000:69).

This article analyses the economic strategy pursued by the SADC since the early 1990s and discusses the multiple and contradictory effects of the liberalisation of inter-state economic relations SADC has contributed to promote in Southern Africa during the last decade. The article is divided into three sections. The first section analyses the transformation of the SADCC into the SADC in 1992 and the substantial political ambiguities surrounding the adoption of the Treaty of

Windhoek in 1992. The second section examines the two pillars of the economic development strategy pursued by the SADC during the last decade and underlines the fact that the supply-side pillar of regional integration (the SADC industrial programme) has neither been fully elaborated nor implemented, leaving the SADC development strategy seriously biased toward the liberalisation of intra-regional trade. The third section analyses trade and investment flows among Southern African countries during the 1990s. Some data on contemporary economic relations among SADC member states are presented, together with some tentative observations on the nature of these interactions and their political implications for economic cooperation within SADC. Some conclusions follow.

## From SADCC to SADC: the Missing Project

When the Treaty establishing the SADC was signed in Windhoek (Namibia) in 1992, the governments of Southern Africa had not yet elaborated common programmes to address the multiple pressures that the changing regional and international scenarios were exerting on the countries of the region. The main concern of the SADCC member states in the early 1990s was without doubt to guarantee that the regional cooperation framework established in the late 1970s between the region and the Western donors would continue to operate and to channel financial resources to Southern Africa even after the end of the apartheid regime in South Africa. The impressions that the SADCC Executive Secretary reported from his official trip to Europe and the USA at the end of 1990 were indicative of the fast changing international attitude towards SADCC. As he remarked:

> *In certain quarters, it was suggested that SADCC would be irrelevant after apartheid, and that South Africa, once politically acceptable, would assume the role of regional power to dominate, lead and give assistance to the rest of the region. In the latter connection, there were even suggestions that cooperating partners might then disengage from Southern Africa, in deference to South Africa playing the role of 'regional donor* (SADCC, 1991: para. 1.12).

Moreover, the regionalisation of trade relations at the systemic level brought about by the creation or strengthening of regional economic blocs such as the European Union and the North Atlantic Free Trade Area, and changing donors' development priorities in the early 1990s deepened Southern African governments' fear of a further marginalisation of the region in the global economy, spurring the SADC to adopt an ambitious but vague integration programme.

The Treaty of Windhoek was much more concerned with the formal definition of the institutions of the new regional organisation than the detailed statement of its objectives and functions. The political and economic implications of the transformation of the 'conference' into a 'community' were not spelt out in the Treaty of Windhoek. In particular, it remained unclear if the SADC was going to follow a development or a market approach to integration (Keet, 1999). The Treaty of Windhoek made ambiguous references to both the need of structural transformation of the economies of Southern Africa and the new international development priorities of trade liberalisation and private sector-led growth. Among the various objectives of the community, the Treaty listed poverty reduction and the promotion of 'self-sustaining development on the basis of collective self-reliance' (SADC, 1993: art. 5, para. 1. a & d). The achievement of these objectives would have required the SADC (among other policies and programmes) to 'harmonise political and socio-economic policies and plans for Member States', to 'develop policies aimed at the progressive elimination of obstacles to the free movement of capital and labour, goods and services, and of the people of the Region generally, among Member States', and to 'mobilise the inflow of public and private resources into the Region' (SADC, 1993: art. 5, para. 2. a, d, i).

Since the late 1980s the leaders of the SADCC had already started to reassess the economic approach of the regional grouping, putting a growing emphasis on the role of the market and the private sector in the development process. In stark contrast with SADCC's previous emphasis on the role of the state in economic development (Haarlov, 1997), the regional industrial strategy adopted by SADCC in 1989 reasserted the SADCC objectives of transformation of the productive structures of Southern Africa and of reduction of its economic dependence on South Africa, but considered macroeconomic rigour, privatisation, and regional trade liberalisation as the only viable policies to achieve industrialisation in the region (Imani Development, 1998). This new political emphasis on private sector-led growth was aimed at putting the SADCC economic strategy in tune with both the structural adjustment programmes most of the member states were already pursuing at the national level and the economic conditionalities donors attached to their financial assistance to developing countries, but in the process SADCC continued to depict itself as pursuing the historical regional aims of economic self-reliance and independence from South Africa. The reappraisal of the SADC development strategy under way since the late 1980s was then rapidly overcome by the process of (real) economic integration spurred by the formal 'entry' of South Africa in Southern Africa after the end of apartheid.

The adoption of a theoretically vague approach of market integration by the SADC in 1992 actually meant the definite abandoning of any aim of radical transformation of the productive structures of Southern Africa and the almost undisputed supremacy of a programme of trade liberalisation as the main instrument of economic development for Southern Africa. It can be fairly concluded that the development policy pursued by the SADC during the 1990s has fallen into line with international financial institutions' and donors' approach to economic regionalism among developing countries (Schiff & Winters, 2002).

## The SADC during the 1990s

Having observed the many policy uncertainties that surrounded the transformation of the SADCC into the SADC, it is now necessary to analyse the evolution of the SADC economic policy during the 1990s, and in particular the political and economic consequences that the new emphasis on the elimination of barriers to regional trade has had on relations among Southern African countries. Notwithstanding all the rhetorical statements by SADC and the leaders of the region about the positive effects of regional integration on economic development and poverty reduction, it remains to be seen how a development strategy orphan of its supply-side component and relying exclusively on a trade liberalisation programme can deliver any welfare benefit to Southern Africa.

### The Trade Protocol

The SADC Trade Protocol, signed by the Heads of State and Government of Southern Africa in August 1996, called for the gradual removal of trade barriers among the SADC member states over an eight year period. It established a set of very general principles and objectives that would discipline the elimination of tariff and non-tariff barriers to regional trade, the definition of the rules of origin goods would have to satisfy in order to qualify for regional preferential treatment, and the functioning of safeguard measures (SADC, 1996). Successive negotiations would define the more detailed provisions necessary for the implementation of the Trade Protocol.

The negotiations for the implementation of the Trade Protocol entered their final phase only in 1998 (SADC, 2000:12). It was decided within the SADC Trade Negotiating Forum (TNF) that the process of regional trade liberalisation would be conducted on the basis of tariff offers and counter-offers by the member states. The defensive nature of the tariff offers initially put forward by the SADC member countries and the negative reaction of Botswana, Lesotho, Namibia and Swaziland (the 'BLNS countries', that with South Africa form the Southern African Customs Union, SACU) to the trade offer Pretoria had advanced on behalf of the all SACU without prior consulting them, prompted the TNF to reassess the entire implementation process. It was decided to accept the new negotiating principles proposed by the South African government in order to speed up the trade liberalisation process (Salvador, interview; Lee, 2001:258). As a result, since 1999 the trade negotiations have been conducted on the basis of three main principles: the differentiation of the tariff offers (the SACU countries would present one offer to each non-SACU SADC country, and each non-SACU SADC country would put forward one offer to South Africa and another offer to the other SACU countries), the asymmetry in the period of tariff liberalisation (the SACU countries would eliminate most of their tariffs in the first phase of the implementation period of the Trade Protocol and the non-SACU SADC countries would phase down tariffs in the final stages of the liberalisation process), and the fixing of product specific rules of origin (instead of few broad categories as stated in the Trade Protocol of 1996) (Lee, 2003:129-130).

There is not space here to analyse in depth all the issues, problems and inter-state tensions that have marked the SADC trade negotiations. Attention will be focused here on some aspects that can help understand the nature of the economic integration approach pursued by the SADC during the 1990s. First of all, we must notice that the three principles of differentiation, asymmetry and product specific rules of origin that have guided the implementation of the SADC Trade Protocol are also the pillars of the Trade, Development and Cooperation Agreement concluded by the European Union (EU) and South Africa in September 1999. As a trade negotiator for the Mozambique government observed, during the negotiations with the EU the South African government learnt a series of hard lessons that it didn't hesitate to apply during the negotiations for the implementation of the SADC Trade Protocol (Salvador, interview). In particular, the main lesson South Africa was taught by the EU concerned the political use of the rules of origin. As a trade negotiator of the South African government later noted, '[during the negotiations with the EU] we learned that rules of origin are not only about customs control, but, more importantly, about economic development, jobs and investment' (Smalberger, 2000). Small wonder that South Africa persuaded the other SADC governments to adopt a complex system of rules of origin like the one Pretoria had previously accepted during the negotiations with the EU (Salvador, interview).

From an institutional point of view, the delay in the definition of the complex system of rules of origin has been one of the most pressing factors behind the SADC decision to postpone from 1 January 2000 to 1 September 2000 the entry into force of the SADC Trade Protocol. But as this new date was getting closer, it became once again evident that few member states were ready to start implementing the Trade Protocol and that the issue of the rules of origin was far from being solved. To avoid a political fiasco, member states decided to formally launch the implementation phase of the Trade

Protocol on 1 September 2000, but on that day only the governments of South Africa and Mauritius deposited their ratification instruments, while a new round of negotiations over the rules of origin started (Salvador, interview). Moreover, the complexity and the sheer number of the legal clauses required by the new system of rules of origin compelled the member states to adopt a new Trade Protocol in 2000, since the provisions of the one signed in 1996 had been totally deformed.

More fundamentally, the political tensions sparked off by the negotiations over the definition of the rules of origin for some sensitive products have put at risk the entire implementation of the SADC Trade Protocol and have certainly nurtured SADC member states' suspicions about South Africa's economic objectives in the region. The most contentious issue in September 2000 still concerned the liberalisation of the regional trade of textile and clothing products. It has been argued that the definition of the rules of origin for textiles and clothing has been the main obstacle to the overall implementation of the SADC Trade Protocol (Stahl, interview), and a compromise was reached only in July 2001. The liberalisation of regional trade of textile and clothing products has sparked off a tough competition among the non-SACU SADC countries to get the best access to the South African market. At the same time, the South African government exploited its economic leverage over Southern Africa to support the restructuring process the South African textile and clothing industries have being undertaking during the 1990s.

Under the pressures of both the Textile Federation of South Africa and the South African Clothing and Textile Workers Union, Pretoria put forward a double proposal to the non-SACU SADC countries, taking into consideration their different levels of development (Erasmus, interview), or, more pragmatically, the degree of regional competitiveness of their textile and clothing industries (Hove, interview). Under the South African offer, in order to qualify for the SADC preferential access to the South African market, a textile or clothing good coming from a non-SACU SADC country would need to be the product of a two-stage transformation process (in tariff terms) within the exporting country. As an exception to this general rule, for a period of five years fixed quotas of textile and clothing exports to South Africa from Malawi, Mozambique, Tanzania and Zambia ('the MMTZ countries') would be subject only to the requirement of a one-stage transformation process. Because of this exception, only the textile and clothing exports from Mauritius and Zimbabwe to the SACU market would have to satisfy the general rule. The complaints of the MMTZ countries for the size of the quotas South Africa had offered them, and of the governments of Zimbabwe and Mauritius for the discriminatory treatment of their textile and clothing exports, led Pretoria to grant the MMTZ countries a small increase in some of their quotas and to agree to a faster liberalisation of the tariff regime for the SADC textile and clothing exports under the general two-stage transformation rule (Salvador, interview; Lee, 2003:135-6).

The South African approach to the liberalisation of regional trade of textile and clothing products confirmed the trade protectionist policy adopted by the South African authorities in the early 1990s against Zimbabwe's textile and clothing exports to the SACU market. More fundamentally, the South African attitude during the negotiations over textiles and clothing highlighted South Africa's determination to dominate the main value added textile productions in Southern Africa (Hove, interview). Since 1992 a trade dispute has pitted Harare against Pretoria after the latter unilaterally withdrew the preferential tariff regime for Zimbabwean exports to the South African market granted under a 1964 bilateral trade agreement between the two countries. Zimbabwe's textile and clothing industries were hard hit by the

South African decision, and during the 1990s they have been among the most vociferous business groups in Southern Africa expressing concern over the trade hegemonic behaviour of South African firms in the region. During the last decade the need to find export markets has sparked off tough competition among South African and Zimbabwean textile and clothing firms in Southern Africa, and the Zimbabwean industries have been constantly hurt by the precarious economic dispensation at home and by the political support South African textile and clothing firms received from their government. Suspicious about South Africa's economic aims in Southern Africa, in 1998 the Zimbabwean government ratified the treaty establishing the Common Market for Eastern and Southern Africa (COMESA), a competing regional economic grouping that aims at lowering barriers to intra-regional trade at a faster rate than SADC and that Pretoria refused to join in the early 1990s (Lee, 2003:88-89).

From an economic perspective, the negotiations for the liberalisation of regional trade among the SADC member states unmask the analytical limits of abstract concepts like 'free trade' and 'trade liberalisation' in the Southern African context. Far from being 'free', the trade regime established among the SADC countries is politically tightly planned. Even neo-liberal economists have been very critical of the implementation of the SADC Trade Protocol, arguing that it will further distort regional trade flows (Flatters, 2001). What neo-liberal economic analyses of the SADC Trade Protocol miss are the conflicts, alliances and compromises among governments that the implementation of a multilateral trade regime inevitably entail. On this respect, it is imperative that the analysis of regional integration in Southern Africa abandons once and for all the notion of the 'benign hegemony' that South Africa could play in Southern Africa and focuses on the multiple pressures that different political and economic interests and actors (business, trade unions, etc.) bring to bear on each of the SADC governments during negotiations within the regional grouping.

Moreover, it should be observed that some 'classical' scholars of economic geography have recently shed some light on the role that economic factors traditionally neglected by neo-classical economists (like transport costs, imperfect competition and increasing returns to scale), play in sparking off processes of economic agglomeration and polarisation among countries (Krugman, 1995). Contrary to the assumption of the neo-classical approach, 'development is not a process of steady convergence of poor countries to rich ones, but instead the rapid transition of selected countries from the poor club to the rich club' (Henderson, Shalizi & Venables, 2000:7). The implementation of political interventions to accelerate the insertion of developing countries into the international economy then becomes imperative. Even if the political proposals put forward by classical economic geographers don't go beyond the implementation of infrastructural programmes or the relaxing of border procedures, their criticism of development strategies relying exclusively on trade liberalisation has important implications for African regional economic groupings. In the case of Southern Africa, their finding that in 'South-South arrangements between developing countries (…) if industry concentrates due to agglomeration forces, then gains are likely to go to one member country at the expense of the others' (Ibid. p.26), questions both the SADC general approach to regional trade liberalisation and its implicit emphasis on the 'trickle down' of South Africa's growth to the rest of the region.

From a political perspective, the inter-state political tensions the implementation of the Trade Protocol has brought about in Southern Africa in the late 1990s highlight the paradox of a regional development policy that, focusing exclusively on trade liberalisation, is proving unable to promote equitable and sustainable development in the region and, on the contrary, seems conducive to a further polarisation of political and economic relations among the SADC member states. The adoption of a regional trade liberalisation strategy as the only instrument of economic development for the region has deepened the political and economic isolation of every SADC member state at the regional level. The rush to secure the best trade access to the South African market has pitted one SADC member state against the other. Given the lack of a regional policy aimed at the transformation of the productive capacities of SADC member states, the liberalisation of regional trade has remained an end in itself and has compounded the international (the increased economic competition under globalisation), regional (the end of apartheid in South Africa), and national (the effects of the structural adjustment programmes) pressures that each SADC member state has to face.

Even if it has proved relatively easy for the SADC governments in the second half of the 1990s to agree on the need to implement a programme of regional economic liberalisation that paradoxically gives South Africa a tremendous economic advantage over the other SADC countries, we should be wary of considering South Africa as the accepted political 'hegemon' of the Southern African region. During the 1990s political relations among the SADC countries have been marked by a deep polarisation, highlighted by the long dispute that has pitted Zimbabwe against South Africa over the powers and functions of the SADC Organ on Politics, Defence and Security and the different military and diplomatic strategies SADC member states have pursued since 1998 in the war in the Democratic Republic of the Congo (Williams, 2001). There is not enough space here to analyse the issue of post-apartheid regional political polarisation in depth. Suffice to note that since 1999 Thabo Mbeki has undertaken a difficult and sometimes uncertain process of inter-state confidence building in Southern Africa, aimed both at reverting Pretoria's political isolation in the region and at assuaging Zimbabwe's confrontational attitude towards post-apartheid South Africa that paradoxically has been nurtured not only by the historical patterns of inter-state conflict and cooperation in Southern Africa during the 1980s, but also by the harsh reality of a post-apartheid regional economic dispensation that has seen political inter-state power relations irrevocably altered (Pallotti, 2002).

## A SADC Industrial Strategy?

If for ideological and political reasons the implementation of the SADC Trade Protocol has dominated the attention of academics, politicians, and donors during the 1990s, the lengthy process of elaboration of a new SADC industrial strategy – which can be considered the second pillar of the overall SADC economic programme – has passed almost unnoticed. Since 1996 SADC member states have in vain tried to define a new industrialisation strategy for Southern Africa to complement the regional trade liberalisation process. Since no organic study to date has been devoted to the analysis of the draft industrial strategy discussed within the SADC circles during the second half of the 1990s, there is an urgent need to dedicate attention to some of the principles, priorities, and programmes for industrial development that are being currently debated within the regional grouping.

The draft industrial policy now under discussion within the SADC was finalised in May 2001 and replaced two successive drafts submitted by external consultants to the SADC respectively in 1997 and 1998. When the SADC Industry and Trade

Ministers Committee met in July 1999 to discuss the 1998 draft, it decided to reject the document. Apart from institutional and legal issues, the Ministers found that the draft didn't give proper attention to the problem of economic polarisation within Southern Africa, a problem made more pressing by the realisation that 'given the different levels of development and other economic factors, a SADC-FTA may make other countries unattractive to investors, while others will attract investors' (SADC, 2000:11).

The new draft presented in 2001 is a short and concise document. It is theoretically attuned to the previous drafts and it endorses some of the priorities and programmes already proposed in those documents. The new draft industrial strategy is trapped in a theoretical cul-de-sac due to the unsolved contradiction between its adoption of a neo-liberal approach to economic development and its cautious acknowledgement of the polarisation that characterises economic relations in Southern Africa. Moreover, the neo-liberal assumptions that inspire the overall programme seem in stark contrast with the aim of promoting the transformation of the productive structures of Southern Africa that the same document considers one of the main objectives of the SADC.

The 2001 draft argues that 'if SADC member States are to develop, they must industrialise. Otherwise they will remain at the bottom of the international division of labour, as producers and exporters of primary products and importers of processed goods' (Commonwealth Secretariat, 2001:2). In order to pursue this ambitious aim, the SADC governments must abandon any idea of import substitution industrialisation. In particular, the private sector must play a more prominent role in the economic development of the Southern African countries, since 'long-run efficiency and viability will best be achieved by ensuring that investment decisions are made in an environment where the prices and costs of factors of production and resources (…) reflect prevailing market conditions' (Ibid. p.3). Given the emphasis on both the private sector and the liberalisation of regional economies, small wonder that the draft is aimed not at framing 'the plan' for regional industrialisation, but at establishing 'a broad framework that reconciles national and regional interests and to which all member states can subscribe' (Ibid.).

In contrast with the list of very ambitious objectives for regional industrial cooperation articulated in the document, as '[to] develop an integrated industrial base within SADC based on available resources and being internationally competitive [and to] achieve increased levels of production of value-added manufactures within a common SADC regional market' (Ibid.), the policy measures the draft takes into consideration are just a repetition of the standard imperatives of neo-liberal development thought, such as establishing market-oriented economic systems, maintaining macroeconomic stability, adopting anti-inflationary politics, and fostering high standards of good governance (Ibid. pp.10-11). According to the draft, regional institutions should play just a supportive role in the industrialisation programme, such as encouraging investment in regional infrastructures, promoting the development of regional human resources, protecting the environment, and 'support[ing] the removal of barriers to intra-regional investment in productive enterprises' (Ibid. p.11).

The issue of the polarisation of economic development among Southern African states is raised several times in the document, but the latter remains very ambiguous over both the concrete effects of polarisation on regional integration in Southern Africa and the policy measures that the SADC could implement in order to reduce the risk of further polarisation. To address what is considered as just a problem of 'perception', the draft argues that:

> *concerns about polarisation will only end with vigorous policies and strategies that embrace the role of market forces, which break down highly concentrated markets in the SADC region. This should be within an institutional framework that enforces the market rules, and discourages monopolistic and cartel type operations. (…) It must be borne in mind that regional integration should not be blamed for domestic production inefficiencies* (Ibid. p.12).

As previously observed, this market-centred solution to the issue of economic polarisation within Southern Africa doesn't go without its own contradictions in the draft strategy. The same report recognises that 'supporting mechanisms need to be put in place that help to develop entrepreneurship, overcome supply side constraints, and encourage technological development' (Ibid. p.12), but it doesn't spell out what kind of instruments should be employed by the SADC to realise these aims. The document puts the emphasis on the harmonisation of national and regional industrial policies and leaves it open to speculation what financial instruments could be created to facilitate the transformation of the productive structures of Southern Africa. Finally, the inclusion of the Spatial Development Initiatives (SDI) among the few SADC industrial development programmes enlisted in the document highlights the shallow nature of the all SADC draft industrial strategy. As we will see below, the SDI programme can't be properly considered as a SADC initiative, as it was elaborated and implemented by the South African government with the selective involvement of some neighbouring countries outside the SADC framework (Ngwenya, interview).

The analysis of the draft industrial strategy for Southern Africa now under discussion within SADC allows to draw two important conclusions. First, it can be fairly argued that the draft doesn't address the concerns of a further polarisation of economic development in Southern Africa that some SADC member states have repeatedly expressed and that have already justified the rejection of two previous drafts. Second, even if this industrialisation strategy was adopted by the SADC governments, it seems clear that it wouldn't help address the inter-state tensions and imbalances that the establishment of a free trade area in Southern Africa is going to bring about. On the contrary, it would just worsen the political and economic isolation every country of Southern Africa finds itself in as a result of the structural adjustment programmes already implemented by the governments of the region.

## Patterns of Economic Integration in Southern Africa during the 1990s

The analysis of the regional development policy implemented by the SADC in the 1990s has shown that during the last decade the governments of Southern Africa have proved unable to agree on a regional development strategy that could prompt a transformation of the dependent economic structures of their countries, but have preferred to rely upon a free trade area to stimulate economic growth in the region. In the first and second paragraphs the main theoretical and political limits and contradictions of the market integration model pursued by the SADC during the 1990s have been discussed. It is now necessary to complement this theoretical analysis with an empirical examination of contemporary economic integration among Southern African countries, in order to further gauge the contradictory effects of the liberalisation of inter-state economic relations in the region and their implications for SADC. In this paragraph, recent data on trade and investment flows among SADC member states are presented and, with the help of other authors' findings on this topic and more specific data on South African investments in Mozambique, some observations on the nature and long-term development implications of contemporary economic relations among Southern African countries are put forward, with the aim of stimulating further research on both the recent evolution of Southern African political economy and the SADC contradictory role in the promotion of economic development in the region.

During the 1990s the integration of the economies of Southern Africa has substantially deepened. Given the limits and shortcomings of the SADC regional development policy during the last decade, trade and investment flows among Southern African countries have followed the paths and trajectories already drawn by the history of the region and in particular by Southern African countries' dependency on South Africa and on the international economy. As Balefi Tsie warned:

> *market force [will not] build the necessary institutional capabilities for industrial development in Southern Africa or identify potential export opportunities for regional producers in overseas markets. Rather, they are more likely to lock the region into a structure of static comparative advantage inherited from the colonial period. (…) Because market forces are guided by short-term profit calculations, they cannot be relied upon for this transformative project* (Tsie, 1996:94).

Several analyses have been recently conducted to assess the extent and nature of formal post-apartheid trade integration in Southern Africa (Ahwireng-Obeng & McGowan, 1998; McCarthy, 1999). The main conclusion emerging from the literature is that the trade imbalance between South Africa and Southern Africa that has historically characterised inter-state economic relations in the region has not been reversed. With all the caution required when analysing data on formal intra-regional trade in Southern Africa, the data reported in Table 1 show that in the period 1989-1998 the trade imbalance (at 1990 constant prices) between SACU and the SADC has trebled. Even if SACU imports from the SADC countries have increased by 255.2% in the period 1989-1998, SACU exports to the other SADC countries have grown by 297.1%. Recent analyses of trade data for the late 1990s have confirmed this trade polarisation trend in Southern Africa (TIPS, 2003). The aggregated data reported in Table 1 hide important differences among the trade performance of SADC countries. But even if exports from Tanzania, Zambia, Malawi and Mozambique to the SACU market have recorded an exceptional growth in

**Table 1: SACU Export & Import Values to the SADC (millions of SA Rand, 1990 constant prices)**

| | 1989 | 1990 | 1991 | 1992 | 1993 | 1994 | 1995 | 1996 | 1997 | 1998 |
|---|---|---|---|---|---|---|---|---|---|---|
| SACU Exports | 2738.2 | 3040.0 | 4002.2 | 4641.7 | 4801.8 | 5400.1 | 7162.4 | 8557.7 | 8762.2 | 8135.9 |
| SACU Imports | 570.4 | 553.2 | 581.4 | 865.5 | 810.5 | 1088.0 | 1032.3 | 1326.7 | 1368.4 | 1456.1 |
| Balance | 2167.8 | 2486.8 | 3420.8 | 3776.2 | 3991.3 | 4312.1 | 6130.1 | 7231 | 7393.8 | 679.8 |

Source: Drawn from Trade and Industry Policy Secretariat (1999), Southern African Update, vol. 3, September, pp. 1-2.

relative terms during the 1990s, this doesn't mean that the trade gap between South Africa and the non-SACU SADC countries has been significantly reduced in absolute terms (Ibid.).

It should be noted that during the 1990s regional investment flows have also contributed to deepening economic integration among the SADC countries. In particular, South African investments in the SADC region have recorded a dramatic growth. Table 2 reports the volume of South African investments in the SADC countries and the rest of sub-Saharan Africa for the period 1997-2001. Given the lack of country breakdown of sectoral allocations in Table 2, the analysis of the development impact of South African investments in Southern Africa is complemented by making reference both to the evidence presented in the literature on this topic and to specific data on South African investments in Mozambique in the period 1990-2000.

Table 2 shows that in the period 1997-2001 total South African investments in the SADC region have recorded a fourfold increase, growing from SA Rand 5,983 million in 1997 to SA Rand 24,149 million in 2001, while South African investments in the rest of Africa have actually decreased from SA Rand 3,374 million in 1997 to just SA Rand 2,652 million in 2001. If in 1997 SADC countries' share of total South African investments in Africa was 63.9%, in 2001 it has grown to 90.1%. These data suggest that during the second half of the 1990s total South African investments in Africa have tended to concentrate in the SADC region, deepening the economic integration between South Africa and the other countries of Southern Africa. Table 2 shows that direct investments have been a very important component of the South African investments in the other SADC countries, as well as financial investments in the form of loan capital, including bank lending/borrowing and deposits. South African portfolio investments in other SADC countries have also recorded a dramatic growth in absolute terms in the period 1997-2001, but have remained of lesser importance compared to other forms of South African investments in the region. It must be briefly noted here that during the same period SADC countries' investments in South Africa have also conspicuously grown, but they have been overwhelmingly directed to South African financial markets, in the form of portfolio investments and deposits. This trend raises serious questions on the long-term development implications of the liberalisation of capital movements among Southern African countries. Even if attention here is focused on South African investments in the SADC area, it must be noted that it remains to be seen 'whether South Africa will act as the source for capital investment in the region (…) or as a sink for existing capital funds from it' (Simon, 2001:392).

In the period 1997-2001 total South African investments in Southern Africa have been unevenly spread among the countries of the region. While South African investments in Malawi and Zimbabwe have been relatively stable in the period 1997-2001 (even if in the last year of the period under consideration they have substantially fallen in Malawi and raised in Zimbabwe), they have recorded more than a fivefold increase in Zambia, raising from SA Rand 254 million in 1997 to SA Rand 1420 million in 2001. In the case of the Botswana, Namibia, Lesotho and Swaziland ('the BNLS states'), South African investments have raised from SA Rand 3,159 million in 1997 to SA Rand 6,119 million in 2001, but their share of total South African investments in the SADC region has fallen from 52.7% in 1997 to 25.3% in 2001.

**Table 2: Foreign Investments from South Africa to the SADC Countries, 1997-2001**

| | SA Rand Millions | | | | | | | | | | | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Direct Investment | | | | | Portfolio Investment | | | | | Other Investment | | | | | Total Investment | | | | |
| | 1997 | 1998 | 1999 | 2000 | 2001 | 1997 | 1998 | 1999 | 2000 | 2001 | 1997 | 1998 | 1999 | 2000 | 2001 | 1997 | 1998 | 1999 | 2000 | 2001 |
| **Botswana** | 287 | 424 | 337 | 260 | 408 | 82 | 1211 | 225 | 297 | 200 | 226 | 294 | 454 | 583 | 890 | 595 | 1929 | 1016 | 1140 | 1498 |
| **Lesotho** | 178 | 165 | 150 | 167 | 177 | 52 | 52 | 52 | 63 | 1 | 146 | 295 | 992 | 1479 | 1641 | 376 | 512 | 1194 | 1709 | 1819 |
| **Swaziland** | 515 | 1411 | 1244 | 1246 | 156 | 47 | 47 | 47 | 65 | 1 | 221 | 267 | 520 | 631 | 559 | 783 | 1725 | 1811 | 1942 | 716 |
| **Angola** | 8 | 8 | 3 | 22 | 1 | 10 | 10 | 10 | 10 | 0 | 32 | 14 | 43 | 21 | 231 | 50 | 32 | 56 | 53 | 232 |
| **Malawi** | 227 | 175 | 116 | 176 | 18 | 3 | 29 | 31 | 3 | 0 | 76 | 82 | 112 | 117 | 178 | 306 | 286 | 259 | 296 | 196 |
| **Mauritius** | 664 | 1087 | 1929 | 2556 | 6628 | 4 | 151 | 180 | 475 | 168 | 88 | 92 | 3683 | 3953 | 641 | 756 | 1330 | 5792 | 6984 | 7437 |
| **Mozambique** | 11 | 23 | 2608 | 3613 | 4117 | 0 | 0 | 0 | 0 | 0 | 96 | 95 | 410 | 527 | 811 | 107 | 118 | 3018 | 4140 | 4928 |
| **Zimbabwe** | 205 | 250 | 353 | 309 | 587 | 6 | 12 | 11 | 20 | 300 | 976 | 884 | 1004 | 772 | 553 | 1187 | 1146 | 1368 | 1101 | 1440 |
| **Tanzania** | 79 | 140 | 20 | 78 | 530 | 0 | 0 | 0 | 0 | 0 | 63 | 76 | 109 | 84 | 40 | 142 | 216 | 129 | 162 | 570 |
| **DRC** | 1 | -17 | 4 | 4 | 0 | 0 | 0 | 0 | 0 | 0 | 21 | 226 | 92 | 95 | 1806 | 22 | 209 | 96 | 99 | 1806 |
| **Zambia** | 55 | 102 | 10 | 13 | 89 | 0 | 0 | 0 | 0 | 0 | 199 | 328 | 316 | 383 | 1331 | 254 | 430 | 326 | 396 | 1420 |
| **Namibia** | 785 | 277 | 543 | 1120 | 806 | 9 | 9 | 9 | 67 | 59 | 611 | 1603 | 1242 | 1002 | 1222 | 1405 | 1889 | 1794 | 2189 | 2087 |
| **Total SADC** | 3015 | 4045 | 7317 | 9564 | 13517 | 213 | 1521 | 565 | 1000 | 729 | 2755 | 4256 | 8977 | 9647 | 9903 | 5983 | 9822 | 16859 | 20211 | 24149 |
| **Other Africa** | 3131 | 5072 | 2654 | 2701 | 514 | 30 | 33 | 41 | 49 | 18 | 213 | 391 | 899 | 1209 | 2120 | 3374 | 5496 | 3594 | 3959 | 2652 |
| **Total** | 6146 | 9117 | 9971 | 12265 | 14031 | 243 | 1554 | 606 | 1049 | 747 | 2968 | 4647 | 9876 | 10856 | 12023 | 9357 | 15318 | 20453 | 24170 | 26801 |

Source: Data provided by SADC, 2002; Note: 'Direct investment' refers to assets and liabilities in the form of equity capital or other short or long term capital; 'portfolio investment' refers to assets/liabilities in equity and debt securities or money market instruments and are usually listed on security exchanges; 'other investment' refers to assets/liabilities in short and long term loan capital as well as currency and deposits and includes bank lending/borrowing and deposits.

Table 2 shows that Mauritius and Mozambique have become the main destinations of South African investments in the SADC region. If in 1997 South African investments to Mauritius amounted to SA Rand 756 million, in 2001 they have grown to SA Rand 7,437 millions, with almost a ten fold increase. The growing relative and absolute importance that Mauritius has acquired as a destination of South African investments in the second half of the 1990s has passed largely unnoticed in the literature on contemporary economic integration in the SADC region. Notwithstanding all the SADC rethoric about the mutual benefits of regional integration and the need for the member states to implement private sector-friendly policies, the data presented in Table 2 seem to suggest that South African business is much more interested in the economic opportunities offered by the little and stable island and its economically strategic location in the Indian Ocean than in other Southern African or continental markets.

In the second half of the 1990s Mozambique has become the other major destination of South African investments in the SADC region. In the period 1997-2001 South African investments in Mozambique have grown from R107 million to R4,928 million. After Mauritius, Mozambique has become the second destination of South African investments in Southern Africa in the second half of the 1990s. Given the extension of South African economic relations with Mozambique and the numerous political and economic similarities the latter share with other Southern African countries (compared to Mauritius), the analysis of specific data on the geographical and sectoral distribution of South African investments in Mozambique can be useful to a deeper understanding of the nature and implications of South African investments in the SADC countries.

Among the multiple political, economic and social issues that the dramatic surge of South African investments in Mozambique in the second half of the 1990s have raised, its potentially deleterious impact on the economic disparities among Mozambique's regions seems to deserve particular attention (Tevera & Chimhowu, 2003). As the data reported in Table 3 show, in the period 1990-2000 South African investments in Mozambique have been highly concentrated in the Maputo Province, that has attracted 85% of the total South African investments (by value) in Mozambique.

**Table 3: Approved South African Investments in Mozambique by Province, 1990-2000**

| Province | Number of projects | Value of investments (in US $) | Jobs |
|---|---|---|---|
| Cabo Delgado | 8 | 22.057.421 | 839 |
| Nassa | 2 | 9.834.718 | 159 |
| Nampula | 5 | 96.126.371 | 6.490 |
| Zambézia | 8 | 26.446.972 | 634 |
| Tete | 6 | 65.143.605 | 607 |
| Manica | 9 | 3.047.188 | 490 |
| Sofala | 11 | 99.669.250 | 751 |
| Inhambane | 27 | 2.239.659 | 443 |
| Gaza | 20 | 62.850.373 | 2.487 |
| Maputo | 183 | 2.180.864.425 | 18.037 |
| **Total** | 279 | 2.568.279.985 | 30.937 |

**Source**: Data provided by the Centro de Promoção de Investimentos, Maputo, August 2001.

This concentration of South African investments in the Maputo Province has been fostered by the implementation of the Maputo Development Corridor (MDC), one of the SDI projects envisioned by the South African government in the early 1990s and 'aimed at unlocking the inherent and under-utilised economic development potential of certain specific spatial locations in South Africa' (and later in Southern Africa) (Jourdan, Gordhan, Arkwright & de Beer, 1997:2). Since 1995 a range of infrastructural projects have been carried out in the MDC, aimed at fostering economic realtions between the Gauteng Province of South Africa and the port of Maputo. Given the absence of a broad regional development strategy, to date the implementation of the MDC has been one of the most conspicuous example of bilateral economic cooperation between South Africa and a neighbouring country. Notwithstanding the rethoric about the potential benefits of the MDC for the people of the regions it traverses, the MDC is a practical answer to Gauteng Province's historical need of a close a reliable port infrastructure, as highlighted by the deep polarisation of trade flows through the corridor between South Africa and Mozambique (Tevera & Chimhowu, 2003:38). In this context, it seems necessary to be very cautious in drawing general (and positive) conclusions about the welfare impact on Mozambique's population of huge capital intensive South African investments such as the Mozal aluminium smelter recently built on the outskirts of Maputo (Hentz, 2003). Moreover, it remains to be seen how the growing economic polarisation among Mozambique's regions brought about by the neo-liberal economic policy adopted by the government and the flow of foreign direct investments will interact with the deep political and social cleavages provoked by colonial rule and the civil war in the country and how Mozambique's government will address this challenge.

The nature of South African investments in the SADC countries raises several questions on the welfare impact and long-term sustainabilty of the FDI friendly policies implemented by the governments of Southern Africa. It must be noted that to date very few extensive studies have been carried out on the nature of South African investments in Southern Africa. Simon captures the regional trend arguing that 'a small number of large corporations in the mining, banking, telecommunications and media, and certain manufacturing sectors such as brewing, along with tourist-related and financial services industries and supermarket retailing, have undertaken the bulk of South African FDI in the rest of Africa' (Simon, 2001:389). Using the BusinessMap database, Sidiropoulos and Voges calculate that South African investments in the SADC countries amounted to US$4,789 million in the period 1997-2000. Of this total, US$3,684 million (76.9%) were directed to metal products, mineral beneficiation and the mining and quarrying sector, US$513 million (10.7%) to food, beverages and tobacco, US$153 million (3.1%) to agriculture and US$99 million (2%) to hotels, leisure and gaming (Sidiropoulos & Voges, 2002:255). It is remarkable that, except possibly for tourism, these investment sectors are not only heavily capital intensive, but haven't meaningful backward and forward linkages with the rest of the host economies (the case of Mozal aluminium smelter in Mozambique is an obvious case in point). In the case of the retail sector, it has been shown that South African supermarket chains operating in the SADC countries import the bulk of their products from South Africa, thus displacing local production (*South African Labour Bulletin*, 2003), but the same holds true for investments in mining, telecommunications, financing and manufacturing.

In Table 4 the sectoral breakdown of approved South African investments in Mozambique in the period 1990-2000 is presented. The data reported in Table 4 partly complement the ones presented in Table 2 and allow to make some very tentative observations on the nature of South African investments in Southern Africa comparing the experience of Mozambique with the results of broader regional analyses. Considering that the first phase of the construction of the Mozal aluminium smelter accounts for the bulk of investment in the manufactuirng sector, the data presented in Table 4 show that 53% of the other South African investments in Mozambique have been directed to the mining, tourism and construction sectors. The very limited number of South African projects undertaken in Mozambique is striking: only 279 projects account for the more than US$2.5 billion invested by South African firms in Mozambique in the period 1990-2000. The data reported in Tables 3 and 4 confirm Castel-Branco's assertion that 'South African FDI is mainly involved with the largest projects ever developed, or to be developed, in Mozambique' and that 'South African FDI in Mozambique is heavily skewed towards the core and periphery of the minerals-energy complex' (Castel-Branco, 2002:11-12; Carmody, 2002:262). What also clearly emerges from the data reported in both Table 3 and Table 4 is the very capital-intensive nature of South African investments in Mozambique. Notwithstanding the more than US$2.5 billion invested by South African firms in Mozambique, less that 31,000 jobs have been created. These data raise several doubts on the long-term development impact and the employment benefits of South African investments in Mozambique.

The data presented in this paragraph have shown that the liberalisation of inter-state economic relations promoted at the regional and bilateral level have accentuated the polarisation of economic development in the SADC region during the 1990s. Notwithstanding SADC stated aims of equal development and economic prosperity among its member states, the trade balance has remains heavily tilted in favour of South Africa. Moreover, as SADC countries have heavily invested in South African financial markets, South African investments in the SADC have been mainly directed to the exploitation of primary resources (minerals, energy, etc.), have been capital intensive and have few linkages with the host economies. The analysis of trade and investment flows among Southern African countries raises several questions on the sustainability of SADC regional integration strategy and its emphasis on market forces and private sector-led development. During the 1990s SADC has provided legitimacy to a process of regional economic liberalisation that

**Table 4: Approved South African Investments in Mozambique by Sector, 1990-2000**

| Sector | Number of projects | Value of investments (in US$) | Jobs |
|---|---|---|---|
| Agriculture & agro-industry | 60 | 344.536.028 | 11.581 |
| Fishing | 13 | 21.079.911 | 826 |
| Construction | 29 | 241.543.821 | 5.511 |
| Manufacturing | 63 | 1.482.667.178 | 7.697 |
| Transport & communications | 24 | 66.515.584 | 1.007 |
| Oil & gas | – | – | – |
| Banks & insurance | 3 | 6.691.488 | 26 |
| Mineral resources | 4 | 135.460.052 | 17 |
| Hotels & tourism | 42 | 206.704.385 | 2.425 |
| Others | 41 | 63.081.534 | 1.847 |
| Total | 279 | 2.568.279.985 | 30.937 |

Source: Data provided by the Centro de Promoção de Investimentos, Maputo, August 2001.

has practically meant the complete abandoning of the historical political aims of regional cooperation in Southern Africa and in particular of the notion that regional integration could actively contribute to the transformation of the political economy of the region. The polarising effects of the business-led regional integration promoted by SADC during the 1990s makes the SADC vulnerable not only to the political tensions among (and within) the SADC member states, but also to the growing economic disparities among the countries and the sub-national regions of Southern Africa.

## Conclusions

The analysis of the economic development strategy elaborated and implemented by the SADC during the 1990s brings us to the conclusion that the nature of post-apartheid economic regionalism in Southern Africa has not differed from the standard neo-liberal structural adjustment programmes the governments of the region have implemented from the 1980s. On the contrary, the programme of economic integration pursued in the last decade by the SADC has become a new vehicle for the liberalisation of the economies of the region. As the SADC member states have never reached an agreement on a new regional industrialisation strategy, the liberalisation of intra-regional trade has become the only pillar of the economic integration strategy promoted by the SADC.

The ambiguities surrounding the transformation of the SADCC into the SADC have actually meant the loss of any regional capacity to devise – let alone to implement – an economic development strategy able to promote the structural transformation of the economies of the region. During the last decade the SADC has lacked any strategic economic tool to help its member states face the multiple challenges posed by the historically dependent nature of their insertion in the international economy, and in particular the deleterious economic and social effects of the structural adjustment programmes. The neo-liberal market integration model pursued by the SADC during the 1990s has worsened the competitive pressures the end of the apartheid regime in South Africa and the globalisation process have brought to bear on the countries of Southern Africa, as shown by the inter-state tensions unleashed by the negotiations for the liberalisation of the regional trade regime.

Moreover, the liberalisation of regional economic relations promoted (also) by SADC has colluded to channel economic interactions among the countries of the region along the path historically laid down by colonial domination and apartheid South Africa. As the analysis of intra-regional trade and investment flows in Southern Africa during the 1990s has revealed, the polarisation of economic development among the countries of Southern Africa has continued unabated during the last decade, adding to the already tense relations between some of the member states of the regional grouping. The data presented in paragraph 4 raise serious questions on the long-term sustainability and welfare impact of the neo-liberal economic strategy SADC has pursued since the early 1990s and how, in the future, reconcile its stated aims of regional equal development and solidarity with a deepening process of economic polarisation among (and within) its member states. Given the absence of any SADC policy aimed at actively reversing the development gap between Southern Africa states, South African investments in the SADC during the last decade have been highly concentrated in economic sectors like mineral and energy exploitation, telecommuncations and manufacturing that are capital intensive and have very few backward and forward linkages with the host economies. The inter-state and intra-state destabilising effects of both the neo-liberal economic strategy of the SADC and the polarisation of trade and investment flows depict a very difficult scenario for future inter-state economic and political cooperation in Southern Africa.

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# Briefings

## Revisiting Somalia

*Abdi Samatar & Phil O'Keefe*

The Beachcraft turns 180 degrees and comes south over the sand dunes as the rain comes down. Ten-thirty exactly as the aircraft hits the sandy airstrip.

There were only 4 passengers. The two of us, and two others who disembark at North Mogadishu. As the aircraft taxied to a halt, some eight 4 x 4 battered Land-cruisers pulled out of the bushes and approached the aircraft. The ECHO flight controller, resplendent in a baseball cap that identified him, opened the door. We were sitting the furthest back; we disembarked first, past seats full of emergency milk supplement.

No health check, no passports, no customs inspection. This is Somalia, a failed state with variable boundaries, varying by people, time and place. Our host, for you need a host to enter Somalia safely, strides to meet us. Behind him, five men roll out five barrels of aviation fuel creating mini sand-storm. Another pulls a pump on a handmade cart. Refuelling begins. No one leaves the airstrip until the aircraft is ready for departure.

We drive in a convoy of three to the edge of the airstrip. There we are met by our technicals, the armed men we have hired to negotiate our way between contesting warlords. They are called technicals because, when aid agencies found that they had to hire them to ensure delivery of humanitarian assistance, the hired guns were registered as 'technical assistance' in budgets. It used to be a budget category for doctors, nurses and engineers.

Five technicals including the leader, who was crisscrossed with bandoliers of bullets, went to the first Land-cruiser. Four technicals went to our vehicle, all with AK 47s. Then came a rearguard of another four, one armed with a rocket launcher. We had hired a platoon.

Off down the dirt track, sometimes in line, sometimes three abreast. Mostly on dirt track but occasionally on metalled road with potholes. Some villages we went through others we went around. The one barrier we met, we raced through as our technicals shook the assault rifles at a local militia armed with, among other things, rocket grenades.

Our host provided a running commentary. As we passed a ship anchored close to the shore, he pointed to the mountain of charcoal sacks – in a landscape that seemed treeless – for export to the Middle East. A little further and mountains of scrap metal for export to Asian foundries – all wars bring commercial activity of some kind. Past the ruined pasta factory – hardly a spoil of war even if the Italians significantly influenced Somali dietary habits.

There were signs of trying to put back the pieces of life. Clean white walls, and painted signs, advertised hospitals and pharmacies. Schools and Colleges, too, looked spruce – one advertised 'For Languages Scientific Studies and Medicine'. But these places were for those with money. The poor were crammed elsewhere. And there were no poor next to a major sign of progress namely the

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factory that opened literally yesterday – CocaCola.

The poor were bunched on scraps of land. Some were in courtyards of bombed out buildings. Some were crowded on what looked like abandoned rubbish tips: others were huddled against the walls of occupied buildings on road verges. Their houses never above head height are roughly hewn wood posts, between 1 and 3 inches in diameter, covered with a colourful range of tatty plastics. A sense of shelter, and permanence, is given by the occasional piece of tin hammered into the wood as part of a roof. The poor are not apart but integrated into the geographic fabric of Mogadishu.

How many poor? Let us start somewhere else. How many Somalis? Pre-war (1991) the population was estimated at 7.5 million. Now thirteen years later, estimates suggest as few as 4.8 million although recent UNDP/World Bank calculations indicate the reality is closer to 9 million. But as more than 2 million are involved in the Somali Diaspora and since over a million Somalis have been born across the last 15 years, this would suggest premature deaths of over a million.

Of the 9 million, some 3,000,000 (33%) live in urban areas. While average annual per capita income is higher in urban areas than rural areas – US$290 and 195 respectively, urban poverty is still great. In urban areas, over half a million people live on less than a dollar a day. Yes, in terms of these economic numbers, there are more poor in the rural areas but in rural areas there is a subsistence living. In urban areas, no such living.

Urban poverty is always difficult to address. In a country that lacks a functioning government it is more than difficult. And it is especially difficult to address a particular group of the poor – those who have migrated to town as a consequence of war. Professional aid administrators call them Internally Displaced People (IDPs) and, in Somalia, there are estimated to be some 350,000 of them, most in Mogadishu. That is a population roughly the size of Newcastle-upon-Tyne.

IDPs are largely defined by what they do not have. They have lost their livelihoods, frequently land, and their homes; they are jobless and hungry; they face an increased disease burden and a higher risk of death; they have lost access to their community support system and common property resources; they have no entitlements and a particular kind of vulnerability both physical and psychological.

But how many of these IDPs are genuine? ‘About 50%’ said Yahya Ali, the Director of the War-torn Societies Project, ‘The other 50% were encouraged by warlords to occupy former government buildings’. And there’s the rub – IDPs are largely based in towns (Mogadishu with a population of 1.2 million has 200,000 IDPs). But there are many other destitute people in towns who are not IDPs. How does one help IDPs without inflaming resentment, even clashes?

IDPs offer a peculiar modern problem. In theory responsibility for them lies with their own national government – nation states have obligations as well as rights. But Somalia is a failed state. On the other hand, displaced people still have human rights. With a failed state who speaks for these rights?

Even in a state that has not failed, many argue that state rights, in complex emergencies, should be subsidiary to human rights. This rights agenda has emerged, in the early 21st century, to dominate discussion between developed and developing countries. Developing countries, particularly, those who have recently thrown off the yoke of Colonialism, emphasise sovereignty and they are championed by China and India who see threats to independence, including from humanitarian action. Western humanitarian actions, particularly some 20th century actors with self-proclaimed missions, see human rights as critical.

It would be unfair to paint all humanitarian actions the same colour. Sue Lautze memorably triaged humanitarian actions as missionaries, mercenaries or misfits – they do it for God, money or themselves. More academic arguments would also triage humanitarian approaches in a somewhat similar fashion – as religious, Wilsonian (in the sense of Woodrow Wilson's foreign policy orientation which saw all American actions including NGOs as an extension of power state) or Dunmantist recognising legal rights of individuals and war largely based on Red Cross/Crescent principles.

How would these typologies apply to the current IDP situation in Somalia? It is clear that the missionaries/religious NGOs are in operation doing useful work in medicine, educational and trying to help the peace process. But hold the judgement for a while – these are the Christian groups. Far larger in terms of effort, despite the setbacks they are experiencing from the impact of Bush's foreign policy, are the Islamic foundations. It is they who are providing hospitals, dispensaries, schools, colleges and universities, providing capital for building as long as each institution can demonstrate ownership and sustainability in business plans. A quick evaluation would suggest they have 10 times the impact – most of it secular.

What of the mercenaries/Wilsonians? The Americans are in the region surrounding Somalia in Djibouti, Ethiopia and Kenya, probably at a cost in excess of US$250 million. They contribute to the Somalia humanitarian effort, some US$40 million a year but do not join pressure for a peaceful Somalia in public. The European Commission has taken on that role strongly supported by secular NGOs such as Oxfam and Save the Children. But where is the route map for peace? There is a sense that the current swath of humanitarian projects will somehow make a programme which in turn will somehow make a policy: this seems to be a reversal of the usual approach.

It is parallel to another reversal. The peace process is offering a political settlement of government, still in dispute, followed by observers and then military oversight. This again seems to turn on its head the successful peace interventions in places like Mozambique where military oversight led the process and elections came later. What will this mean for the 15,000 technicals, those boy soldiers who earn US$5 a day because they possess an AK 47 for hire?

And so to the misfits – those with the Dunmantist rights agenda. They are not much in evidence in Somalia although the ICRC does startling work through the Somali Red Crescent. There is not even much of a push to address the rights of IDPs because the misfits have realised, like everyone else, that the IDPs are largely indistinguishable from the poor in Somalia.

This realisation is reflected in the western humanitarian aid package for Somalia. Little money is given for food and shelter – the prerequisites of acute emergency aid. Instead it goes to basic social services, health and education, without specifically targeting to IDPs.

It is in Nairobi that the peace process slowly unfurls. Two steps forward one step back, like a waltz in time but with no coda. Part of the reason for this slow progress is two western misconceptions that, firstly, Somalia needs firm clan boundaries drawn on the peace map when Somali traditional livelihoods require movement across boundaries and, secondly, that clan divisions are deep and irresolvable when the reality is they are many and thin. Part of the reason is that planning capacity in both the UN and SACB is, with the exception of leadership, very weak and contradictory, and, more importantly, there is no Somali voice in the process. And part of the reason is that a few Somalis are not yet tired of war – it is providing a few with a generous living.

In Mogadishu, there is a sense of low intensity warfare backed up by considerable risk to high visibility people, both Somali and non-Somali. But there is also a sense of a city slowly recovering. There is a consumer goods market – of course dominated by mobile phones – which is conducted in dollars. For the ordinary Somali without access to consumer goods, there is the Somali shilling market resplendent in food, furniture and fuel: nothing is unobtainable as long as you are employed. The poor, including some IDPs, are not.

*When we asked the IDPs if they needed someone to protect their rights, they answered in the affirmative. When we asked them what they most wanted protection was not mentioned. They wanted they said, peace and jobs. Peace and jobs.*

# The Millennium Challenge Account: A Marginal Revolution in US Foreign Aid Policy?

*Maurizio Carbone*

**In March 2002 George W. Bush, President of the United States of America, called for a 'new compact for global development' to gradually boost US development assistance by 50% over the period 2004-2006. These new funds, which will go into a Millennium Challenge Account (MCA), will reverse the declining trends in foreign aid of the past decade. But besides volume of aid, the MCA was considered, at least in the propaganda that followed the Bush announcement, a radical departure from the past for its emphasis on policy reforms, sustainable growth, accountability, partnership between the US and the developing world, participation of Southern civil society actors.**

Despite these laudable intentions, the MCA presents some evident flaws, for instance in the funding criteria, the lack of a strategy to address global issues, and the unilateralist approach to international development. Because of these flaws, the MCA risks making only a minor indent in the global fight against poverty. This essay first analyses the MCA's selection and funding process and then reviews some of the most relevant criticisms which have emerged from its initial application.

## The Selection & Funding Process

The US is the world's largest donor in terms of volume of aid, but is one of the least generous in terms of the percentage of its economy given to aid. When the US started the foreign aid enterprise in the 1950s it was a very generous donor, providing about 2% of its Gross National Product (GNP). But its contributions to international development have substantially declined over the years, declining from 0.5% to 0.1% of the GNP at the end of the 1990s, the lowest level among all DAC countries. In March 2002, President Bush pledged to increase US foreign aid by $1.67 billion in 2004, $3.34 billion in 2005 and 5 billion a year thereafter. Even though the Congress has appropriated only $1 billion for 2004 (the Bush administration has requested $2.5 billion for 2005), this still represents the most important increase in several decades; yet, the resulting level of US spending on foreign aid is much lower than any other year between 1962 and 1995 (Shapiro and Weiner, 2002).

Strict financial criteria have been drawn up for countries to be eligible for funds: in 2004 only low income countries with a per capita income below US$1,435 and eligible to borrow from the IDA may apply;[1] in 2005 countries with a per capita income below US$1,435, regardless of their eligibility for IDA funds; in 2006 lower-middle income countries with a per capita income below US$2,975. Moreover, funds are provided only to those countries that, using President Bush's words, 'govern justly, invest in their people, and encourage economic freedom'. Following these three broad criteria, the Millennium Challenge Corporation (MCC),[2] which is charged with the management of the MCA, has elaborated 16 indicators to measure country performances. In particular, to qualify for funds countries must score above the median on half of the indicators in each of the three policy criteria and above the median specifically on controlling corruption.

On the basis on these criteria, sixteen countries – half of which are in Africa – were selected in May 2004: Armenia, Benin, Bolivia, Cape Verde, Georgia, Ghana, Honduras, Lesotho, Madagascar, Mali, Mongolia, Mozambique, Nicaragua, Senegal, Sri Lanka, and Vanuatu.[3] The MCC has also approved a 'threshold country program', which is directed towards a limited number of nations that have not met the requirements for MCA eligibility but demonstrate a significant commitment to meeting them.

Before they can receive funds, the selected countries are expected to develop concrete plans, for which they must: consult broadly with non-governmental organisations, private businesses, and other representatives of civil society; identify measurable objectives and clear timetables to achieve these objectives; develop transparent mechanisms to assess progress. Although no specific deadlines for this process are set, actual disbursement of resources depends on how fast a country is able to develop its plans. The ultimate decision, though, rests with the MCC, which finalises compacts with those countries that pro-

**Table 1: US Foreign Aid Expenditure, 1962-2001**

| | Aid in 2003 dollars (outlays in billions) | Aid as a % of GDP | Aid as % of budget outlays |
|---|---|---|---|
| 1962 | $17.3 | 0.576 | 3.06 |
| 1965 | $15.7 | 0.448 | 2.61 |
| 1970 | $10.7 | 0.244 | 1.27 |
| 1975 | $10.9 | 0.218 | 1.03 |
| 1980 | $12.8 | 0.215 | 0.99 |
| 1985 | $17.7 | 0.260 | 1.14 |
| 1990 | $13.1 | 0.165 | 0.76 |
| 1995 | $13.5 | 0.153 | 0.74 |
| 2000 | $11.2 | 0.107 | 0.58 |
| 2001 | $11.5 | 0.109 | 0.59 |

Source: Shapiro and Weiner, 2002

pose programs that have a strong likelihood of success. The government of each recipient country, which signs the final agreement with the MCC, is the primary responsible for managing the implementation of the compact, while the MCC monitors systems and activities to ensure financial responsibility, and in exceptional cases, may suspend and even terminate aid.

**Aid, International Terrorism & National Security**

The pledge to boost foreign aid has been an unexpected move from a conservative Republican President whose party has always shown a negative attitude towards foreign aid. There are at least two reasons behind this announcement: political expediency and the new strategy for national security. On the one hand, the US announcement aimed at appeasing criticism of its obstructionist position in the preparatory process for the Financing for Development Conference, held in Monterrey in March 2002, and, at the same time, counterbalancing the EU proposal which had committed to significantly boost its aid (Radelet, 2003a). On the other hand, the MCA was the response to the terrorist attacks on the US in September 2001. Although the poverty-terrorism link is not proven, according to President Bush, 'persistent poverty and oppression can lead to hopelessness and despair. And when governments fail to meet the most basic needs of their people, these failed states can become havens for terror'.

The US has used foreign aid strategically since the end of World War Two – one of the central purposes of the Marshall Plan was to contain communism. The connection with national security concerns is reflected in the list of the largest recipients of foreign aid: Israel, Egypt, Russia, and Bosnia-Herzegovina. In contrast, African countries receive much less from the US vis-à-vis other DAC donors. But foreign aid post-September 11 acquired a new political significance. First, it was increasingly believed, particularly by the US administration, that global poverty and inequality threatened American national interest; in this sense, aid was meant to play a direct role in the war

**Table 2: Indicators & Source for the MCA Selection Process**

| Indicator | Source |
|---|---|
| ***Ruling justly*** | |
| Civil Liberties | Freedom House |
| Political Rights | Freedom House |
| Voice & Accountability | World Bank Institute |
| Government Effectiveness | World Bank Institute |
| Rule of Law | World Bank Institute |
| Control of Corruption | World Bank Institute |
| ***Investing in People*** | |
| Public Primary Education Spending as % of GDP | World Bank/National Sources |
| Primary Education Completion Rate | World Bank/National Sources |
| Public Expenditure on Health as % of GDP | World Bank/National Sources |
| Immunization Rates: DPT & Measles | World Bank/National Sources |
| ***Encouraging Economic Freedom*** | |
| Country Credit Rating | Institutional Investor Magazine |
| Inflation | IMF |
| 3-Year Budget Deficit | World Bank/National Sources |
| Trade Policy | Heritage Foundation |
| Regulatory Quality | World Bank Institute |
| Days to Start a Business | World Bank |

Source: The Millennium Challenge Account, Fact sheet on terror by supporting both frontline countries and weak states where terrorism might breed. Second, additional foreign aid allowed the US to project 'soft power' to accompany, and sometimes offset, its use of military power, showing the world that the US is not interested only in military action, but that it is also concerned with the problems of the developing world (Radelet, 2003a).

Yet, even before the events of September 2001 the Bush administration had tried to pursue a unilateralist course, especially in the field of sustainable development. In this sense, it should be remembered that Condoleezza Rice (2000), in an influential article published in *Foreign Affairs,* had criticized the Clinton administration for having replaced US national interest with the interest of the international community. Rice's calls for unilateralism were integrated into the National Security Strategy (NSS), unveiled by the Bush administration in September 2002. The NSS, which maintains that poverty, weak institutions, and corruption can make weak states more vulnerable to terrorist networks, establishes the US commitment to protecting human rights and to guaranteeing political and economic freedoms. As for development cooperation, the NSS sees the MCA as a key element in maintaining US influence in the international arena, or as Soederberg (2003) argues, in spreading American imperialism through the promotion of US values. This is perfectly exemplified in what Jim Kolbe, Republican chairman of the House Foreign Appropriations subcommittee, has written recently:

> *Our foreign assistance in a macro sense plays multiple roles within our foreign policy process. At its first level, the foreign assistance leg can be used as a vital tool to ease the suffering of people around the world … In light of security challenges to the United States, we can also link the foreign assistance leg of the stool to the national security leg by using it in the form of Foreign Military Financing. Of even more importance, it can and should nurture the structures of capitalism and the rule of law, making it possible for the poor to participate in market economies and for poor countries to participate in the global economy* (Kolbe, 2003:195).

## Neo-liberalism & Selectivity

Even though the MCA was celebrated as a radical change from the past, its core concept remains a neo-liberal approach to development policy, which has dominated the international debate for the past two decades through the (in)famous 'Washington consensus'. The idea of selectivity, which implies that aid works better in countries that have put in place sound economic policies, has been heavily criticised, especially by American NGOs. There is a trade-off between selectivity and poverty: the greater the focus on a few selected countries, the less impact the MCA can have on global poverty (Radelet, 2003c). Although Africa is an area of vast poverty, the overwhelming majority of African countries did not qualify due to the stringency of the selection criteria. To give some examples: Uganda has not qualified, despite the commendable achievements in its efforts to prevent and treat HIV/AIDS; Kenya, despite major attempts to eliminate corruption by the current government; Ethiopia, despite the enormous increase in numbers of girls enrolled in school (Hart and Sperling, 2003; Radelet, 2003c). Moreover, the focus on poor countries risks being lost in the second and third year when low and middle income countries may apply for funds; also, there may be a politicization of aid, so that countries like Egypt, Jordan, Colombia, Turkey, Russia, may be chosen for strategic reasons and not because they really deserve aid (Radelet, 2003b).

Not only the indicators, but also their sources (either neo-conservative US institutions, such as the Heritage Foundation and Freedom House, or US-dominated International Organizations, such as the World Bank and the IMF) are clear signs that the selection process, rather than reflecting the reality of developing countries' societies, is based on an American perspective of what constitutes development (Soederberg, 2003). The concept of ownership, which is at the foundation of the Poverty Reductions Strategy Papers (PRSP), is replaced by selectivity and additional US surveillance. In fact, through the imposition of conditionalities operated after the disbursement of money, the MCA entails the reverse: funds are withheld until donor conditions are met, largely through quantitative forms of measurement.

> *The execution of the MCA shares the discourse of empowering development, such as ownership and social inclusion (partnership, participation) while further disciplining and controlling failed states to the dictates of the market. The concern for empowering individuals is limited to ensuring that the reform, along the lines of the above 16 criteria, is homegrown. Drawing on its lessons from the ineffectiveness of IMF and World Bank conditionalities, the architects of the MCA emphasise the need for a strong domestic movement for change. Yet … the manner in which this reform is to be achieved is classical 'top-down' one with intensified forms of US surveillance* (Soederberg, 2003:294).

## A Unilateralist Approach to International Development

Another major shortcoming of the MCA is its 'go-it-alone approach', which ignores the fact that significant results have been achieved through major efforts at the multilateral level. By providing aid to a small number of countries the importance of increasing investments across countries in priority areas (i.e. health and education) suffers greatly (Sperling and Hart, 2003). In the words of de Walle, 'the world community will be better served by strong US support of a global push to eliminate malaria, for instance, than by a set of 10 percent increases in overall aid to a number of bilateral programs in low income countries'.[4]

This unilateralist approach of the US may have a negative impact on effectiveness of aid, and in particular coordination among donors. Recipient countries in fact must often deal with competing and conflicting regulations imposed by different donors; in this sense, the MCA introduces an additional burden for local administrations. From the US point of view, the decision to create a new entity to administer the MCA has contributed to a further fragmentation of resources and responsibilities, and, rather that improving effectiveness of aid, may lead to problems of coordination and redundancy (Radelet, 2003a).

A final reservation concerns the absorptive capacity of recipient countries, whether all countries are able to properly use the large amounts of aid received through the MCA. This could lead to three different negative scenarios: 1) some selected countries would receive more money than they can use well; 2) underdisbursed money would end up lying dormant while critical development needs remain unmet in other developing countries; 3) share of funds may be shifted away from the poorest countries to middle-income countries, which are able to attract foreign direct investment and do not need foreign aid as much as the low-income countries (Sperling and Hart, 2003). According to Radelet (2003c), on the contrary, the aid absorption capacity should not be a major problem for any of the candidate countries because the level of aid they will receive, although substantial, will still be well below estimated saturation points.

## The Future of Development Assistance in US Foreign Policy

When it was announced in March 2002, the MCA was celebrated as a revolutionary change in US foreign aid. The initial enthusiasm was due not only to the significant amount of the increase, but also to the fact that the MCA promised to integrate concepts such as partnership, social inclusion, accountability into US foreign aid. Two years down the line, the MCA risks to represent only a 'marginal revolution' in the relationship between the US and the developing world. First, by providing money to a small number of easy countries – those that implement sound economic policies – the MCA reproposes the idea that rewarding good performers makes aid more effective. Second, by establishing strict selection and performance criteria, the MCA is in most cases beyond the reach of the poorest countries in the world. Third, by taking a unilateralist approach to international development, the MCA may jeopardize the recent efforts in donor coordination.

But more importantly, foreign aid alone is not enough. The US must in fact rethink its non-aid policies that affect developing countries. For instance, the African Growth and Opportunity Act, established by former US President Bill Clinton and now embraced by President Bush, is more of a propaganda tool than an effective instrument to foster trade between the US and African countries. The US initiative on AIDS is a good deed, but it was founded on unilateralism: the UN fund on AIDS is in fact underfinanced. The HIPC initiative is also far from reaching its objective: greater debt relief, including from the US, is necessary for some of the poorest nations in the world. Finally, the high subsidies provided to farmers in the US harms farmers in developing countries, who in some cases are forced to sell below production costs.

All these elements show where the US must intervene if it wants to show leadership in international development. But the future of the US relations with the developing world looks uncertain. The Bush administration has placed the US national interest at the center of its mandate. John Kerry, the Democratic candidate for the US Presidency, has promised to engage more in multilateralism; yet, if he wins, he must face a Republican Congress, which has not been very supportive of multilateral initiatives in international development. The Millennium Development Goals are far from being achieved. The US, if it really wants to be the major power in the world as its leaders continuously profess in messianic tones, cannot waste any more time.

***Mauricio Carbone***, e-mail: Carbone @ucis.pitt.edu

## Endnotes

1. The International Development Association (IDA) is the part of the World Bank that helps the poorest countries in the world reduce poverty by providing interest-free loans and some grants for programs aimed at boosting economic growth and improving living conditions. IDA funds help these countries deal with the complex challenges they face in striving to meet the Millennium Development Goals.

2. The MCC is a government corporation headed by a Chief Executive Officer, Paul Applegarth, who is appointed by the President and confirmed by the Senate. A Board of Directors composed of the Secretary of State, the Secretary of the Treasury, the US Trade Representative, the Administrator of USAID, the CEO of the MCC and four members appointed by the President with the advice of the Senate oversee the MCC.

3. Three countries – Mozambique, Bolivia, and Georgia – fell short of some of the eligibility criteria but they were still selected. While the MCC felt that Mozambique and Bolivia had made significant improvements in development matters, the case of Georgia is dubious. On the contrary, four countries – Bhutan, Guyana, Mauritania, and Vietnam - passed the indicator test but were not selected. The first three are the only countries to score below the democracy-related indicators. Excluding these countries may mean that it will be difficult for non-democracies

to be selected by the MCC for receiving MCA funds.

4. These concerns were only partially offset by the recent new initiative of President Bush on HIV/AIDS: Bush's proposal to provide $15 billion over the next five years to fight AIDS met with obstacles in Congress which authorised a figure well below the amount needed to meet the five-year commitment (Radelet, 2003a).

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# Major Powers Setting New Traps for Africa

*ACORD*

**African trade ministers met recently in Rwanda (23 July) to consolidate their positions in ongoing trade negotiations in the WTO. The meeting took place amidst mounting pressure from the EU and US for African countries to agree to their demands on certain critical issues. By July they want to have achieved what was not achieved at the WTO Ministerial Conference in Cancun last September.**

**ACORD** is joining hands with **Econews Africa** to host a civil society meeting in Rwanda, bringing together various NGOs within the Region to discuss a joint strategy for influencing the trade ministers to reject recommendations from Western Nations. 'African governments must be vigilant in the wake of new traps being set by Western Governments on trade issues,' Opiyo Makoude, ACORD's, the then Assistant Programming Director for Advocacy said. European Trade Commissioner Pascal Lamy recently sent a letter to all WTO members, which was promoted as a new opening in the negotiations and as showing real flexibility. The letter, however, contains no real concessions from EU's side. 'Lamy's letter only tries to convince the public that the EU is offering huge concessions to advance the negotiations and thereby increases the pressure on developing countries to make concessions themselves,' says Peter Aoga from EcoNews Africa.

The EU makes a big show about their 'major concession' to eliminate export subsidies on agricultural products, but they are still not willing to set an end date for this elimination. Both EU and US keep pushing African countries to further open up their industrial markets, which would mean the death knell to many fragile infant industries that are not yet able to compete with corporations from wealthy countries. On Singapore's issues of investment, competition policy, government procurement and trade facilitation, the EU is now backtracking from the offer they made in Cancun to drop issues of investment and competition. EU now strongly pushes to keep all of the Singapore issues on the WTO agenda and for negotiations to start on trade facilitation and government procurement. 'African countries must keep demanding that investment, competition and government procurement be dropped off the WTO agenda completely', says Oduor Ong'wen from SEATINI Kenya.

> *EU's reassurance that negotiations on government procurement would only focus on transparency aspects is not convincing, since we know that both EU and US want to get access to developing countries procurement markets. It would be very difficult to delink transparency from market access in a future WTO agreement.*

'Pascal Lamy's suggestion that African countries will be exempted from tariff reductions in agriculture and on industrial products in this round of trade talks comes with certain conditions,' warns Peter Aoga from EcoNews Africa. 'African countries will be asked to increase their tariff bindings on industrial goods, open up their service sectors to foreign corporations and agree to the Singapore issues. The appearance of flexibility on the side of EU and US is designed to destroy the unity and the negotiating positions of Africa and other developing countries. Furthermore, African countries would sign away crucial areas for benefits which might prove illusory in the long term,' he concluded.

# Pan African Parliament

*Chengetai Madziwa*

The Pan African Parliament will have its first regular session in South Africa when its 265 members from all over Africa gather on 16 September. The legislators, from 53 African countries will hold their first parliamentary session at the Gallagher Estates, Midrand, which will serve as a temporary venue for five years until a permanent facility is constructed in the country.

South Africa won the bid in July to host the Pan African Parliament. The Africa Union (AU) headquarters is in Addis Ababa, Ethiopia. The purpose of the Pan African Parliament, as stated in the Constitutive Act of the AU, is to give

> *concrete expression to the common vision of a united, integrated and strong Africa.*

The parliament also serves to consolidate the aspirations of the African people for greater unity, solidarity and cohesion in a larger community transcending cultural, ideological, ethnic, religious and national differences.

The objectives of the parliament are to facilitate the effective implementation of the policies and objectives of the AU, to promote the principles of human rights and democracy in Africa and to encourage good governance, transparency and accountability in member states.

Speaking at the launch of the Pan African Parliament, in Addis Ababa, Ethiopia in March this year, the AU Commission chairperson, Alpha Oumar Konare said,

> *The parliament has a vital role in the implementation of the objectives and principles enshrined in the Constitutive Act of the Union, particularly with regard to the protection of human rights, consolidation*

> *of democratic institutions, popularisation and promotion of good governance.*

The Parliament is mandated to carry out a consultative and advisory role with the aim of ultimately evolving into an institution with full legislative powers.

Africans have welcomed the parliament, which will provide them with a platform for more involvement in discussions and decision-making on the opportunities and challenges facing the continent. During the launch in March, the then chairperson of the AU, President Joaquim Chissano said, 'The Pan African Parliament will, for some time, be the forum of the representatives of African Parliaments. Thus, members of this organ have the critical task of working towards the gradual laying down of the pillars that will sustain the true Pan African Parliament.

> *'It is necessary to contemplate the rich diversity of the parliamentary practices of our countries,' he added 'in order to identify the elements or traits that may show us the way we should follow so as to reach the desired harmonisation.'*

The Parliament also seeks to familiarise the peoples of Africa with the objectives and policies aimed at integrating the African continent within the framework of the establishment of the AU, to promote peace, security and stability and to contribute to a more prosperous future for the peoples of Africa by promoting collective self-reliance and economic recovery.

Members of the parliament are expected to facilitate cooperation and development in Africa, strengthen continental solidarity and build a sense of common destiny among the peoples of Africa while facilitating cooperation among regional economic communities such as the Southern African Development Community (SADC), and their parliamentary bodies.

## The Pan African Parliament elected:

**President: Gertrude Ibengwe Mongella of the United Republic of Tanzania as President for the next five years.**

**Vice-Presidents are: Prof F. Jose Dias Van-Du'Nem from Angola, first Vice-President (South); Dr. Mohammed Lutfi Farahat from Libya, second Vice-President (North); Mrs. Loum N. Ne'loumsei Elise from Chad, third Vice-President (Central); Mr. Jerome Sacca Kina Guezere from Benin, fourth Vice-President (West).**

Members of the legislative body are selected from the national legislatures or other deliberative organs of member states, reflecting the diversity of political opinions in these organs. The tenure of each member at the parliament will run concurrently with his or her term in the national house.

The parliament is expected to meet for at least two sessions a year.

SARDC News Features.

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**The commission of the African Union is happy to announce that the following candidates have been appointed as Directors:**

1. **Mr. Ben Kioko**, Director, Office of Legal Counsel.

2. **Ms. Wolansa Mekuria**, Director, Office of InternalAudit.

3. **Dr. Kouassi Nguettia**, Director, Economic Affairs.

4. **Ms. Ennet N. Nkambule**, Director, Administration & Human Resources Development.

5. **Mr. Aboubakari B. Moussa**, Director, Infrastructure & Energy.

6. **Mr. Geoffrey Mugumya**, Director, Peace & Security

7. **Ms. Dudu Garekwe**, Director, Programming, Budgeting, Finance & Accounting.

8. **H.E. Ambassador Emile Ognimba**, Director, Political Affairs.

9. **Dr. Ahmadu Bagagana**, Director, Rural Economy & Agriculture.

10. **Dr. Esseghairi Kamel**, Director, Social Affairs.

11. **Dr. Salif Sada Sall**, Director, Strategic Policy, Planning, Monitoring and Evaluation.

12. **Mr. Frederic Alipui**, Director, Trade & Industry.

13. **Ms. Winnie Byanyima**, Director, Women, Gender & Development.

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# Abdulmejid Hussein
# 1945-2004

*Lionel Cliffe, Peter Lawrence & Katherine Salahi*

Abdulmejid Hussein, a supporter of ROAPE and member of the Editorial Working Group during the 1970s, sadly succumbed to bone cancer on 29 March 2004. He had been Ethiopia's permanent representative to the UN since 2000. That was one of a range of distinguished posts he filled in the current Ethiopian Government in the years since it came to power in 1991. He was a Member of Parliament, held ministerial positions in transport, and economic cooperation, and served in several other capacities. He was also Chairman of the Somali People's Democratic Party Central Committee.

In the many years he spent in exile before then, he held several UN posts. He worked as a Technical Adviser for the International Labour Organisation, and worked his way up in the UN High Commission for Refugees to become the Assistance Resident Representative in Sudan and eventually a Deputy Director of UNICEF. In his capacity as UN Ambassador he served as the Vice-President of the UN General Assembly at its 56$^{th}$ and 57$^{th}$ Sessions, and in the same position in 2003 with the UN Economic & Social Council. He received an appreciation from Kofi Annan as being 'well known at the UN for his vigorous engagement on all issues relating to developing countries, and in particular the African continent.'

ROAPE had enjoyed the benefit of such 'vigorous engagement' in its early years when Mejid (as we knew him) was an active and constructive member of the Editorial Working Group. Fellow members of the EWG at the time remember him as very straight and correct politically, and totally committed. He was closely involved in the production of Addis Hiwet's book on the Ethiopian revolution (the first volume that ROAPE produced under its own imprint). At a time when there were plenty of heated debates, he was a calming and conciliatory influence and a great support.

After graduating in geography and history from Haileselassie I University, Mejid worked in radio in Addis Ababa before moving to London in the early 1970s as a research student. He quickly made his mark as one of the most active radical student intellectuals and at the time he joined the EWG was President of the Students Union at the School of Oriental & African Studies. He identified with the Ethiopian revolutionary process of 1975 but not with the Derg regime that took power after it. Staying in exile on completion of his M.Phil and Ph.D, he first worked for the BBC then began his professional work for UN agencies, mainly in East Africa and the countries neighbouring Ethiopia in the Horn. He was suited to an international and pan-African role, having been born in Dire Dawa in the Somali region of Ethiopia. In the 1970s he would often identify himself, when asked his 'nationality', as simply 'from the Horn of Africa'.

He was in fact from one of the smaller Somali clans found in Ethiopia and in later years took a rival position to that of the major Ogadeni clan that tended toward a separatist position. His alternative position, in support of a federal Ethiopia, made him a useful ally to the post-1991 government. But as a Somali member of that government he came to be a controversial, not to say targeted, figure. There were in fact two assassination attempts that he survived in the later years. In one in Addis he took several bullets and was lucky to come out alive.

The older editors of ROAPE will remember him with respect and warmth for his always dignified engagement and as one of the first active black African members of the EWG. His subsequent life led him into paths where he remained engaged with the realities of African development and its often messy and bloody politics. He was not one of those intellectuals to stand aside from those realities.

His wife Anab Abdulkadir writes:

> *Abdulmejid was an optimist by nature, a man who always sought the best in others. We will not forget his commitment to his work, his people and country. It is in such a light, that along with his extended family and friends, we intend to create a foundation under his name.*

Suggestions for appropriate activities that the fund might undertake in Ethiopia should be sent to: husseinfoundation @yahoo.com.

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# Book Reviews

***Imagining the Congo*** by Kevin Dunn, published in 2004 by Palgrave Macmillan; ISBN 1-4039-6159-X. Reviewed by Guillaume Iyenda.

Over a century since the colonisation of the Democratic Republic of Congo began, the international image of this subcontinent-sized country is still insufficiently known in the western world. Nowadays, the consequences of more than six years of a deadly civil war in that country, particularly for the number of lives lost, arouse widespread concern worldwide.

This book investigates the basis for western understanding of the Congo, which still relies heavily on colonial representations generated by western explorers. The author focuses on four historical periods of identity production for the Congo: the colonial invention of the Congo by western colonisers, the country's decolonisation at the independence in 1960, its reinvention as 'Zaire' by Mobutu in the 1970s, and the return to the 'Congo' at the beginning of the 2000s. Furthermore, the book seeks to explore political consequences produced by western discourses and imagery on the Congo's identity as primitive, chaotic and savage.

Presenting results of his researches, the author analyses the invention of the Congo as a free state, the discourses produced by Henry Morton Stanley, King Leopold II and his Belgian colonial agents in the field who used coercion, extreme violence and barbaric treatment against local people to extract wealth for the king. Kevin Dunn explores in depth the way Belgian colonisers treated the Congolese by regarding them as inferior savages and childlike, and by denying them access to higher education, political rights and fora for political expression. He then examines how Stanley and his Belgian coloniser colleagues treated the Congolese, identifying them as more animal than human being and at the same time raping their women and having children with them.

An important part of the book focuses on the analysis of the discourse used by Congolese political leaders at the end of the colonial period and describes how the newly-elected power in Kinshasa challenged the former colonial power. The political discourse of Patrice Lumumba at independence on 30 June 1960 and the consequences are discussed at length, along with the destabilisation, mutinies and secessions during the first years of independence. Dunn then explores the reinvention of the Congo into Zaïre by Mobutu Sese Seko Kuku Ngbendu Wa Zabanga in the early 1970s. He finally explores the last discursive production of Congolese political elite at the beginning of the 21st century after the overthrown of Mobutu in the late 1990s.

While highlighting many of the Congolese concerns about their colonial history and sufferings, the author goes on to explain the extreme and unthinkable brutality used by Stanley and other Belgian colonisers against the Congolese people who employed images of the Congo as backward, uncivilised, and uncivilisable. A substantial part of the book explains how the USA and Belgium intervened militarily in the Congo and plotted to have its democratically elected

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leader assassinated after they defined Congolese independence as ‘chaotic’ and the Prime Minister as a communist troublemaker.

By speaking of the ‘imagining’ of the Congo’s identity, Dunn draws attention to the constructed and contested nature of identity in that country. The author is mostly interested in historicizing and contextualising the construction of the Congo’s identity to facilitate the analysis of its political implications in the country’s life. Whereas the author does not explore in depth the multiplicity of representations of rhetorical images in political life, he recognises that the colonial rhetoric produced by Leopold II and his agents continues to be reproduced nowadays by many westerners.

Although the Congo entered the European collective imagination only after 1482, after the landing of Diego Cão on the western shores of the Atlantic coast at the mouth of the Congo River, the country’s geographical and physical delimitations were agreed by the European colonial powers at the 1884-1885 Berlin Conference. The Congo then became a European creation, the property of King Leopold II of Belgium. The Congo was long regarded by many in Africa and beyond as the heart of Africa and a site for international competition between European powers, cold war superpowers and African regional forces.

Although the author focuses his book on the production and contestation of the Congo’s identity, its merit is that the he speaks against the reproduction of an older trend in International Relations that still marginalises Africa and African experiences in the analysis of the concept of identity. He also recognises the fact that identity is the product of multiple and competing discourses, which construct unstable, multiple, fluctuating, and fragmented senses of the Self and Other. The author stresses the dehumanisation, beatings, brutality, humiliation, barbarity, enslavement, and execution faced by the Congolese during the entire colonial period. He points to difficult challenges that the Congolese people and the international community must meet if the potential benefits of peace and development are to be fully realised. Imagining, inventing and reinventing the Congo for development purposes should be, in my understanding, the ultimate goal for every civilised nation.

However, Dunn recognises that he did not carry out extensive fieldwork in the Congo to gather enough field data. The author is, in my view, not right when he asserts that the history of the Congo in International Relations is largely the history of the struggles over the discursive narratives and representations of identity. The author speaks less about armed resistances against the colonisers and their brutality and seems to ignore riots and struggles undertaken by Congolese people since the late 1880s against Leopold II and his agents. In the face of the common western perception of the insecurity in central Africa in today’s globalise world, the author puts less emphasis than I would have expected on the role that the west should play in making that part of the world a better place to live.

Although Dunn specifically mentions that his book is not an exhaustive history of Congolese political systems and focuses his analysis on the relationship between discourse and power only, he forgets that a huge, troubled, multiethnic and multifaceted country such as the Congo, with the size of western Europe, cannot be understood by analysing only one aspect.

The book seems not to uncover something new that was not well known about the Congo. Its focus on the discursive aspect of Congolese political life is full of repetitions, especially when he analyses Mobutu’s regime and when he writes about the Belgian colonial regime. He repeats ideas related to the use of discursive tools by Mobutu to dominate the country instead of focusing on the brutality of the regime, the mass murder and economic enslavement of the Congolese people, which Mobutu copied from his colonial masters. Although he invented the policy of authenticity, Mobutu did not have the intention to decolonise the country and remained the best African friend of the west during his entire regime. His neo-colonial rule benefited the cold war powers and his international backers far more than the Congolese and African people. Moreover, other African leaders and nationalists saw him as a white and American puppet in black Africa.

A way forward? Dunn does not suggest one. The Congolese crisis, instability and suffering continue. During the colonial period, one-third to one-half of the Congolese population perished. Nowadays, carved up and occupied by its neighbours' forces, mainly from Uganda, Rwanda and Burundi, for more than five years, the Congo's resources are still being looted by occupying forces while killings, rapes, torture and human rights violations continue. At this time when many questions about the future of that country are still unanswered, much scientific work on its development is still needed. Although Laurent Kabila brought fresh hope to the Congolese people when his rebellion overthrew Mobutu's regime and by claiming to be the successor of Patrice Lumumba, he failed to bring democracy in the country. As a Rwandan and Ugandan puppet at the beginning of his regime, Kabila started a new page of Congolese suffering with a civil war, which is still not over. However, as at independence, the Congolese people still believe that these days will eventually become a thing of the past and that their country will become a new symbol of African development.

***Neo-Liberalism and AIDS Crisis in Sub-Saharan Africa*** by Colleen O'Manique (2004), Palgrave Macmillan ISBN 1-4039-2089-3. Reviewed by Gill Seidel and Vicci Tallis.

O'Manique's central thesis is that international AIDS policy in Africa represents a form of neo-liberal governance. The originality of this work is two-fold: she illustrates the remarkable congruence between neo-liberalism and the hegemonic biomedical construction of AIDS. This is well argued. Secondly, she offers a critique of Uganda's 'success story,' questioning if, indeed, there has been a dramatic reduction in HIV infection. However, her claim that she is writing through 'a feminist political economy lens' is unconvincing; and there are many omissions. Perhaps there are really two books here trying to get out. The emphasis is firmly on economic rights. Whilst important, economic empowerment does not necessarily result in negotiating strengths in sexual relationships.

The introduction and chapter 1 present an overview of the global responses in the subcontinent. She shows the workings of global neo-liberalism, including patent law, and the forms of development assistance, and how these have fashioned the hegemonic understanding of HIV spread as a phenomenon limited to individual and behavioural dimensions. She goes on to show how these arrangements have been translated into frameworks within which AIDS must be addressed (like 'cost effectiveness', 'burden of disease,' citing Kelly and Doyal); and how in turn these impact on the allocation of limited health resources. Her positions on public health responses to AIDS in Africa that evolved in a context of massive debt repayments, food insecurity, and civil wars, and the failure of states to provide the basic constituents of life, are cogently argued.

O'Manique traces the trajectory of WHO's Global AIDS Programme, the setting up of UNAIDS, and their links with other international agencies; and the role of NGOs and donors, and the tensions between NGOs, government, and free trade lobbies promoting user health fees. The global history is important, but is highlighted here at the expense of the African response to HIV and AIDS. The author's position on the hegemony of the bio-medical sciences is clearly set out. She does not neglect other 'knowledges' within the epistemic community – those concerned with gender, global, regional, and local distribution of power and resources.

According to O'Manique, a range of competing and important discourses have emerged more recently, suggesting a form of knowledge evolution. In our view, this Darwinian frame is problematic. We would argue that these discourses have been around for nearly twenty years – in opposition. O'Manique clearly states that these non-medical discourses, not invested with social power, and not linked with high levels of funding, were systematically marginalised. However, this argument would have been more forceful had she provided discussive examples of how research inputs from critical sociologists/ anthropologists were regularly dismissed, or subsumed under epidemiologists' control; and their energies directed towards the now much criticised KAP and IEC studies. Indeed, epidemiology obtained control over AIDS research early in the epidemic.

In chapter 2, O'Manique argues that the pre-eminence of bio-medicine, including in the early National AIDS Control Programmes, already operating under severe cutbacks imposed by SAPs, has had particular consequences. She then sets out to explore conceptual, ideological, and organisational links between this dominant paradigm, clinical medicine's focus on the individual, an important but westernised concept, and the values and workings of the free market. She is also roundly critical of WTO undemocratic structures and values. Drugs, for example, are not considered public goods essential to health. And she illustrates how drug research is focused on profitable diseases. In the discussion of some international and selected indigenous NGOs, she is dismissive of a number of 'empowerment' solutions. A surprising omission in her discussion of international NGOs is the International Community of Women living with HIV and AIDS (ICW).

The third chapter on drugs, access, and lobbying, is a general overview. Her critique of WTO and of intellectual property laws – how these have undermined the manufacture of generic medicines - are all well taken. She also takes WHO to task, whose essential Drugs and Medicines Policy only included Anti-Retrovirals (ARVs) from 2002. This was because ARVs did not meet the mix of clinical and economic criteria. AZT and nevirapine were listed – but only to prevent mother-to-child transmission. More specific references to the effects of surveillance on women (drawing on Foucault's 'biopower')are missing. And the effects of stigma are not discussed. In view of her proposed gender focus, some discussion of the mocrobicide lobby, and of microbicides as the only prevention under a woman's control would have been expected (www.global-campaign.org). Little use has been made of grey literature – from gender-aids network, for example, and from other advocacy organisations. This is also a general criticism that could be levelled at the work as a whole.

Two chapters, focus on Uganda. Chapter 4 charters Uganda's pre-independence history. Chapter 5 documents and analyses the Ugandan policy response (government and the NGO sector), largely based on 1992 fieldwork from her doctoral thesis. While there is a section on 'community response' (pp.157-165), mainly about TASO, the voices (and even actions) of the local people are weak. She challenges current orthodoxy, questioning whether Uganda does indeed represent a 'success story.' She recognises that the Ugandan response was unmatched on the continent – 'but that the ACP has consistently failed to address gender inequalities which fuel the epidemic' (p.130).

More recently, some anthropologists (e.g. Farmer), and Ugandans, have also been sceptical about the canonisation of Uganda in the war against AIDS. While she documents the various sources of funding, she does not spell out clearly how these have determined the education and prevention agenda. The Catholics, in the forefront of both prevention and patient care, were promoting and campaigning for ABC (introduced by WHO and quickly taken up by religious sector and NACPs worldwide) – emphasising the immorality of the condom. The fact that 'abstinence'– the preference of the US Christian Right, funding programmes – is not a choice for most women could have been more clearly stated. The dynamics of the agenda empowering women is given insufficient attention. Christine Obbo's reflections are important here – she argues that so much money had been spent on development and prevention that it was in the interest of everyone to repeat and amplify the Uganda AIDS Prevention success.

The conclusion brings together most of these threads, focusing on AIDS, human rights and globalisation. This work makes a stimulating contribution to the study of AIDS policies in Africa (see also B.Grundfest-Schoepf Oxford:Blackwell, forthcoming and ROAPE). It is a suitable book for undergraduates (international relations/political science, rather than gender studies). It would have been infinitely more valuable had a substantial section been devoted to activist and feminist responses (see V.Tallis, doctoral thesis, Unicersity of Natal, in preparation). In any event, priced at £45, the book is likely to remain a library acquisition.