Review of African Political Economy
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BOOK REVIEW

Natural resources and local livelihoods in the Great Lakes region of Africa: a political economy perspective, edited by An Ansoms and Stefaan Marysse, Basingstoke, Palgrave Macmillan, 2011, 265 pp., £67.50 (hardback), ISBN 9780230290259

There is a considerable literature examining the relationship between natural resources and local livelihoods in Africa. Neoclassical perspectives have used their rigorous quantitative methodologies to argue that within the African context, natural resources have been a 'curse' on national economic development and thus on local livelihoods. Heterodox perspectives have stressed that the relationship between natural resources and local livelihoods is very complex and deeply rooted in the political economy, social fields and class structures. This book is in the heterodox tradition. It focuses on the Great Lakes region and makes an important contribution to the ongoing discussion on resources, social dynamics and development in Africa.

The book is organised in two parts. Part 1 contains seven chapters addressing themes in land relations in the post-conflict societies of Rwanda, Burundi and the Democratic Republic of Congo (DRC). Part 2 contains five chapters and examines the intersection of mining, local livelihoods and international relations in the context of mineral resources in the DRC. Qualitative research methods including interviews and field observations form the methodological foundation of this book. The methodology is appropriate since the focus is on post-conflict societies where good quality official data is often non-existent.

The main themes of Part 1 are that land is scarce and that ambiguous land tenure systems rooted in the history, customs and practices of the region further complicate land relations as the region emerges from a recent past marred by conflict. The scarcity of land is evident because of the extremely high population density, one of the highest in the world (p. 4). Land relations are also strained by the legacy of colonisation and conflict, particularly in Rwanda, Burundi and the eastern DRC. In addition, neoliberal policies of land consolidation to achieve economies of scale in a context of ambiguous land tenure have pushed small-scale farmers out of agriculture at an astonishing rate while consolidating wealth and power in the hands of a small group of capitalist farmers (p. 15).

Furthermore, policy space as regards land and agriculture is wide open as 'the struggle for land is also a struggle for authority and political control' (p. 78). This part of the book stresses the weakness of the state, and the emergence of 'open moments' in the land policy arena which allow various actors to define and implement what, given their political and military connections, they believe to be appropriate land policy. 'Alleged customary leaders link up strategically with state actors to reappropriate public agricultural land and sell it for their own profit' (p. 78), thereby perpetuating their social and economic status in society. The authors show how the formalisation of property rights in land further entrenches social divisions by increasing the control customary leaders have over communal land. Overall, the authors of this part of the book stress that land in the Great

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Lakes region is not a given factor of production as assumed by orthodox neoclassical economics. Rather, land is characterised by complex social relations, embedded within the wider political economy and shaped by the relative bargaining power of contending interest groups in the various societies of the region (p. 17).

The main themes of Part 2 are that while the history of mining in the DRC appears to vindicate the 'resource curse' assertion of orthodox economists, a deeper understanding of the dynamics of mining, particularly on the relationship between artisanal and industrial mining, is necessary if the sector is to be instrumental in the economic recovery of the DRC. Furthermore, how the DRC interacts with international partners, most notably China, with regards to mining will have profound implications on the ability of local communities to improve and sustain their livelihoods.

The authors show that the historical evolution of the mining sector has been characterised by an intense struggle between artisanal and industrial miners and they anticipate this struggle to continue into the foreseeable future especially with the entry of China into the sector. China's quest for mineral resources in Africa is one the most phenomenal developments of the last two decades. The authors carefully discuss China's dealings with the DRC government on how to exploit its mineral resources. They showed that China's promise of infrastructure development in exchange for mineral resources is disadvantageous to the overall DRC economy especially to rural livelihoods, because it marginalises artisanal mining. As noted, 'If the Congolese government and/or external actors want to take steps towards a reform and formalisation of the Congolese mining sector, it is important to take the potential impact upon the livelihoods of actors operating in artisanal mining into account' (p. 211). The authors show that China's involvement in the DRC's mining sector does little to enhance capacity development, as many contracts to improve infrastructure are awarded to Chinese firms.

This book does a major service to anyone interested in understanding the complexities of land relations and mining in the Great Lakes region. It provides an empirically grounded account of the difficulties faced by countries as they engage international actors in the exploitation of their natural resources. Will the new relationship between countries in the Great Lakes region (and the rest of Africa) and China redefine the so-called resource curse thesis? The answer remains to be seen, but as this book argues, the extent to which local livelihoods are considered in bilateral agreements will determine the level of success countries in the Great Lakes region can expect. This is a fantastic book that must be read by scholars, policymakers and students interested in issues of land and mining in Africa.

Richard B. Dadzie
University of Hawaii-West Oahu, USA
Email: rdadzie@hawaii.edu

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BOOK REVIEW

Zambia, mining and neoliberalism: boom and bust on the globalized Copperbelt, edited by Alastair Fraser and Miles Larmer, London and New York, Palgrave Macmillan, 2010, 320 pp., £60.00 (hardback), ISBN 9780230104983

Zambia has assumed a critical importance in the study of African political economy in the last decade as a result of two, or arguably three, intertwined processes: globalisation, privatisation and the rise of China in Africa and its contestations. The recent election of Michael Sata in Zambia has arguably been a substantial setback to the seemingly unilinear 'rise of China' in Africa, at least in its relations with political elites. This book explains the background to this event, in addition to providing excellent analysis and empirical insights on the reconfiguration of the economy and society of the Zambian Copperbelt.

Zambia is one of the world's major copper exporters, and production increased dramatically as a result of the recent commodity boom. A central theme which runs throughout the book is the contradictions and contestations around the governance of copper as a globalised commodity and a 'national' resource. Additionally, some locals in the Copperbelt also feel they should be the primary beneficiaries of this resource. One of the chapters described how, in order to achieve a social licence to operate, a recent investor agreed with local chiefs to only recruit locals from a particular ethnic group. While this may be advantageous in the short term by cementing support for 'traditional' rulers, mining, through reductions in the amount of land they may distribute, may undercut their longer-term power.

The book is replete with detailed analyses of the impacts of the copper boom and the strategies different actors have employed in order to maximise their income from this resource. One chapter describes the strategies of 'shape shifting capital', where some investors have complex cross-holdings and ownership structures in order to maximise profits and minimise responsibilities. The dramatic drop in the copper price in 2008 resulted in devastation for some copper-dependent towns, while strengthening the presence of Chinese state-owned investors with access to long-term capital. The book also shows how certain informal actors were able to prosper from mining slag heaps during the *pa illegal* era before some companies had asserted their rights to re-mine these 'deposits'. However, relative prosperity in certain instances led to social ostracism and accusations of satanism and witchcraft.

The authors, for the most part, come from a political economy tradition primarily, but the book also contains other voices and perspectives. Christopher Adams and Anthony Simpasa have a chapter entitled 'The economics of the copper boom in Zambia'. They are much more sympathetic to the World Bank/IMF programme of economic liberalisation in Zambia than the other authors. They offer a good description of the political economy of decline in Zambia in the 1980s and events such as the 'humiliating appointment of an IMF-approved expatriate governor of the central bank' (p. 64). The halving of national income arguably led to acceptance of quite extreme liberalisation, which became institutionally and ideologically embedded in

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the Zambian state, so much so that the initially secret 'development agreements' signed with international investors during the privatisation period meant that no tax revenue accrued to the government directly from the mining sector. They also argue that the Zambian state 'overshot' with its monetarist policies. During the copper boom the government imposed 'windfall' and other taxes which were then reversed when the copper price fell. What these swings demonstrate is the extreme dependence of the Zambian economy – and society – on international market conditions which have effectively compromised sovereignty.

As noted earlier, Chinese investors have become a major presence on the Zambian Copperbelt. However, many of these investors had amongst the lowest environmental and labour standards. For example among the companies that Haglund studied, the Chinese Non-Ferrous Metals Corporation 'was the only one that did not have any recognized international standards in place' (p. 102). An official from the Environmental Council of Zambia also noted that they 'faced real challenges with the Chinese investors, because their technology is so dirty' (p. 103). Haglund also argues that the African subsidiary of the Non-Ferrous Metals Corporation sought stability by attempting to have the Zambian government broker its social contract, through consultations with stakeholders for example. However this approach has subsequently been challenged with the election of Michael Sata as president, as he has promised tougher enforcement of government regulations.

This is an exceptionally well-written and argued book. While much of the debate on privatisation and the rise of Asian investors in Africa has been polemical, this book relies on detailed and dispassionately presented data to make an argument about the changing configuration of power and social relations in Zambia's Copperbelt. By illuminating a principal site where globalisation has grounded in Africa, this will be an important text for scholars and students, not only of Zambia, but of the continent more generally.

Pádraig Carmody
Trinity College Dublin,
Republic of Ireland
Email: carmodyp@tcd.ie

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BOOK REVIEW

War veterans in Zimbabwe's revolution: challenging neo-colonialism and settler and international capital, by Zvakanyorwa Wilbert Sadomba, Harare, Weaver Press; Woodbridge, James Currey, xii + 247 pp., £40.00 (hardback), ISBN 9781847010254

Catastrophe: what went wrong in Zimbabwe? by Richard Bourne, London, Zed Books, 2011, xvii + 302 pp., £14.99 (paperback), ISBN 9781848135215

A predictable tragedy: Robert Mugabe and the collapse of Zimbabwe, by Daniel Compagnon, Philadelphia, University of Pennsylvania Press, 2010, 344 pp., £26.00 (hardback), ISBN 9780812242676

What is the cause of the problems in Zimbabwe? For Daniel Compagnon it is one man – Robert Mugabe. For Richard Bourne it is history – 75 years of white violence and land grabs. For Zvakanyorwa Sadomba it was the failure of the ZANU leadership to make the changes that had been promised during the liberation war.

All three books are detailed and seriously researched, yet they paint dramatically different pictures, showing how much presentation and choice of evidence is shaped by the authors' own perspectives and the media image of Zimbabwe. Thus, for Compagnon, Zimbabwe is a 'tragedy' and Mugabe is its author. So the political scientist concentrates on the rise of one man, and details the sins of President Mugabe, but we learn little of the people of Zimbabwe and other political forces. He also sees ZANU-PF as monolithic, using phrases like 'alleged moderates' in the party (p. 169). For Bourne, 'that there was and is a Mugabe factor in the catastrophe of modern Zimbabwe is undeniable, but as an explanation of what has gone wrong is not only simplistic and inadequate, but misleading' (p. 236). Most of his book looks at history and he does an excellent job in showing how white violence going back to the arrival of Cecil Rhodes in the 1880s created a culture of violence where powerful people take what they want. The result is 'the cataclysm which engulfs Zimbabwe in the first decade of the twenty-first century' (p. 132).

Both authors have been partly overtaken by events, as they wrote their books during the disastrous 2004–8 hyperinflation. Thus they largely miss the remarkable economic transformation which occurred after Zimbabwe adopted the US dollar as currency in 2009, as well as the relative stability brought by the unity government. By 2011, it did not feel like a tragedy, cataclysm, or catastrophe any longer, even if many of the problems had not gone away.

Compagnon and Bourne are outsiders while Sadomba is an academic and former guerrilla who details the wide range of internal forces, and, in particular, the struggle of guerrillas with the party elite during and after the war. Compagnon treats Zimbabwe largely in isolation and does not look at how Zimbabwe interacted with the wider world in an era of globalisation, and ignores structural adjustment. Bourne accepts as 'one of the roots' of the problem the adoption of IMF and World Bank adjustment policy in the 1990s which brought economic decline and massive

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unemployment, and 'was profoundly destructive'. Although the 1990s were very hard on the black majority, Compagnon and Bourne both note that white farmers continued to do very well. Sadomba situates the crisis in the ZANU leadership's desperate and increasingly unsuccessful attempt to maintain white commercial farming in the face of growing hardship of peasants and workers as industries closed and agricultural support and credit was cut back.

All three authors agree that the president has too much power and that he and his team made poor decisions. Bourne notes that the politburo and government were 'light on economic expertise' (p. 132). This caused many of the subsequent problems, as there was no coherent plan to reverse the damage inflicted by adjustment. Hyperinflation was caused largely by a decision to print money and inflate out of the 1990s crisis, and various attempts to impose price controls only made matters worse.

Sadomba's insider analysis of the growing divisions within Zimbabwe cannot be matched by the two outsiders. He stresses the growing divisions between the war veterans and the ZANU elite, which they saw as being in alliance with white farmers. This led to a dramatic meeting between government ministers and land occupiers on 6 November 1998 in which, Sadomba says, 'war veterans officially announced that they had become the vanguard of the land occupations and that they were going to lead the masses in confronting ZANU-PF elites, "the new ZANU-PF of your own is full of the rich, the bourgeoisie". They were also attacking the state and President Mugabe' (p. 132). 'A sense of betrayal is deep-seated in the war veterans today', he continues, with the ZANU-PF ruling elite trying to split the war veterans off from the rest of society 'to ensure that there is not effective criticism or opposition which is grounded on the ethos and objectives of the liberation struggle' (p. 106).

The strikingly different perspectives of the books are shown by their different views of people mentioned. Dr Chenjerai Hunzvi was an important leader of the war veterans who was also problematic and who probably stole money intended for veterans. But where Compagnon says he issued people with 'dubious' disability certificates to allow them to claim improper pensions (p. 66), Sadomba says that original assessments, often by white Rhodesian doctors, were 'grossly flawed' and significantly underestimated the degree of disability, and that Hunzvi corrected these assessments (p. 100).

Roger Boka was a millionaire businessman who in 1997 set up the first black-owned tobacco auction floor, breaking the white monopoly. Compagnon dismisses Boka as 'a vocal member of the indigenization lobby close to the ZANU-PF hierarchy' who backed evictions of whites from their farms and 'enjoyed behind-the-scenes political backing' (p. 169). Sadomba calls him 'undoubtedly the most innovative and successful black businessman', and notes that 'the roots of Boka . . . were certainly not in ZANU-PF' and that while others acquired their business empires through links with the party, Boka built his through hard work, and was opposed by 'ZANU-PF stalwarts'. Boka was 'a pioneer in a white-dominated field' who told a newspaper interviewer 'I tried to come in through the door but they [the whites] wouldn't let me in. I tried the window but it was closed, so I crashed through the roof' (pp. 163–164).

Land reform is central to any story of the country. Bourne details the way land was given to whites as an incentive to participate in occupations and wars, or as a reward. Bourne and Sadomba both point to the way white World War II veterans were given land – after black farmers had been cleared off. Sadomba then points out that veterans of the liberation war were simply expecting the same reward.

The fast-track land reform and land occupations of 2000 remain controversial. Compagnon simply dismisses land reform as a 'charade'. Bourne writes of 'visitors to Zimbabwe and outside journalists who smuggled out footage … saw people begging by the roadside…. Not many of the ZANU-PF elite, who had been given farms in return for the loyalty, were seriously interested in farming' (p. 214).

Bourne talks of 'formerly fertile land returned to bush' (p. 214), but recent research shows that resettlement farmers are now using more of the land than had been used by the white farmers. Even the white Commercial Farmers Union admits agricultural production is back to the 1990s average. And the ZANU-PF elite is farming its land. Similarly, Bourne notes, correctly, that the University of Zimbabwe (UZ) 'barely operated in 2008'. But when we were there in 2010 and 2011, the UZ campus in Harare had returned to its former vibrancy, and much of the new research on land reform is being done by UZ PhD and MSc students.

Zimbabwe's very rapid recovery since 2009 is a challenge to anyone who sees only cataclysm and tragedy. Zimbabwe remains poor and the ZANU-PF elite is being kept in check by a still fragile unity government. But dollarisation and the unity government have created a space in which Zimbabweans are using their new land and transforming their country – temporarily, at least, making squabbling politicians less relevant.

Joseph Hanlon and Teresa Smart
Open University, UK and Institute of Education, University of London, UK
Email: j.hanlon@open.ac.uk and *t.smart@open.ac.uk*

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BOOK REVIEW

Borders and borderlands as resources in the Horn of Africa, edited by Dereje Feyissa and Marcus Virgil Hoehne, Woodbridge, James Currey, 2010, 244 pp., £40.00 (hardback), ISBN 9781847010186

Arising from a conference in 2006, this book seeks to challenge the conventional view that borderlands, especially in the Horn, are inconvenient trouble spots, sources of ethnic conflict, instability and havens for a variety of armed groups in opposition to governments of neighbouring countries. Rather, it is argued that their very artificial nature, determined as they usually are by local and international conflict and negotiation, provides economic and political opportunities for border communities. Where a traditional precolonial trade route has been disrupted by new boundaries and controls, for instance, then informal cross-border trade, taking advantage of arbitrage opportunities which had not existed before, can compensate for the inconveniences of formal trade.

The coverage of the book is wide, as it needs to be when looking at a region such as the Horn where there are now at least 11 internationally recognised borders. There are chapters on the border regions of Ethiopia–Sudan (the Anywaa) by Dereje Feyissa; Ethiopia–Kenya by Fekadu Adugna; Ethiopia–Eritrea (Tigrinya speakers) by Wolbert Smidt; Ethiopia–Djibouti (Afar and Issa) by Yasin Mohammed Yasin; Somaliland–Puntland by Markus Hoehne; Ethiopia–British Somaliland by Cedric Barnes; Kenya–Somalia by Lee Cassanelli; Kenya–Uganda by Peter Wafula Wekesa; and one on a different concept of boundaries which explores links between the Zigula (Somalia Bantu) and Tanzania, by Francesca Declich. The importance of understanding historical roots is evident in that seven of these nine case studies either begin with a review of their historical antecedents or are about a particular period in the past which retains contemporary relevance, such as the *magendo* trade between Kenya and Uganda in the 1960s.

The book opens with a more conceptual overview by the editors, in which they 'offer an analytical framework for researching the resourcefulness of state borders as institutions and borderlands as territories' (p. 1) before leading in to the central chapters which analyse and describe the way in which examples of different borders in the Horn have functioned as resources for the people of the borderlands. Conceptualisation is quite a challenge. In a number of instances, such as the informal cross-border livestock trade from Ethiopian pastoralist border communities into Somaliland, it is difficult to say that this is because of border opportunities rather than despite them, though one contemporary factor is the absence of animal disease controls and official monitoring. On the other hand, the reverse informal traffic in imported consumer goods – especially electronic – benefits from avoidance of formal import duties in Ethiopia. The authors point out the somewhat paradoxical similarities between the demotion of state borders in the globalisation process and the ease with which they can often be bypassed informally by small-scale merchants and traders operating at the local level. Where the similarities fall down, of course, is in the reinforcement of borders,

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particularly around Europe, as devices to exclude inward migrant labour, and in the exclusive nature of corporate globalisation.

Much is made in the wider literature of the 'artificial' character of many borders, particularly in Africa where most contemporary national borders are colonial in origin. As the authors point out, however, this can be a misleading generalisation given that state borders, old and new, are always socially constructed, even those which may appear 'natural'. They refer to a number of cases where the appearance of European colonial powers created an opportunity for local chieftains or sultans to consolidate their own power base against neighbouring internal threats by entering into what they believed was a mutually beneficial 'protection' agreement, rather than the one-sided colonial 'protectorate' which they became. The chapter by Barnes, for instance, also explores how the Gadabursi were able to take advantage of the ambiguity of their position in the borderlands between British Somaliland and Ethiopia in the 1920s, giving them greater influence than if they had fallen under the sole jurisdiction of one of these powers.

The case for borders as a resource takes various forms, not always purely economic. For example, the Anywaa in Gambella region of Ethiopia see the border with Sudan as an identity determining political resource in their relationships with the Nuer, while the Borana, the Garri and the Gabra, which all exist on each side of the Ethiopia–Kenya border, can each draw on cross-border support from their kinsfolk to strengthen their own local political advantage. The chapter on Tigray is less on this theme than an interesting exploration of the nature of boundaries where a common language can hide long-standing historical subgroups and their local boundaries, with reflection on how boundaries have frequently changed over time. In the case of the Afar and Issa, Yasin Mohammed Yasin argues that it is the support from the Issa-controlled state in Djibouti that has been key to the expansion in recent years of the Somali Issa to the banks of the Awash in Ethiopia's Region 2, at the expense of the Afar, whereas the imprecise character of the boundary between Somaliland and Puntland allows fluidity of allegiance by members of the two administrations, even at senior official levels, for individuals from the Dhulbahante and Warsangeeli clans that inhabit the border zone.

In a brief concluding overview, which he entitles 'Putting back the bigger picture', Christopher Clapham recalls the role of 'natural' or ecological borders in the Horn and traditional trade patterns, particularly to the sea, and that the boundaries between and within these have always been contested. The question of the degree to which trade takes advantage of borders or continues despite them raises the issue of the difference between short-term opportunities for economic or political arbitrage and longer-term prospects for the wider benefits of uninhibited border movements of people and trade. In commenting on what he terms the collection's 'instrumental' approach to the affordances which a border offers to the communities that live nearby, Clapham suggests that this may well distract attention from the longer-term, more general economic implications of the multiplication of borders in the Horn, whether between the likes of Somaliland, Puntland, Southern Sudan and their neighbours, or even those of ethnic federalism within Ethiopia, that have been created since 1991.

In summary, the book works better than many edited collections, combining current and historical detail on a sufficiently representative range of examples not only to inform and contribute to a wider understanding, but to confirm, under prevailing contemporary circumstances, the significance of borders and border regions in the Horn as conduits through which not only formal and informal traders pass, but which also witness a stream of pastoralists, migrant workers, traffickers, armed combatants, and refugees seeking safety, survival opportunities or a number of more nefarious objects. As they do so they create a demand for a variety of services such as money exchange, accommodation, food, fuel (wood, charcoal, paraffin), and simple consumer goods from which local populations derive income. In some instances, as in north-east Kenya, the flow of refugees from Somalia plus incoming international aid, on top of the more traditional overland livestock trade, has generated a substantial regional economy, albeit with a precarious future and containing major inequalities. The broad pattern is not unique to the Horn, but its link to conflict and survival and any potential for regional security is deeply embedded in the troubled historical specificities of the region, leaving an organic legacy which is capable, in the opinion of the editors, of offering 'affordances of state borders in the Horn' to the various communities who live on either side.

Roy Love
School of Oriental and African Studies, UK
Email: rl18@soas.ac.uk

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BOOK REVIEW

Revolutionary traveller: freeze-frames from a life, by John S. Saul, Winnipeg, Arbeiter Ring Publishing, 2009, 436 pp., CDN$ 26.95 (hardback), ISBN 9781894037372

John Saul's book is a riveting memoir that chronicles Southern Africa's liberation struggle and John Saul's activism in that region during its quest for independence. John Saul proved to be a revolutionary traveller of note by actively participating in struggles in Tanzania, Mozambique and South Africa through his formidable scholarly writings and activism in these countries. Even during longer spells in his native Canada between the 1970s and 2000s, John Saul invested immensely in Southern Africa's liberation struggle by forging links between the events in Canada and Southern Africa. He admirably did this through his active participation in the Toronto Committee for the Liberation of Portugal's African Colonies (TCLPAC) and later under the Toronto Committee for the Liberation of Southern Africa (TCLSAC). In his stints as a member of both committees, John Saul was able to expose Canada's duplicity and inconsistency in its policies towards the oppressive white minority regimes in Southern Africa.

John Saul's main argument is that Southern Africa's liberation struggle has proven to be disappointing and unfulfilling because all the Southern African countries experienced a form of false decolonisation that has failed to shake off neoliberalism's continued oppression of the majority of people in Southern Africa, namely the peasants and the ranks of the working class. In a powerful and persuasive fashion, John Saul posits that real emancipation in Southern Africa, and indeed the whole of Africa, can only be realised if a path of democratic socialism is pursued.

In the first part of the memoir, the author 'cuts his teeth' as a revolutionary activist at the University of Dar es Salaam in the latter part of the 1960s and early 1970s, when he becomes a part of the 'group of nine' lecturers that endeavour to change the university's course content. The idea of the group of nine to design a 'common course' in socialism for all the students was in line with the revolutionary Arusha Declaration which proclaimed that Tanzania's guiding ideology would be socialism. However, John Saul's unwavering commitment to the genuine ideals of socialism proved to be too radical to stomach for the Tanzanian state that purported to be socialist, and the university authorities, which would terminate Saul's teaching contract in 1972.

Before returning to his native Canada after the termination of his teaching contract by the University of Dar es Salaam, John Saul enhanced his reputation as a liberation movement supporter by agreeing to visit the war zones liberated by the Front for the Liberation of Mozambique (FRELIMO) in Mozambique's Tete province. That visit exposed John Saul to FRELIMO's brand of socialism that put the collective first, ahead of the individual. This phenomenon would leave an indelible impression on John Saul's life as a revolutionary activist.

Upon his return to Canada, John Saul continued his revolutionary activism by becoming a member of the TCLPAC which later became TCLSAC after the

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former Portuguese African colonies obtained independence. As a member of these committees, John Saul brought to the fore the duplicity of the Canadian state in its dealings with the white minority regimes in Southern Africa. Saul argued that this made Canada complicit in the oppression of the black people in Southern Africa. The Canadian bank loans to the apartheid regime in South Africa were also exposed in Saul's no-holds-barred articles.

John Saul's revolutionary travels to Southern Africa would continue through the 1980s and into the 2000s as he visited Mozambique and South Africa on a number of occasions to assess the levels and pace of socialist transformation, or lack thereof, in these countries. Unfortunately, and to Saul's great disappointment, the neoliberal project had taken firm root in the whole of Southern Africa and was deeply entrenched in the economic policies that were being pursued in this region even up to the time John Saul penned his revolutionary memoir in the late 2000s.

John Saul's memoir is a gripping read that is aptly titled, with the 'freeze-frames' capturing the author's steely determination and almost unrivalled passion towards obtaining socialist societies in both the global north and south that are democratic and just. The book's strength also lies in the author's candidness in accepting that the pursuit of a truly democratic socialist project in Southern Africa, and anywhere else for that matter, might be idealistic. John Saul reveals this when he acknowledges:

> It is true, for example, that by 2000 it had become apparent that I had, in effect, hitched my wagon to a somewhat fading star; the hopes, dreams and analyses that led many of us to see in the struggles for liberation in southern Africa a promise of genuine liberation and development for the populations of the countries in the region that had felt forced to fight, courageously and dramatically, for their freedom, were now visibly waning. (p. 245)

Despite this sombre reflection, Saul still retains a largely optimistic view on the prospects of a successful form of socialism in future.

The memoir could, however, have discussed in greater length the liberation struggles in Zimbabwe and Namibia. Saul of course makes fleeting references to the not so encouraging outcome of the liberation struggle in the two countries. Overall, the book exposes John Saul as a revolutionary activist/academic par excellence whose imprint on Southern Africa's liberation struggle is undoubted. A definite must-read.

Tapiwa Chagonda
University of Johannesburg, South Africa
Email: tapschags@yahoo.co.uk

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OBITUARY

Dani Wadada Nabudere, 1932–2011: an uncompromising revolutionary

Of some people it is true to say that they are better known after they have left this world. What makes them relatively unknown in their lifetime is a mystery. Dani Wadada Nabudere was one of the most enigmatic revolutionary African figures of the twentieth century, a prophet of a man, a three-dimensional man. And yet he was not very well known outside the circle of people who crossed his path. The following are a couple of brief snippets of his life when it crossed mine.

1960s: My first encounter and Makerere

I met Dani first in London as students in 1961 when we were members of the Executive Committee of the United Kingdom Uganda Students Association (UGASA), together with Ateker Ejalu, Chango Machyo and Edward Rugumayo, who were all later to play a significant role in the history of Uganda. We were then engaged in helping to raise the political consciousness of young Ugandans like ourselves studying or working in the UK and in Europe. One of our main activities was to lobby British parliamentarians for Uganda's independence.

Dani and I returned to Uganda in 1964. For the next six years, when I was at Makerere ('the Hill') and he was practising law, our paths crossed intermittently, mostly during debates on the Hill. Makerere was a stimulating, exciting place in the 1960s. At the time, Rajat Neogy's literary journal, *Transition* (later found to have been funded by a CIA front) provided a trendy intellectual platform to contributors like Ali Mazrui, Paul Theroux and Wole Soyinka. Dani occasionally contributed to the discussions in the *Transition*. More than that, he was an active member of the youth wing of the Uganda People's Congress (UPC). He was, however, later expelled from the party. In his *Sowing the mustard seed: the struggle for freedom and democracy in Uganda* (1997), Museveni explains why:

> 'We had contacts with progressive politicians such as Dani Wadada Nabudere, Kintu-Musoke, Jaberi Bidandi-Ssali, Kirunda Kivejinja and Raiti Omongin. They were leftists who had been expelled from the UPC in 1964 for having belonged to the Kakonge wing of the party.[1] Some of us also belonged to the Uganda Vietnam Solidarity Committee, which Nabudere had formed as a support and to oppose the American war of aggression against the Vietnamese people'. (p. 47)

Museveni probably had no idea then (or maybe even now) that Nabudere and Omongin had just about that time formed the first contemporary revolutionary party in Uganda which took its inspiration from the Marxist-Maoist tradition. During this period Nabudere had also played a critical role in the unification talks between Zanzibar and Tanganyika.

In September 1965, Nabudere was accused by a member of the Uganda parliament of organising a 'communist plot' to overthrow the government. In December 1969, following an attempt on Obote's life at a UPC congress, Nabudere (among others) was arrested and

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placed in detention under the emergency laws. He was released in late November 1970. When Idi Amin took over power in January 1971, a number of Ugandans on the left decided to work with the Amin government (Nabudere was appointed chairman of the Board of Directors of the East African Railways), but they were soon disillusioned, and, beginning with Rugumayo, a number of them resigned from government in 1972. (For an account of this, see D. Wadada Nabudere, *Imperialism and revolution in Uganda*, pp. 288–291.)

This is Nabudere before I really got to know him intimately at the University of Dar es Salaam, where he became a close friend and political mentor to many leftist activists from Africa. It was in Dar es Salaam that I too was inducted by Nabudere as member of the Maoist Party of Uganda, some 10 years after it was formed.

1970s: Nabudere and the Dar es Salaam debate

There were at least three politically and pedagogically significant debates at the University of Dar es Salaam in the late 1960s and the decade of the 1970s. The first was about Tanzania – the direction it was going and how it might show the way for the rest of Africa towards the ultimate goal of socialism. It was mainly a debate among the Tanzanian radicals, sometimes joined in by others from outside Tanzania such as Walter Rodney and Nabudere. The second was a debate mainly among the African members of the teaching staff of the university, in particular in the Faculty of Social Sciences, on how the prevailing pedagogy of their disciplines might be challenged and changed to reflect the African context and conditions. This debate led to the formation of the African Association of Political Science (AAPS) in 1973, among whose early presidents were Anthony Rweyemamu (the founder), Nathan Shamuyarira and Nabudere. The AAPS was a pan-African organisation, and admitted a variety of views from pan-African perspectives. It also tried to reach out to Africans in the diaspora. Many of the leading members of the AAPS in the early years (1973–83) were scholars from other parts of Africa such as Shamuyarira and Ibbo Mandaza (from Zimbabwe); Okwudiba Nnoli, Claude Ake and Adele Jinadu (from Nigeria); Emmanuel Hansen (from Ghana); Mamdani and myself (from Uganda); Amedee Darga (from Mauritius); Moeletsi Mbeki (from South Africa) and Helmi Sharawi from Egypt, among scores of others from other parts of Africa and the diasporas. Nabudere was one of the main articulators of the AAPS philosophy. He showed how the social sciences as ideological expressions of dominant classes faced a crisis of relevance in Africa, and how these needed to be challenged. These ideas were later to appear in his *African social scientists reflections, part 2: law, social sciences and crisis of relevance* (2001).

The third was a debate among primarily the Ugandans on the Hill and those living in exile in East Africa, occasionally joined by others even outside East Africa. It was partly inspired by Nabudere's book *Imperialism and revolution in Uganda* (1980) and its critique by Mamdani, Bhagat and Hirji. Later these discussions were reproduced as a book called *The Dar es Salaam debate on class, state and imperialism (*1982) which I edited, with a foreword by Mohamad Babu, the well-known Marxist revolutionary from Zanzibar. The debate had intellectual, pedagogical and also political and strategic value for Uganda but also Africa and the Third World. The key analyses and messages argued by Nabudere in the debate remain valid to this day. The significance of this debate, latent when it was taking place, became clear in the early months of 1979, as those same very issues took on a practical political salience after Amin's invasion of Tanzania in December 1978. Tanzania repulsed the invasion but then Nyerere faced a dilemma. Should he proceed to Kampala, with his army thus effectively becoming an 'occupation force', or should he try to forge a united Ugandan political front to take over the reins of government? He opted for the latter. But to forge unity of contending forces from Uganda proved a nightmare.

Immediately following Amin's invasion, the leftist nationalists in Tanzania, under Nabudere's leadership, formed the Ad Hoc Committee for the Promotion of Unity Amongst Ugandans to try and unite with all forces opposed to the Amin regime. In its early days, Nyerere was sceptical of the 'left', and had Nabudere's and my houses on the Hill under surveillance. But when Nyerere failed to break the deadlock between Obote and Museveni, he turned to the Ad Hoc Committee to organise a conference of all democratic forces to form a government of national unity. The Moshi Conference – at which Nabudere, Edward Rugumayo and Omwony Ojwok played the key role of uniting all Ugandan forces – laid the basis for the founding of the Uganda National Liberation Front (UNLF), under the chairmanship of Y.K. Lule. Rugumayo was elected as the chairman of the transitional parliament, the National Consultative Council (NCC) (of which I too was elected a member); Omwony Ojwok as the NCC's secretary; Nabudere as the chairman of its Political and Diplomatic Commission; and Paulo Muwanga (of the Uganda People's Congress) as the chairman of the Military Commission. After the formation of the UNLF, the Tanzanian forces entered Kampala and the UNLF assumed power in Uganda in April 1979.

Looking back at that period (1979/80), I am profoundly struck that thirty years ago we faced the same problems as the Arab revolutionaries are facing today (2011–2012) as they grapple with the problems of creating democratic structures after the fall of dictators, whilst trying to forge national unity and keeping out intrusive external intervention.

1980s: the period of the UNLF and the Danish Folk High School

Assuming power is one thing; running a country politically and administratively is another. From May 1979 to May 1980, Uganda went through paroxysms of fear, hope, disappointments, ecstasy, adventure, chaos, bombing raids, murders and general mayhem. What prevented it from descending into total anarchy was the presence of Tanzanian troops. What kept political peace, fragile as it was at the best of times, was the political skill and outstanding clarity of strategic thinking of Nabudere. At the Moshi Conference, he was the principal author and architect (along with Omwony Ojwok and Rugumayo) of the constitution of the UNLF, which is a document still worth studying even today for its political perspicacity. Nabudere was a conciliator between various factions and tendencies – from the monarchists to the militarists – of the UNLF. Let me give one instance of Nabudere's political dexterity. At the end of the Moshi Conference, when Museveni complained to Nyerere that his absence from it had marginalised him, it was Nabudere (along with Rugumayo) who persuaded Lule and Muwanga to bring him into the UNLF as deputy chairman of its Military Commission. Indeed, throughout that nervously tumultuous year, it was Nabudere who provided the focal point for unity and vision as the chairman of UNLF's Political and Diplomatic Commission. It is during this period of Uganda's recent history that Nabudere came to be known as the leader of the 'Gang of Four' (along with his three close comrades – Rugumayo, Omwony and me).

What broke down this fragile ambience between the security and the political was the pressure felt by Nyerere to bring Obote (at the time still in Dar es Salaam) back to Uganda, and the machinations of the Ugandan domestic political and military forces. On 1 May 1980, the UNLF was overthrown in a military coup,[2] and Nabudere, then in Yugoslavia attending the funeral of Marshall Tito, found himself together with other compatriots in second exile, this time in Nairobi. The UNLF was renamed as UNLF (Anti-dictatorship), and the struggle for the democratic dispensation continued. The UNLF (AD) went into a period of armed struggle around Mount Elgon but this was short lived.

An account of this period, and the debates on strategy and tactics of liberation struggle that the (Maoist) Party and its democratic wing – the UNLF (AD) – was engaged in, would make interesting and highly educative reading for those involved in day-to-day struggle against the continued domination and interference by imperialism and its internal agents in Africa. The Gang of Four were only the public faces of this movement, but hundreds of comrades and their families made huge sacrifices for the struggle during these very difficult months and years. A proper account of this period will one day no doubt celebrate and pay homage to the work and sacrifices of these comrades. It is a pity that Nabudere and Omwony Ojwok should have died before writing an account of this period. Rugumayo's forthcoming autobiography will no doubt deal with some of these matters. All I can say at this point is that the armed struggle in Mount Elgon lasted for only a short period, and for various strategic and tactical reasons it was decided to abandon it and concentrate on political work – what was later called the 'grass-rooting' strategy. The UNLF (AD)'s Maoist wing was thus probably one of the few revolutionary organisations that deliberately ended its armed struggle and decided that a thoroughgoing cultural revolution should *precede* armed struggle (not follow as in the case of China).

This was also the period when Nabudere and the party made far-reaching contacts with several other revolutionary movements in Africa (such as, among others, those in Senegal, the Cameroons, Burkina Faso, the Congo and South Africa); as well as in the Middle East (Egypt, Palestine, Iraq); Asia (India, China, Japan, the Philippines); Europe (Germany, Norway, Belgium, Denmark); and the USA.

In 1982 Nabudere moved to Helsingør in Denmark, teaching at a Folk High School. This was one of his most productive years as a scholar. He wrote the 300-page manuscript entitled *The rise and fall of money capital*, which I published in 1990 under an organisation called Africa in Transition, which I had founded with my brother Vikash. It is probably the most comprehensive analysis of money since the early writings, among others, of Marx, Engels, Hilferding, Rosa Luxemburg, and Keynes, all of whom came under Nabudere's cutting-edge analysis. Nabudere carried out a meticulous historical analysis of the rise of money as money (as distinct from its evolution as capital), and made the prediction that money will eventually overcome capital and then meet its own demise as an instrument of credit. This is what in fact happened in the first decade of the twenty-first century, in what came to be known in our own times as the 'financialisation of capital'. Nabudere had already anticipated this during his period of research and writing in Helsingør. This book is one of the most outstanding, and relatively unknown, original contributions of Nabudere to Marxist economics. Later, a summary of the book was published by Fahamu, entitled *The crash of international finance-capital and its implications for the Third World* (2009), to which I wrote a foreword.

I spent a week with him in Helsingør, taking part as lecturer to his class and also absorbing the very energetic and communitarian ethos of the school. Nabudere took in just as much as he gave. From Helsingør he learnt the Folk School philosophy of adult education, which he was later to apply when he founded the Africa Study Centre Trust, and the Marcus Garvey Pan-African University in Mbale, Uganda.

1990s: Zimbabwe

In early 1990s Nabudere left Helsingør and came to Zimbabwe to join his family. His wife, Ida, and three of their younger children were already in Harare. Ida was then teaching in a secondary school. I too was already in Zimbabwe engaged in grass-roots activities among largely trade-union organisations and peasant communities in Zimbabwe and the region. Nabudere accompanied me to several of the rural projects in which I was engaged. He was particularly struck by the fact that given the right environment and encouragement, people at the grass-roots level are best placed to take 'development' in their hands. Development is too serious a matter to leave in the hands of the politicians and international 'donors'. This experience in Zimbabwe was the basis for further elaboration of the 'rooting strategy' to which I have alluded earlier. For a deeper understanding of his thoughts in this period, see the book of essays he edited for the AAPS called *Globalization and the post-colonial African state* (2000). In his own essay he argued that African states 'were being adjusted' out of existence as nation states, and needed to build on the spirit of their people to fight against the negative impact of globalisation.

2000s: Uganda and the Marcus Garvey Pan-African University

In mid 1990s Dani returned to Uganda with his family. Very soon he was involved in the politics of constitutional change under the regime of Yoweri Museveni. As a member of the Constituent Assembly, he actively participated in the making of a 'new' constitution of Uganda under the National Resistance Movement (NRM) government. But the effort to refashion the politics of Uganda towards a more democratic dispensation was largely frustrated by the complex politics of the country, and the machinations of external forces, especially of the International Monetary Fund and the donor community.

Towards the turn of the century, therefore, he began to devote his energies to the broader agenda of encouraging a pan-African consciousness among the younger generation of Ugandans and Africans, and a 'new universal order based on basic pluralist-humanist principles', in which Africa would play a distinct role. This was in contrast to some Western writers like Samuel Huntington who had predicted a 'clash of civilizations'. (See his *The crisis of modernity and the rise of post-traditionalism in Africa* (1998); *Afrikology, philosophy and wholeness* (2011) and *Afrikology and transdisciplinarity: a restorative epistemology* (2012)). He founded the Marcus Garvey Pan-African Institute in Mbale, Uganda, later to evolve as a university, of which he was the first chancellor-designate. In this capacity, he wrote:

> the model that I am advancing here is a direct reflection of our general experience under the global capitalist system and a reasoned response to its impact, which we can refer to as a 'post-capitalist synthesis'.

He advocated 'The restorative governance and justice' aimed at restoring social relations in society and establishing 'new balances that can enable people in the communities to regain control over their lives'. Democracy in this sense involves 'listening to voices of everyone who have normally been excluded from decision-making'. He was particularly emphatic on the restoration of African languages in popular discourse, because the unfamiliarity with colonial languages denied the African people a meaningful inclusion in the democratic processes. Afrikology, he argued, requires scholars, students and practitioners 'to liaise with the language communities in understanding what they know and mean'. Going beyond Africa he proposed 'the horizontal restorative epistemology' – worldviews (cosmologies) that are responsive to nature and that take into account 'our cosmic relations with nature'.

Dani was in regular communication with me on these matters, but in some ways the person with whom he had even closer relations during this period was my brother, Vikash, with whom he would occasionally stay when he was in London. My last theoretical exchange with Nabudere was in March 2010 when he made significant improvements on an essay I had written on the Dar es Salaam debate (forthcoming sometime in the future). He also wrote to me about his engagement with the University of South Africa in joint research projects under the umbrella theme of 'Reclaiming the future', and invited me to join his efforts.

Nabudere the man

Before I close this very short narrative of this great son of Africa, a brief reflection on what kind of person Dani was might be in order from someone who was a close associate of his for half a century.

Nabudere was a world-class African revolutionary, a Ugandan patriot, a scholarly and erudite academic, and a shrewd politician. All these blended in him holistically, making him a towering, formidable, figure in any gathering of intellectuals or politicians – local or global. He was an extraordinary man, a visionary; in many ways even a prophet, with a three-dimensional view of the world which few mortals possess. Most of us are two-dimensional with at the most short-term and medium-term perspectives. Few have the capacity to look beyond the present. He had a very long foresight, and many of his predictions, on, for example, the collapse of the Soviet Union (made well before the fall of the Berlin Wall), and the collapse of the capitalist-financial system (made in a book published in 1980) came true when most of us could not even see the making of crises in these two global systems of the twentieth century.

Dan suffered fools badly. He was unforgiving to those who were, in his eyes, second-rate academics, intellectuals or politicians. In his long vocation as a revolutionary from the age of 18 to the time he died at the age of 79, he set for himself unrelentingly high standards – in political work and scholarly writings – which his students, colleagues and compatriots had a hard time to emulate. He loved his family – wife, children and grandchildren. For these too he set very high standards. His wife, Ida – a wonderful, dignified person of South African origin with a determined face and soothing smile – and seven children and eight grandchildren knew of Dani's total commitment to Uganda and to African revolution, and they made enormous sacrifices to enable their husband/father/grandfather to focus on his chosen destiny. Dan was a Marxist scholar and practitioner to his bones, which made some of his writings difficult to understand for those uninitiated in the Marxist dialectics. But he was not dogmatic in political tactics. He could work with monarchists as well as republicans; nationalists as well as internationalists. What he despised most were militarists and dictators. President Obote put him in jail for his revolutionary activities in the 1960s and yet when the time came to work with Obote in 1979, he was quick to forgive him. President Museveni, with whom he had many differences, came to Dani's burial and praised him for being a 'comrade' and a 'pan-African revolutionary'.

Those who knew Dan intimately – his family, friends and comrades – knew that his hard and unremitting external demeanour hid a soft, very human side. The mischievous twinkle in his eyes and his sharp, often acerbic jokes – even as he challenged his worst adversary – and his warmth and loyalty to friends and comrades betrayed his soft inside. He was above all a dreamer well beyond his time.

Selected writings of Nabudere

Nabudere wrote more than 15 books and over 200 papers and lectures (published and unpublished), among which the best known are:

1977. *Imperialism and the national question*. Dar es Salaam: Tanzania Publishing House.

1977. *The political economy of imperialism.* London: Zed Press.

1979. *Essays on the theory and practice of imperialism*. London: Onyx Press.

1980. *Imperialism and revolution in Uganda*. London: Onyx Press.

1982. Several essays in Y. Tandon, *The Dar es Salaam debate on class, state and imperialism*. Dar es Salaam: Tanzania Publishing House.

1989. *The crash of international finance capital and its implications for the Third World*. Harare: SAPES.

1990. *Rise and fall of money capital*. London: Africa in Transition Trust.

1998. The crisis of modernity and the rise of post-traditionalism in Africa. Unpublished.

2000. ed., *Globalization & the post-colonial African state*. Harare: AAPS Books.

2001. *African social scientists reflections, part 2: law, social sciences and crisis of relevance*. Bonn: Heinrich Böll Foundation.

2002. NEPAD: historical background and its prospects. *In*: Anyang' Nyong'o, Aseghedech Ghirmazion and Davinder Lamba, eds. *NEPAD: a new path?* Bonn: Heinrich Böll Foundation.

2003. Towards the establishment of a pan-African university: a strategic concept paper. *African Journal of Political Science*, 8 (1), 1–30.

2009. *The crash of international finance-capital and its implications for the Third World*. Cape Town: Fahamu/Pambazuka.

2010. The global capitalist crisis and the way forward for Africa. Unpublished.

2011. *Afrikology, philosophy and wholeness: an epistemology.* Pretoria: Africa Institute of South Africa.

2011. *Archie Mafeje: scholar, activist and thinker.* Pretoria: Africa Institute of South Africa.

2012. *Afrikology and transdisciplinarity: a restorative epistemology.* Pretoria: ISA.

2012. Towards a restorative horizontal economic, political, and environmental transformation. Unpublished.

Yash Tandon
Independent scholar, and former Executive Director of the South Centre
Email:tandonmail@yahoo.com

Notes

1. The Uganda People's Congress (UPC) was a radical nationalist party. Its then secretary general, John Kakonge, had broad communist leanings, and had a strong following among the youth wing of the party, among them Nabudere. At the Gulu Conference in 1964, the left wing was outmanoeuvred by Obote and the mainstream party leadership.
2. The first administration of the UNLF government under President Lule lasted only six months. In September 1979 he was ousted from power by a vote of no confidence moved in the transitional parliament, the NCC. He was, in other words, democratically removed, and replaced by President Binaisa. It was the Binaisa administration that was then removed from power by the military led by the forces of Obote and Museveni, backed by Tanzania.

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OBITUARY

Remembering Dani Wadada Nabudere

I got to know Dani only fairly late in his life. We first met as fellow trainers of civil society and postgraduate students in Sweden in January 1996 at a workshop organised by the late Anders Närman, Sweden's truly radical development geographer, who had a long history of engagement in and with East and Southern Africa, during which he had befriended many liberation strugglers and senior government members of relatively newly independent states. Indeed, it is a measure of his standing that both Dani and the late Omwony Ojwok (the latter representing the Ugandan government), both members of the famous Ugandan 'Gang of Four' of 1979–80 (see obituary by Tandon preceding this), attended Anders's funeral in Gothenburg in November 2004.

Both Dani and I had recently embarked on critical rethinkings of prevailing development theories, conventional and 'radical', in the light of development failures and distortions, the post-structural challenge and the end of the Cold War. At that and several subsequent workshops and conferences, we engaged actively and productively, with a high level of agreement and occasional animated disagreement. I found persuasive his critique of postcolonialism as being too Eurocentric, despite the paradoxical nature of that charge, and was able to incorporate his resultant formulation of post-traditionalism[1] into the analyses I was developing. He, in turn, enjoyed my perspective on postmodernism and its relationships with postcolonialism.[2] Late-night discussions were invariably facilitated by good beer and *akvavit*, or in his case, generally, whisky. One conference in Copenhagen was particularly revealing in terms of the respect and affection with which those who remembered him from his period of exile in Denmark and work in Folk High Schools in the 1980s (see Tandon's obituary) held him. He was quite touched.

We developed something of a double act in the training sessions. Initially the students were slightly nonplussed, but once they 'got' Dani's wicked sense of humour and playfully provocative style of teaching, often playing off me or vice versa, they loved it, even if they didn't always understand the life experiences underlying his positions. The final time we worked together in this way was as part of a team convened again by Anders to provide continuing professional development (CPD) for social scientists (attracting both senior and junior staff as well as some postgraduates) at Makerere University in August 2002, updating and debating development theory, policy and praxis, informed by the Ugandan and East African contexts. Again, the wide respect for Dani, even from those who disagreed with him politically or young staff encountering him for the first time, was evident, and he soon disarmed the few who sought to cross swords.

In 1998 he produced a book manuscript which developed his ideas on African crises and post-traditionalism entitled 'The crisis of modernity and the rise of post-traditionalism in Africa'. We discussed the manuscript at length and he revised the text in 1999. However, it proved surprisingly difficult to find a publisher and then a commitment to publish by one was broken. He grew frustrated and abandoned the search for an outlet. I greatly regret that it never reached the public as it would have been a signal African contribution to these debates, and in a markedly different register from his earlier books.

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I commissioned Dani to write the biographical essay on Nyerere for my edited volume, *Fifty key thinkers on development* (Routledge, 2006). This he took on enthusiastically, quite delighted that I wanted to include Nyerere in this context. He wrote well, delivered on schedule, but at nearly twice the firm word limit, and was then somewhat taken aback that I insisted that he cut it! However, we got there and many people comment on what a fine essay it is.

Another particular regret is that I never made it to his Marcus Garvey Pan-African Institute/University in Mbale, despite regular exhortations. I had set up an undergraduate field course for our Royal Holloway students in rural West Pokot (now Pokot Central) on the Kenyan side of Mount Elgon around the same time, and sunk costs plus cheaper air fares made it difficult to relocate. Once when I could have visited, he was in South Africa, a country where he spent considerable time after the end of apartheid, frequently based at UNISA in Pretoria, writing and conducting joint research (see Tandon's obituary).

Dani was a true polymath: an accomplished academic, lawyer, politician and government minister – not only a towering figure in Uganda but widely in East and southern Africa and Europe. He was one of the last of the liberation struggle leaders, an enthusiastic teacher, a complex character, a great raconteur and a good friend. His departure from the stage of life will be keenly felt.

David Simon
Department of Geography, Royal Holloway,
University of London, UK
Email: d.simon@rhul.ac.uk

Notes

1. As a more indigenously based approach in which the colonial rupture was but one phase rather than the defining moment.
2. Our respective conference contributions were published along with others in a special issue of *Geografiska Annaler, Series B, Human Geography* 79B(4), 1997. Dani's paper is entitled 'Beyond modernization and development, or why the poor reject development', pp. 203–215, and is almost certainly his only publication in a geography journal.

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DEBATE

Alliance for a Green Revolution in Africa (AGRA): advancing the theft of African genetic wealth

Carol B. Thompson*

Department of Politics & International Affairs, Northern Arizona University, Flagstaff, USA

Debates around the Alliance for a Green Revolution in Africa (AGRA) of the Bill and Melinda Gates Foundation address its three strategic interventions in African food systems: expansion through research and marketing of seed technologies; opening up of African food markets and integrating the most prosperous smallholders into the singular global market; and coordination of food policies within regions of Africa. Each one of these interventions attempts to link African food production and consumption into the global food chain, controlled by a cartel of very few corporations. Those opposing AGRA delineate well the hazards of foreign control over African production and consumption of food.[1]

Not attracting sufficient international attention, however – for it is not mentioned in any AGRA promotional materials – is the core goal of AGRA: accessing African genetic wealth, without benefit-sharing nor recognition back to those who developed the cultivars for centuries.[2] AGRA facilitates private ownership, and, as important, corporate control, over these genetic treasures.

Private ownership of seed rejects the International Treaty for Plant Genetic Resources for Food and Agriculture (IT) protecting farmers' rights to save, breed, and exchange seeds, a law that honours farmers as the innovators and providers of food biodiversity over millennia. This international treaty recognises farmers' role as seed breeders to sustain genetic resilience of the human food supply through centuries of climate changes. Freely sharing seed and experimenting with germplasm across hundreds, if not millions of farmers (maize, rice and other grains circumnavigated the globe many times before airplanes), sustains human food sources.

In contrast, AGRA finances research and production of private corporate seeds (many genetically modified [GM]) and expands their market delivery, along with their necessary components of fertilisers and pesticides. AGRA's technological approach to food production differs from the 1960s 'green revolution' in only one way: hybrid seeds developed for increased yields during that era remained in the public domain, to be freely exchanged among all farmers; today, AGRA-sponsored seeds are most often privatised by the corporate seed breeder. The farmers must buy the expensive seeds and cannot replant the next generation, nor save or exchange the seeds among themselves for further experimentation in different soils or climes. Every year the farmer must return to the 'owner' of a living organism to access the key input for production.

*Email: carol.thompson@nau.edu

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Those same proprietors – often chemical companies such as Monsanto, DuPont (Pioneer Seed) or Dow Chemical – also sell the accompanying chemical fertiliser and pesticides required for the seed to meet its advertised potential. Only if all three inputs are bought as a package, in correct quantities for application at prescribed times (with the vital addition of adequate, timely watering), will the seed meet expected yields. The farmer cultivator becomes a consumer, quite like urban shoppers who must buy several items 'shrink-wrapped' together, in order to obtain one item. The chemical companies could not convince the majority of Africa's farmers that the high prices of fertilisers and pesticides were worth the environmental degradation they caused, and therefore, taking proprietary control over the seed is their way to link all three.

In order to sell their fertilisers and pesticides, the chemical companies have spent over a decade buying up seed companies. Now four corporations control 58% of the global seed market (Monsanto, USA 27%; DuPont/Pioneer Seed, USA 17%; Syngenta, Switzerland 9%; Groupe Limagrain, France 5%).[3] Only vigilant, organised civic action[4] delayed DuPont (Pioneer Seed) from buying the largest seed company in the Southern African region, Pannar Seed of South Africa, but an appeal court allowed the merger in May 2012.

Removing seed from the public sector and privatising it are the coercive innovations that AGRA finances. But that is not all. Without genetic diversity, all the privatisation in the world by a few corporations cannot provide adequate food supplies, not for Africa nor for the globe. The first agenda of AGRA is to facilitate corporate access to the genetic wealth on the African continent, while transforming a long history of reciprocal sharing among farmers into market transactions.

Any seed breeder requires a source of genetic diversity to sustain the viability of a crop, which explains the efficacy behind the free-sharing of seeds. The ancient gene pool revitalises what might be too closely bred to sustain vitality and vigour. First cousins among humans rarely marry first cousins, for any culture that permits this practice can encounter problems with mental and physical disabilities. Corporate seed breeders precipitously narrow the gene pool to develop the exact characteristics they seek.[5] Yet they too must return to the diverse gene pool to revitalise strains by cross-breeding with 'wild' or 'distant' relatives. This biological necessity is why so much money is dedicated to 'cloning' to try to overcome the problems with Dolly; once the 'perfect' sheep (or seed) is found, the breeders obviously prefer to clone it.

One alternative to faulty cloning is to access for *free* the rich genetic diversity of the African continent while privatising any offspring for corporate *profit.* If the input is free and the minimally altered output can be given high monopoly prices via patenting, then profits soar.[6]

The core of AGRA is biopiracy – the taking of Africa's genetic wealth without benefit-sharing, or even recognition to previous breeders of the seed. For the continent, for example, thousands of varieties of sorghum and millet are freely shared by African farmers. AGRA receiving that gift is not considered theft.

What may be considered theft by the farmer breeders is the privatisation of sorghum/millet, or any genes into a 'new' variety, without sharing the benefits back to the generations of farmers who cultivated that gift.

The rest of the world has rejected the American approach to patenting seed, to the extent that the Doha Round of the World Trade Organisation (WTO) has made no progress over the last decade because countries in the South refuse to accept agricultural trade and patenting policies. Yet AGRA-financed projects act as if patenting of seed is international law.[7] The newly bred seed becomes private property, requiring royalties to use it. What AGRA does not reveal is that its seed partners never reciprocate by paying royalties or a percentage of profits to the farmers who bred the original seeds and freely shared them. While demanding payment for breeding one strain, they refuse to acknowledge their total dependence on African farmers for the genetic material and indigenous knowledge about the species. Given the trumpeting of the 'drought-resistant maize' (Mon 87460) as a success and the Gates Foundation's promotion of 'bio-cassava' as more nutritious in order to prove the potential of biotechnology,[8] why is the Gates Foundation not transparent about the source of the germplasms? Given that AGRA says it assists farmers, why is there no benefit-sharing to them?

Theft could also refer to accessing the genetic wealth through *public* seed banks and then *privatising* the genetically modified offspring without recognition nor benefit-sharing, even though that is now required by international law.

The USA refuses to sign the IT that protects 64 food/fodder seeds from patenting. The treaty also calls for sharing commercial profits from any germplasm taken from the public seed banks (International Agricultural Research Centres [IARCs]), setting up Standard Material Transfer Agreements (SMTAs) to trace the seeds from the international depositories to new strains sold for commercial profit. While the seed banks (IARCs) provide over 694,000 seeds for *free* access, the SMTAs are not operative for lack of funding and enforcement.[9] If the Gates Foundation were serious about the perils of climate change to the African food supply, then its millions would be financing experts and lawyers to enact the material transfer agreements and to enforce the sharing of corporate profits, as required by international law.

Instead, what Gates funding has been doing is diminishing the public service of these public seed banks. Since 2007, the Gates Foundation has financed many IARC projects: both ICRISAT (International Crop Research Institute for the Semi-Tropics, including sorghum, millet) and CIMMYT (International Centre for Maize and Wheat Improvement), for example, receive 45 to 55% of their annual funding from Gates and their allies.[10]

One of the results, discovered in Zimbabwe, is that the ICRISAT/Matopos research station no longer freely shares its foundation seed with smallholder farmers, who originally supplied the station with the genetic wealth of their sorghums and millets. The farmers for several years had successfully grown out foundation seed, according to strict quality controls for certification, to produce commercial seed for small seed companies. From 2010, ICRISAT has instead sold the foundation seed to the commercial seed companies, transforming collective benefit-sharing into a market transaction. Instead of increasing benefit-sharing, the Gates Foundation funds policies to eradicate it.

Theft may also occur through financing seed research, via the African Union's Comprehensive Africa Agriculture Development Programme (CAADP) and other programmes, to gain corporate control over seed bred from African cultivars.

CAADP, a project of the African Union, but promoted by AGRA, conducts programmes to increase research collaboration across the continent. One of AGRA's premier programmes is the Programme for Africa's Seeds Systems (PASS) to develop 'improved' varieties and to increase storage and marketing capacities. Similar to the WTO, both CAADP and PASS prioritise the global market as the central mechanism to provide African 'food security'. CAADP projects assume African farmers will only profit if they produce for the global market and also assume that food consumed by urban Africans will arrive via that same market.

CAADP expresses the Davos World Economic Forum's goal of linking the 'bottom of the pyramid' to the global 'food value chain'.[11] This global market engages, however, only the most wealthy smallholder farmers and certainly only the urban consumers who have disposable income enough to shop in food chain stores. CAADP privileges the global seed and food 'value chains', linked by corporate cartels (seed, pesticides, fertilisers, and food manufacturing), as the quick way to provision food. However, those global markets can easily destroy local food production for local consumption. Although CAADP refers to smallholder farmers, its proposals ignore indigenous knowledge and farming practices for biodiverse food production.

Theft may also be encouraged through the act of making seed laws uniform across many African countries so that once a GM seed is patented and marketed, it is easy to enforce royalty payments across a region. Uniform seed laws, as currently discussed in the Southern African Development Community (SADC) for example, facilitate global corporate access to farmers' seeds while diminishing to platitudes any idea of benefit-sharing back to farmers whose talent and innovation are the source of the genetic wealth.

Individual country laws have curtailed the spread of GM seeds from the commercial South African market into the rest of Southern Africa. Members of SADC have made it clear they do not want to plant GM varieties that can genetically pollute their locally adapted strains of maize or soya. The legal constraints have been so successful that the USA has resorted to shipping GM food aid to Southern Africa, in full kernels of maize from 2002. Southern African research now demonstrates that as much as 20% of kernels found along roadsides (falling off lorries) and in storage silos are now GM in several countries.[12] The food aid is genetically polluting the region.

A better way to disseminate undesired seed, however, is to create one seed law for the whole region, for South Africa allows GM seed and products. If the GM seed enters South Africa legally, a uniform seed law, minimising customs inspections, will facilitate genetic pollution across Southern Africa, diluting national biosafety laws and their enforcement. The corporations with seed patents can then demand payments for 'use' of 'their' seeds.

If the Gates Foundation were interested in assisting smallholder farmers, it would spend funds to help them protect the vitality of their cultivars through greater *in situ* conservation. It would honour the food sovereignty choice of many governments and farmers in Southern Africa to reject GM seeds. Instead, the Gates Foundation contributes money (over US$23 million in 2010) to Monsanto to breed more GM products[13] and supports the corporate call for uniform regional seed laws.

AGRA is not about saving starving Africans, but rather, it finances the agenda of acquiring free genetic wealth to turn it into private gain. AGRA and its corporate allies engage in what many would call theft, not simply through promotion of patents over living organisms, but also by refusing to reciprocate with royalties or shared profits back to those who provided the wealth of genetic materials in the first place. AGRA does not recognise nor even refer to traditional ecological knowledge. AGRA finances those who access free genetic materials but refuse to honour the transfer agreements enshrined in international law. AGRA and other Gates Foundation projects finance the removal of foundation seed from smallholder seed breeders. Through programmes like CAADP and regional uniform seed laws, AGRA takes control over regional agricultural policies to advance commercial agriculture based on increasing global corporate profits via seed technology, allied with chemical fertilisers and pesticides.

Scholars of Africa put this agenda in historical perspective: for three hundred years, the African continent was robbed of its most able-bodied men and women as slaves to create wealth for others. For two hundred years and continuing (for example in the Democratic Republic of the Congo), Africa has been robbed of its mineral wealth, with neither the costs of labour nor of environmental degradation even counted, let alone paid. The twenty-first century continues this extraction through the removal of Africa's cultivated genetic wealth for foreign corporate profit. AGRA organises this twenty-first century exploitation.

Note on contributor

Carol B. Thompson works in Southern Africa with Community Technology Development Trust (CTDT), learning from this network of smallholders farmers. She is a member of AGRA-Watch and of the Association of Concerned Africa Scholars.

Notes

1. For a glimpse at the extent of critiques, see Ian Scoones and John Thompson, 'The politics of seed in Africa's green revolution: alternative narratives and competing pathways', *IDS Bulletin* 42, no. 4 (July 2011): 1–23; Snapp, S., and Blackie, M., 'Biodiversity can support a greener revolution in Africa', *Proceedings of the National Academy of the Sciences* 107, no. 48 (2010), available from: http://www.pnas.org/content/107/48/20840.full.pdf+html?sid=c18a9874-58e8-4e23-90c3-a40c62962cf1 [Accessed 20 November 2011]; GRAIN, 'Unravelling the "miracle" of Malawi's green revolution', *Seedling*, January 2010, available from: http://www.grain.org/article/entries/4075-unravelling-the-miracle-of-malawi-s-green-revolution [Accessed 4 March 2010]; Eric Holt-Gimenez, 'Out of AGRA: the green revolution returns to Africa', *Development* 51, no. 4 (2008): 464–471; Miriam Mayet, 'The new green revolution in Africa: Trojan horse for GMOs?' in *Africa can feed itself*, ed. A. Norstad (Oslo: Development Fund, 2007).
2. Of course, those on the continent sent out the first alarm: World Social Forum, 'Africa's wealth of seed diversity and farmer knowledge – under threat from the Gates/ Rockefeller "Green Revolution" initiative', Statement by African Civil Society Organisations, Nairobi, Kenya, 25 January 2007, available from: http://www.grain.org/article/entries/3804-africa-s-wealth-of-seed-diversity-and-farmer-knowledge-under-threat-from-the-gates-rockefeller-green-revolution-initiative [Accessed 9 January 2012].
3. ETCGroup, *Who will control the green economy?* December 2011, p. 22.
4. ETCGroup, *Who will control the green economy?* p. 23.
5. In 1996 the FAO concluded: 'The chief cause of loss of genetic diversity – referred to as genetic erosion – has been the spread of modern, commercial agriculture. The introduction of new, highly uniform varieties has resulted in the loss of traditional farmers' varieties. Unfortunately, genetic erosion is almost always associated with – or even preceded by loss of the knowledge regarding varieties and their uses.' In 2010, the findings were the same: 'The introduction of modern varieties of staple crops appears to have resulted in an overall decrease in genetic diversity'. FAO, *Report on the state of the world's plant genetic resources for food and agriculture* (Rome: FAO, 1996), p. 13; FAO, *The second report on the state of the world's plant genetic resources for food and agriculture* (Rome: FAO, 2010), p. xix.
6. This private appropriation of a freely shared resource, seed, is a prime example of 'accumulation by dispossession', introduced by David Harvey *The new imperialism* (Oxford: Oxford University Press, 2003), ch. 4. See also Jim Glassman, 'Primitive accumulation, accumulation by dispossession, accumulation by "extra-economic" means', *Progress in Human Geography* 30, no. 5 (October 2006): 608–625; Carol Thompson, 'The scramble for genetic resources', in *A new scramble? Imperialism, investment and development in Africa*, ed. Henning Melber and Roger Southall (Durban: University of KwaZulu-Natal Press, 2009).
7. The USA has spent almost two decades imposing its patent laws over living organisms on other economies, via 'free trade' agreements (FTAs), starting with NAFTA in 1994, but also promulgated in Iraq, Afghanistan and the in recent agreements signed by the Obama Administration in Colombia, Korea, and Panama.

8. Reuters, *US approves Monsanto drought-tolerant GM corn*, December 27, 2011, available from: http://www.reuters.com/article/2011/12/27/us-usa-biotech-idUSTRE7BL19A20111227 [Accessed 2 February 2012]; Monsanto, *DroughtGard hybrids-currently in phase IV of Monsanto's R&D pipeline*, 2012, available from: http://www.monsanto.com/products/Pages/droughtgard-hybrids.aspx?WT.mc_id=1_drou ghtg ard [Accessed 2 February 2012]; Bill and Melinda Gates Foundation, *Improving health through more nutritious crops*, 2012, available from: http://www.gatesfoundation.org/agriculturaldevelopment/Pages/more-nutritious-crops.aspx [Accessed 2 February 2012].
9. By the end of 2011, eight countries had pledged US$10 million for the treaty's Benefit-Sharing Fund, but the agreed goal of raising US$116 million by 2014 seems remote. ITGRFA, 'Implementation of the funding strategy of the treaty funding. Resolution 3/2011', in *Strategy for the implementation of the international treaty on plant genetic resources for food and agriculture* (Rome: FAO, 2011, available from: ftp://ftp.fao.org/ag/agp/planttreaty/publi/funding_strategy_compilation_en.pdf [Accessed 10 February 2012].
10. Community Technology Development Trust, 'A public trust betrayed? Policy changes by CGIAR centres giving new meaning to 'foundation seed.' Unpublished report, October 2010. AGRA allies include the USA Feed the Future initiative, promoted both by the State Department and the Department of Agriculture; the World Bank's Global Agriculture and Food Security Program (GAFSP) which is implementing the G8 pledge from the L'Aquila Summit in July 2009, and the Davos World Economic Forum's New Vision for Agriculture, among others.
11. Carol Thompson, 'Corporations chaining the global food agenda', *Pambazuka* 550 (28 September 2011), available from: http://www.pambazuka.org/en/category/features/76694/print [Accessed 2 March 2012].
12. Andrew Mushita, 'GMOs and food aid in Southern Africa', *Genetic engineering and food sovereignty – sustainable agriculture is the only option to feed the world*, ed. Evangelischer Entwicklungsdienst (Bonn: EED, 2009), pp. 30–39.
13. Filed in its Security Exchange Commission Report, available from: http://www.seattleglobaljustice.org/wp-content/uploads/For-Immediate-Release-8.25.10.pdf [Accessed 4 March 2012]. By late 2011 Monsanto received permission from the USDA to sell its transgenic drought-tolerant maize MON 87460, even though it received almost 45,000 public comments opposed to MON 87460, with only 23 comments in favour. See http://www.digitaljournal.com/article/317358.

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BRIEFING

Zimbabwe's clogged political drain and open diamond pipe

Patrick Bond* and Khadija Sharife

Centre for Civil Society, University of KwaZulu Natal, Durban, South Africa

Progress in Zimbabwe won't begin until the political drain is unclogged in the wake of free and fair elections, and until the pipe leading from one of the world's largest-ever diamond finds to corrupt military coffers is conclusively blocked. While GDP growth has been on the uptick after economic depths were plumbed in late 2008, capital accumulation remains stymied and capacity utilisation in the crucial yet crippled manufacturing sector is a fraction of its former level (in the early 1980s Zimbabwe had the third largest industrial economy in the world, measured as a percentage of GDP). Prior to independence, economic degeneration and deindustrialisation began in the mid 1970s, when per capita GDP fell due to over-accumulation (global, regional and local) and white political extremism. Another ratcheting down of growth prospects accompanied the Economic Structural Adjustment Programme of the 1990s. But, in the wake of rising political contestation in Zimbabwe from around 1998, no African economy suffered such a sustained loss of GDP in a given decade (a 50% decline after 2000 including an 18% fall in 2008).

Today, three years after South African president Thabo Mbeki negotiated a power-sharing deal – the 'Global Political Agreement' (GPA) – between Robert Mugabe's Zimbabwe African National Union-Patriotic Front (Zanu-PF) and Morgan Tsvangirai's Movement for Democratic Change (MDC), the 'dysfunctional' government of national unity – as both Mugabe and Tsvangirai call it – is under extreme pressure. Just before the deal took effect in February 2009, the local currency collapsed entirely. On the upside, that move ended hyperinflation, petrol shortages and empty shop shelves. The tiny elite is happier, as are the World Bank, International Monetary Fund and African Development Bank (not yet lending, but carefully looking over the state's shoulder, insisting on debt repayment). Yet without any ability to earn hard currency, what's a peasant or the unemployed (90% of the workforce) to do?

A related problem is that monetary liquidity is drying up as the majority of financial institutions appear on the verge of bankruptcy. And monetary policy is now set in Washington and Pretoria, since the dollar and South African rand are now Zimbabwe's core currencies. The Reserve Bank of Zimbabwe (RBZ) can neither properly bail out the indigenous banks (the foreign-owned colonial-era banks will withstand the crashes) nor stimulate the sickly economy through US Fed-style 'quantitative easing'. The reason is that its governor, Gideon Gono, gave the old Zimbabwean dollar a world-record case of 'monetary gonorrhea', a corrupting disease transmitted from his overworked RBZ printing press to the economy as a whole. Its cure was

*Corresponding author. Email: pbond@mail.ngo.za

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painful: the death of the Zimbabwean dollar. And still, a US$2 billion bill for Gono's left-over local debt is being negotiated, with another US$7 billion in foreign debt remaining, widely acknowledged as unrepayable.[1] In addition, another US$1 billion was ostensibly committed by the Zanu-PF wing of government via a compelled purchase of 51% of the shares Implats owns in Zimplats, the largest platinum miner, in a March 2012 deal considered a shakedown of the mining house. Yet without state funds to cover the purchase, it appears far less important than advertised. Prospects for Zanu-PF repeating this indigenisation in the banking and other sectors are much lower.

Politically, progress against Mugabe's dictatorship is terribly fragile. His brutal army is deployed in many hotly contested peri-urban and rural areas; the security apparatus leadership is continually reappointed by Mugabe notwithstanding Tsvangirai's opposition (the GPA left the MDC confused on the legality of these appointments); MDC officials are regularly killed or beaten (in early 2012 there were a half-dozen new cases each month); and even harmless non-governmental organisations (NGOs) faced banning in the central region, Masvingo. Mugabe reportedly wants an election as soon as possible given his degenerating health: prostate cancer requires regular East Asian treatments. But Tsvangirai vows to hold out until electoral reforms and peace have been established, probably waiting until 2013 notwithstanding the repeated humiliations he faces in the unity government.[2]

Dating to the 1997 rise of oppositional civil society when Tsvangirai led the Zimbabwe Congress of Trade Unions, *NewsDay* columnist Brian Mangwende counted the insults:

> From being almost forced to bungee-jump from a six-storey building without a rope; being tried on accusations of treason; beaten to a pulp right inside a police station where, ordinarily, one would seek sanctuary, for wanting to attend a prayer meeting; to being denied the right to occupy and reside at the traditional Prime Minister's residence, which was the home of successive Rhodesian prime ministers, including Garfield Todd, Edgar Whitehead, Winston Field, Ian Smith and even Bishop Abel Muzorewa, among others. He has been defied and scoffed at and ridiculed by almost all Zanu-PF ministers who are supposedly under his supervision, without any of them ever getting as much as a spank or reprimand.
>
> He has had most of his MPs and party officials and members routinely arrested and has also been denied permission to hold rallies more times than he cares to remember, not to mention the countless police raids on his Harvest House party headquarters on the most spurious of pretexts. His constant vilification and ridicule in State media, day in and day out is now almost routine. The police have never raided Zanu-PF offices since independence in 1980.
>
> His choice for Deputy Minister of Agriculture, Roy Bennett, was turned down outright by His Excellency President Robert Mugabe, until Tsvangirai capitulated and nominated someone else, though the Global Political Agreement has no stipulation giving the President discretionary powers of approving another party's choice, and his line-up for provincial governors has cobwebbed and remained like shadows in the waiting room while senior civil service appointments continue to be filled without him being consulted, as stipulated by the so-called GPA. (Mangwende 2012)

Recall that paramilitary violence forced Tsvangirai to retreat from the mid 2008 presidential election run-off after he had decisively won the first round four months earlier – but, claimed Mugabe's vote-counters, with less than 50%. The MDC's own count was higher than 50%, as it came from cellular telephone photographs of all individual polling stations sent instantaneously to headquarters. But Mbeki had sufficient weight in March 2008 to insist on a run-off, and an upsurge in state violence against the MDC then compelled

Tsvangirai's withdrawal. Forging a unity government required another three months of negotiations (and then nearly five months more before implementation began), with Mbeki getting Zanu-PF and the MDC to agree to the GPA just before he was overthrown in a Pretoria palace coup.

Then came the constitutional rewrite outreach process, which provided space for 4000 meetings in 2010. But there was widespread civil society opposition to centralised power, and the National Constitutional Assembly – responsible for initiating the debate 15 years ago – remains opposed to the 'Kariba Draft'.[3] In February 2012, top Zanu-PF officials proposed another rewrite, but some form of constitutional compromise is expected by mid year followed by a referendum that is likely to get majority support in society. Violations of the GPA by Zanu-PF are numerous, while Zanu-PF argues that the very slow lifting of 'smart sanctions' against 200 nationalist leaders – which the MDC says it supports – is Mugabe's main grievance about the MDC.

If Zanu-PF continues wielding the practical power it now exercises so malevolently, Mugabe might then 'win' the presidency again through hook or by crook, and – informed rumour has it – soon thereafter pass the presidency to Defence Minister Emmerson Mnangagwa. He is the logical successor following the unsolved August 2011 murder of arch-rival Solomon Mujuru (although as vice-president, Mujuru's widow Joice remains a major power broker – while speculation continues that Mujuru's shooting and the burning of his farmhouse south of Harare followed his attempted move into the Marange diamond fields). Constantine Chiwenga and Perence Shiri are the two major military figures with diamond interests and a deeper political agenda, and may ultimately be the internal Zanu-PF kingmakers. This scenario promises a return to bad habits: outright violence, including widespread murder, ending in poll thievery.

More likely is that 'the MDC will win and Zanu-PF will again refuse to concede power', as leading commentator John Makumbe forecast in late 2010 at a Bulawayo conference organised by David Moore of the University of Johannesburg and Showers Mawewa of the University of KwaZulu-Natal, entitled 'Progress in Zimbabwe'.[4] So back they will go into the cul-de-sac of renewed power-sharing talks, and although Jacob Zuma is considered more oriented to democracy than Mbeki, the African National Congress already in late 2011 announced support for Zanu-PF. Perpetually clogged politics, then, offers the context for us to revisit Zimbabwe's profound debates on land, nationalism and the new resource curse of diamonds.

History, land, nationalism and the opposition

Understanding Zimbabwe's degeneration was the challenge facing the 2010 conference, an event notable for convening more leading researchers of Zimbabwe from both inside and outside the country than any comparable gathering we know of. By all accounts, a central dilemma in an era of Mugabe's state-sponsored 'patriotic history' – a mirror image of Rhodesia's racist settler history – is recovery of the liberation tradition from damage done even before independence in 1980. This task is aided by the recent publication of Wilf Mhanda's autobiography, *Dzino: memories of a liberation fighter*; his late 1970s leadership of the Zimbabwe People's Army offered an alternative liberatory trajectory, one Mugabe violently suppressed two years before signing the Lancaster House compromise deal that maintained intact the repressive state and white-biased property relations. Mugabe's overarching need, it seems, is control over the telling of history, to remind his subjects there was once a time when Zanu-PF was indeed a popular force, a fish swimming in the sea of the people.

Regurgitation of that memory is what motivates the 'talk left, walk right' project of crony nationalist capitalism which Mugabe and so many other postcolonial despots adopted, as Frantz Fanon predicted a half-century ago in his book *The wretched of the earth.* Today the main legacy of this struggle is 'securocrat' control of the state. As Joshua Mpofu remarked, 'talking about political parties is like chewing gravel. Military culture never died, and a lot of public institutions are headed by brigadiers and generals.'

Another memory is of a time when indigenous Zimbabweans controlled their land. According to Blessing Karumbidza, whose University of KwaZulu-Natal doctorate describes post-independence land experiences, there will be 'a truly restructured and dynamic farming sector IF and only if the support mechanisms and institutional regimes necessary for land and agricultural rationalisation are put in place.' That is still not happening, insists University of Zimbabwe (UZ) geographer Esther Chigumira: 'Bifurcated land ownership continues, not by race but by class, favouring elites who are politically connected'. Those nationalists, recalled former war veteran and now UZ sociologist Wilbert Sadomba, emerged from internecine liberation movement feuds, and 'hijacked that revolution, in connivance with international capital. We war vets are opposed to both Zanu-PF elites and MDC elites. We see neither being able to take the country forward.'

Leading liberation-era intellectual, Ibbo Mandaza, added: 'There was a Zanu that we were part of, the liberation movement, and then there was Mugabe's Zanu, which is very different. Mugabe is essentially right-wing, notwithstanding the anti-imperialist rhetoric.' As for his own role, Mandaza confessed, 'we helped in many respects dress up an essentially right-wing regime in leftist clothing.' Brian Raftopoulos agreed: 'This discourse threw off many African scholars, most importantly in the Mamdani debate' – referring to the great Ugandan political scientist Mahmood Mamdani's 2008 *London Review of Books* defence of Mugabe. Another more recent dispute is whether land reform is working, since rapidly declining agricultural output and food-aid dependence led many to assume that the *jambanja* (havoc) beginning in February 2000 (when Mugabe lost his first election, a constitutional referendum) was simply disastrous. Ben Cousins from the University of the Western Cape praised the fast-track resettlement programme's 'changing structures of ownership and new agrarian structure', concluding, 'the positives probably outweigh the negatives.' In the main A1 land programme, he said, 'about a third of the new farmers are succeeding, a third getting by, and a third getting out.' The negatives in Cousins's list include 'the collapse of large scale commercial farms which contributed to wide-scale economic decline; the motor force of land reform was the Zanu-PF power grab; the decline of the rule of law; violence.' Zimbabwean human rights advocate Elinor Sisulu reminded us of others: 'food security, environment, HIV-AIDS, and the gender and class dimensions.' No matter how Zimbabwe needed to end white domination of good farms before 2000, an overall judgment on the land invasions (which sporadically continue because 10% of 4000 white farmers hung on), will await long-term evidence. The spate of new research by those associated with Sam Moyo, Ian Scoones and Cousins does show a few selective sites of success, especially in Masvingo Province near the ancient Great Zimbabwe empire's capital, but critics argue this is not a typical region. Moyo's work suggests many more sites of success for new generations of small-scale farmers.

Opposition politics came in for equally harsh critique. 'In the 1990s the motivation for the MDC was the struggle for social and economic justice – and that's the crucial unique character of the MDC's origins', said Hopewell Gumbo of the Zimbabwe

Coalition on Debt and Development. 'But the trend to neoliberalism within the MDC means we will not see progress. We need to look for new alliances and new formations.'

The terrain is extremely uneven; Harare-based urban civic organiser Mike Davies pointed out the profusion of petit-bourgeois suit-and-tie professionals amongst the capital's NGO cadre: 'They acquire a self-preserving aspect perhaps more concerned with continuation than function. They became more remote from their members, even elitist, losing their accountability, more concerned with meeting donor aspirations and requirements than serving the needs of their members.' According to Davies:,

> Opportunistic elements make every effort to preserve their positions, often at some cost to their member organisations and undermining their stated goals. In my opinion, we failed to identify and contain these elements as well as the vehicles that carry them. As a result, the super-NGOs captured the voices of civics and domesticated them for the consumption of an increasingly externalised audience of international donors and Zimbabweans in the diaspora.

Constrained social activism under these circumstances will probably not be unclogged any time soon, in either political or civil society. One reason for the inability to break through is an unexpected problem: vast amounts of diamonds were discovered in what may be the world's richest-ever field, in Marange (also called Chiadzwa), but from the standpoint of potential progress, the funds are going down the drain, leaving Zanu-PF's generals with vast power.

The new resource curse

The central controversies associated with the Marange diamonds relate to a November 2008 massacre of local diggers that left nearly 300 dead; forced labour that included hundreds of children (documented by Human Rights Watch in 2009); displacement of thousands from Marange-area villages; and non-transparent financing that feeds corruption. Though discovered in the late 1990s during a period in which DeBeers held prospecting rights, the diamonds were publicly unveiled in 2006 when an estimated 30,000 illegal miners flocked to Marange, prior to the army's take-over and expulsion of locals. Although De Beers left and another South African firm claimed mining rights (still under dispute in the courts), by late 2008 the army had taken control after helicopter gunships were used to kill informal miners. By 2010, with intense contestation within Zanu-PF ranks over how to divvy up the Marange spoils, the vast outpouring of small, alluvial stones from the area had begun to undermine world markets. Hence debates began in earnest about how to sanitise and control the flow, and end the post-massacre reputation Zimbabwe had as the latest source of 'blood diamonds'.

Zimbabwe diamonds represent a windfall that, if captured, could finance a significant percentage of reconstruction costs for Zimbabwe's struggling economy. Finance Minister Tendai Biti's 2012–13 budget projected that at least 20% of the anticipated revenues – US$600 million – would come from diamond sales (Bell 2011). Biti, who is also secretary general of the MDC, concedes that just a few million dollars of conditional diamond sales from Marange, which were approved by the Kimberley Process (KP) certification scheme in prior years, had reached the treasury. It is understood that billions of dollars in diamond revenues have escaped, mostly from a rapidly built airstrip, with stones moving out through Dubai, India, Israel and China. The arrest of an Israeli smuggler at Harare airport in March 2012, carrying 1300 diamonds worth over US$2.4 million in his hand luggage while wearing a fake South African Airways uniform, provided a hint about the modus operandi.

The main pressure to withhold diamonds from the market comes from competing sources, given the resulting crash in price that would result from unrestricted supply. Botswana is already feeling the adverse impact of oversupply, for example. 'Zimbabwe really does have the potential to upset the applecart,' according to Keiron Hodgson of Charles Stanley Securities:

> The actual resource base of the Marange fields is still pretty much unknown, but official documentation implies that there's between 60,000 to 70,000 hectares of resources there – the largest alluvial discovery in history and Zimbabwean officials anticipate that diamond production could generate between $1 billion and $2 billion per annum to an economy that has a GDP of around $7.5 billion so I would understand the urgency to produce diamonds from Zimbabwe, but I don't think they're going to go out and produce as many as they can because they are quite price aware. And also there is a need for infrastructure, there is a need for planning of production and levels of corruption and those kinds of aspects that surround the industry in the country needs to be eradicated as well. So I personally expect that you can see 2m to 3m carats per month produced at a peak rate for anything up to 20 years. But I don't see production anywhere near that in the next two to three years, maybe four or five years even. (Candy 2012)

KP permission for formal sales was agreed in the Democratic Republic of Congo (DRC), home country of current KP chair Mathieu Yamba (IDEX Online 2012). That KP plenary was most influenced by South African business magnate Abbey Chikane (who was involved in having Maguwu arrested and held for five weeks in 2010) and Mark van Bockstael, an architect of the KP system and the chief officer of international affairs at Antwerp World Diamond Centre's Department of International Affairs and Trade.

Perhaps surprisingly, the move is supported by Biti, who wrote a strongly worded letter to the US government, which supported the KP decision to lift the ban but refuses to remove sanctions on Zimbabwean diamond traders, including Mbada and Marange Resources which have links to Zanu-PF generals:

> I want to place it on record that we as Ministry of Finance, writing on behalf of the government of Zimbabwe, find your measures contrary to the spirit of engagement and harmful to the generality of Zimbabweans. Zimbabwe is a poor fragile economy and therefore, it must be allowed to sell and benefit from its resources. In my budget, there are capital projects of $600 million which are totally dependent on diamond revenues. (Gonda 2012)

The *Zimbabwean Herald* mischievously claimed that the US State Department – previously considered the most vociferous opponent to Zimbabwe 'conflict' stones exports – would reverse its position on condition that African states supported Washington's bid to hold the KP chair in 2012 (Malaba 2011). While NGOs and human rights organisations scoffed at the possibility, in November 2011 the US did precisely that, after verification from a KP-certification team. Technically, Washington was still within the bounds of the narrow definitional geography, identifying 'conflict' stones as those traded by non-government forces, irrespective of the terror-tactics enforced by other KP-certified countries such as Angola and Namibia. Washington cited the compromise as a means of 'effecting change'. As a result, some (like MDC senator and business strategist Eddie Cross) estimate that Zimbabwean elites stand to generate as much as US$3 billion annually from diamond running.[5]

Mugabe immediately countered that diamond revenues should not be depended upon to meet the budgetary needs of civil servants (who in February 2012 called for a national wage strike), and he argued that MDC labour minister Lucia Matibenga and Biti had failed to find ways to finance the civil service budget, implying they were clutching at straws by anticipating Marange's revenues might be shared (Dube 2012). While the KP's working group did not publicise their decision to green-list Zimbabwe diamonds, the International Diamond Exchange revealed, 'the approval spread by word of mouth from the miners to possible bidders, mainly Indian and Israeli rough traders and manufacturers' (IDEX Online 2012).

The military connection to China

Who, then, is gaining from the Marange diamond find? Mugabe's security leadership – especially Mnangagwa, Zimbabwe National Army (ZNA) General Constantine Chiwenga (who runs the junta-style Joint Operations Command group which retains most power over the country), and senior ZNA leader Colonel Sedze – allegedly represent the key military personnel involved in the daily management and operations of the most important agent in Marange, Anhui Foreign Economic Construction Company Ltd. of China.

Anjin is the joint venture between Anhui and the Zimbabwean government, reportedly represented by an opaque entity, Matt Bronze Pvt. Ltd. Anjin was the second company to begin diamond mining operations in 2009, with a 10,000 hectare claim, and soon declared output of one million carats. Soon thereafter, Chiwenga was flown to China for emergency medical treatment, but high-level contacts suggest this and other trips were actually designed to acquire other types of assistance, including military deals, further negotiations on a military academy, and arms purchases for the ZNA.

In addition, the Zimbabwe's Diamond Mining Corporation (DMC) offered 400,000 carats in early February 2012, while Anjin will auction a further 500,000 carats. Two other companies, Marange Resources and Mbada, a South Africa–Zimbabwe join venture, brought to market a further 350,000 carats each. These tenders alone are expected to generate US$64 million at US$40 per carat (IDEX Online 2012).

Mining processes

Anjin deposits in Marange include a location known by panners as 'Jesi', connected to the main plant at Chirasika via a wide gravel road. The excavated gravel is ferried in dumpers to the plant where processing and separation of diamonds is carried out. The company, which had a staff of 188 Chinese nationals and 285 Zimbabweans in 2011, currently controls more than 30,000 hectares of prospected diamonds fields, with 25 years of diamond mining forecast.

Anjin utilises a dual form of administration, we learned. The Chinese manage staff while the Zimbabwean military is tasked with security related issues. Labour relations between the Chinese and local Zimbabweans are said to be rife with tension due to the 'importing' of professionals whose qualifications were described as suspect. These professionals were appointed to technical positions including engineers and geologists, and low salaries paid to such quasi-hires were alleged by our sources to deflate the salaries of Zimbabwean professionals. Our sources claimed that when a list of Chinese staff was demanded for verification purposes, 'the Chinese embarrassingly failed to produce this when Mugabe visited the mine in February'. Unskilled workers at the mines received US$88 per fortnight, while semi-skilled workers earned US$280 per fortnight. Skilled workers were, we were informed, paid close to US$1000 per month. (At the time, a local geologist allegedly resigned due to poor remuneration).

Life at these mines is extremely difficult for ordinary workers. Internal minutes of recent meetings between Zimbabwe's Diamond Mining Corporation (ZDMC) and the National Union of Mines, Quarrying Iron and Steel Workers disclose a regulated system in which miners work for foreign corporations under the direct control of a 'quasi-military force' which treats them as loathed prisoners deserving of punishment.[6] According to the minutes, 'security guards are being trained under a quasi-military approach as if they are part of a private military arm.... Furthermore these security guards are made to perform their duties under a standing order as if they are still part of the army or police force.'[7] Labourers' contracts do not take into account overtime, transport or housing costs, or night or bush allowances, nor are they protected from being unlawfully dismissed. Employees are pressured to sign short multi-week contracts in addition to the three-month probation contracts.[8] The trade union claimed that employees were referred to as dogs, and suffered physical and verbal assaults. Their primary source of food was rotten sausages or 'degrading food such as chicken necks and porridge' which was making them 'very ill'. The dormitories have no electricity or ventilation and are, according to a union official, 'squashed and easily susceptible to the hot weather conditions'. Meanwhile, employees at the diamond sorting plant, exposed to large volumes of dust, were not provided with protective masks. In contrast, the trade union noted that Arab and Indian employees enjoyed food and housing of a far better quality.[9]

Who is responsible?

The trail from Manicaland diamond fields to the fingers of wealthy consumers or the machines of industrial purchasers is a roundabout one, thanks in part to Marange's blood-diamond reputation and in part to the illicit nature of accumulation by Zimbabwe's military–diamonds complex. An Antonov An-12 light cargo plane has been observed on the 1.2 km runway at Marange's fields, transporting rough diamonds to Harare airports including a private military base outside the capital.

Mbada is a joint venture between the ZMDC and South African scrap metal corporation New Reclamation, whose Zimbabwean arm (Grandwell Holdings), is a tax exempt Global Business Category I paper company established in Mauritius. According to the UK's *Daily Mail*, five Chinese (Deng Hongyan, Jiang Zhaoyao, Zhang Hui, Zhang Shibin, and Cheng Qins) are silent beneficial partners. The joint venture's chair is Robert Mhlanga, the former personal helicopter pilot to Mugabe. Grandwell already has a decade of exploiting iron in Zimbabwe – allegedly with no tender contract, renewal or monitoring – via the Zimbabwe Iron and Steel Company (ZISCO), which in 2006 was looted when Mhlanga allegedly played a lead broking role, assisted by the Mujurus.

Before his murder, General Solomon Mujuru had claimed ownership to Zimbabwe's diamonds through another mine, River Ranch, which had been seized in questionable circumstances by Mujuru and Sheik Aujan, who heads a company called Rani Investments based in the tax haven of Dubai. Diamonds are traded by Rani Investments through the company's Finer Diamonds Trading Company. Although the United Arab Emirates (UAE) banned Marange diamonds, some were alleged to have been channelled and sold under River Ranch's tag. In September 2010, a consignment of diamonds, valued at 4000 carats was smuggled to Dubai, and then mysteriously returned to the ZMDC and state-owned Minerals Marketing Corporation of Zimbabwe, while another consignment with a clean Dubai KP certificate, was reportedly being held at the Antwerp World Diamond Centre. According to US State Department cables authored by then-ambassador James McGee and released by WikiLeaks:

> High-ranking Zimbabwean government officials and well-connected elites are generating millions of dollars in personal

> income by hiring teams of diggers. Whether bought first by regime members or not, eventually the diamonds are sold to a mix of Belgians, Israelis, Lebanese (the largest contingent), Russians, and South Africans. Once sold to foreigners, the majority of the diamonds are smuggled to Dubai and sold at the Dubai Multi Commodities Centre Authority, a dedicated economic free-trade zone created in 2002 for the exchange of metals and commodities, most notably gold and diamonds.

Observing that Mujuru and other insiders (including Gono) made several hundreds of thousands of dollars each month from illicit diamond revenue, McGee's cables also confirm that the two Mujurus and Gono had met the US ambassador and were long interested in a post-Mugabe era of conciliation with Tsvangirai, who claimed that Mugabe was thoroughly shocked by the betrayal of high-ranking ZANU-PF officials: 'Mugabe comes to me saying, "Look, our people are running to the Americans".' Three days after Zanu-PF's national congress in late 2009, Joice Mujuru secretly met with the US ambassador, Charles Ray, and – according to the WikiLeaks cables – confirmed that ZANU's 'young blood' (chiefly referring to herself) was now coming into force, allegedly pleading for the US to help restore Zimbabwe's economy. According to the cable:

> While Mujuru is inculcated with Zanu(PF) ideology, evidenced by her views on sanctions, she and her husband, General Solomon Mujuru, are business people who understand that a friendlier and more stable business environment requires political change. She also would like better relations with the US, which she views as essential for Zimbabwe's economic growth. The fact that she was impelled to have a clandestine meeting is reflective of the power of Mugabe and hard-liners and the fear they engender. (Wepakati 2011)

This relationship, says our source, led key players to privately speculate that in the event it appeared Tsvangirai would win an election overwhelmingly, the MDC and Mujuru's faction were planning a coalition government in the post-Mugabe era, one that would have been acceptable to Washington and other Mugabe enemies. A crucial stepping-stone is to sanitise the Marange diamonds via KP certification, for the purpose of ensuring both an MDC-led government's access to a more transparent revenue stream for taxation purposes, and to permit the military–diamond nexus to regularise its exploitation, ownership and control.

The test of KP integrity

In mid September 2011, the KP sent a team to assess Zimbabwe's diamond industry. Anjin was allegedly one of the mines scheduled for inspection, part of an agreement negotiated in the DRC by Yamba. The company has invested over US$300 million in operations, yet did not until recently have a license to export diamonds (NewsDay Zimbabwe 2011). But it did claim to successfully relocate families in the area to a new settlement, complete with tapped water and paved roads. Anjin was confident that it complied with the minimum KP requirements.

The KP monitoring team visited in late 2011 and early 2012: 'Based on the documents provided and on the findings during the compliance verification visit to the DMC Mine at Marange and the Sorthouse in Harare from 9–10 December 2011 and from 5–7 January 2012, the KP Monitoring Team on Marange concludes that all operations and procedures are deemed fully KPCS compliant on 16 January 2011'. For Bockstael:

> Further stalemate would have reduced the KP to a simple trade regulatory regime without any moral or ethical importance or aspect. It would have lost any relevance to the industry.... What we know now is that there are two compliant mining operations, Mbada and Marange Resources, and one other, Anjin, that has expressed

> its readiness to be visited and compliance tested, in the Marange diamond field. These are producing mines…. Monitoring is exactly the core business of the KP Monitoring Team. Abbey Chikane and I are very much aware of the heavy responsibility that's been placed upon us…. Let me explain that: the KP is the political process that can propose new benchmarks and that, after all, has always been about human rights. (*Antwerp Facets* 2011a)

But other founding members of the KP disagree, including Global Witness, one of the most influential human rights-focused NGOs and author of a major February 2012 report on Marange diamonds. The organisation pulled out of the KP in protest in December 2011, charging that Zimbabwe (along with Venezuela and Cote d'Ivoire) violated and undermined the purpose of the KP: 'Nearly nine years after the Kimberley Process was launched, the sad truth is that most consumers still cannot be sure where their diamonds come from, nor whether they are financing armed violence or abusive regimes' (AFP 2012). It became increasingly clear in 2011 that Colonel Sedze, the head of the government's food relief programme for Manicaland Province, was also the head of security at Anjin. As a source also confirmed, 'both the head of the human resource department, his deputy and other senior managers at Anjin are active senior members of the Zimbabwe National Army. The command structure in the administration of Anjin diamonds on the part of Zimbabwe is military in nature'.

Another high-level source claimed:

> In January 2011 the president addressed the chiefs' conference in Kariba and briefed them on the situation in Marange highlighting that the company had not started mining diamonds at Chiadzwa but was busy building houses for resettling people at Arda Transau in Odzi.

A month later, it was announced that the company held a stockpile of one million carats awaiting KP certification. According to another source, 'it is widely speculated that the employees work for the Chinese army. There is no clue as to the volume of diamonds that have been mined by Anjin to date, no public knowledge on where the gems are being stored and no information of whether these diamonds have been sold as yet.

The watchdog

Onto this impossible terrain stepped diamond researcher Farai Maguwu, described by *The Economist* magazine as a 'first-class' source. He directs the Mutare-based Centre for Research and Development (CRD) and is also a doctoral student at our University of KwaZulu-Natal Centre for Civil Society in Durban. Says Maguwu:

> Whilst I can't commit myself to mentioning names, our observations indicate that some very senior military personnel and well-placed politicians are directly involved in the mining operations of Anjin. The involvement of the army in diamond mining in Marange is the saddest thing that has happened to the find of the century.

In mid 2010, Maguwu was arrested for five weeks by the state as an 'enemy' for endangering national security by holding information pertaining to the Zimbabwean military's alleged violation human rights at Marange's diamond mines. Maguwu's arrest appeared to be contrived, and kept him from attending a Tel Aviv meeting where he would have testified about Marange blood diamonds. The arrest was catalysed by a meeting with the KP-appointed monitor, Abbey Chikane, a former South African diamond business magnate, three days before Chikane's KP fact finding report was released. Maguwu arrived at the Mutare hotel for the meeting, but so did Zimbabwean state intelligence officials. They had been informed about Maguwu's role by Chikane, whose brother is Frank Chikane, former director-general in Thabo Mbeki's presidential office.

Maguwu believed, and stated publicly, that he had been 'set up' by Chikane. Chikane alleged that he received from Maguwu state security documents drafted by the army, and refused to read them because they were obtained illegally. Maguwu argues that Chikane was fishing for these documents at the meeting as a way of implicating Maguwu for the purpose of imprisoning him.

'I was arrested on the 3rd of June', Maguwu stated, 'and the conditional sale [of Marange diamonds] was agreed in St Petersburg on the 14th of July, exactly two days after my release from custody.'

For Maguwu, the contact with Chikane was disastrous. 'I immediately felt insecure and the following morning a truckload full of men in suits pitched up at my home and they were armed to the teeth' he recalled. 'They went on to beat my relatives at home and they took one of them into custody and they kept him in the police cells, beating him for about four days'. Maguwu claimed that Chikane was part of the 'gravy train . . . there must be something that is going on behind the scenes between Abbey Chikane and the ZANU-PF officials who are plundering Marange diamonds'.

The charges against Maguwu – who later won a Human Rights Watch award for being a leading African rights advocate – would be dropped following intensive media scrutiny drummed up by local and international civil society who were especially concerned about torture and medical maltreatment during the five-week imprisonment. But the underlying question remains: Why did Chikane seek to unilaterally approve KP diamonds, jeopardising his own credibility, and that of the KP system? Why did he endanger arguably Zimbabwe's most important diamond researcher? Why were there no repercussions from the KP? The answers might be found by tracing control of the world's richest diamond field to Zimbabwe's predatory military.

Discrediting the KP

Since the discovery of Marange's diamonds in 2006, it is abundantly evident that the military has supervised its exploitation. Mass looting by political, corporate and military elites has occurred, accompanied by violent displacement and human rights violations. Companies based in secret jurisdictions such as Mauritius and Hong Kong have been granted 'due diligence' approval. And there is still no transparency about volumes extracted, exported and sold. To get such transparency and bring funds into the treasury, Biti argues, requires KP certification and monitoring, though Maguwu disagrees this can be achieved.

The question posed by the recent Zimbabwe experience is whether the KP system – which today considers less than one per cent of global diamonds to be 'blood' minerals – was constructed for the purpose of eliminating corporate and state-sanctioned exploitation, or for normalising and sanitising it. The much-lauded KP is an international initiative created and backed by governments, multinationals, and civil society organisations to diminish the trade in conflict or 'blood' diamonds. But the KP's very definition of blood diamonds excludes the world's primary agents of 'conflict': governments. It also excludes private mining corporations that partner with the governments in developing countries to extract the diamonds.

The question then stands as to whether KP was devised simply to protect the partnership preserving control of the diamond market through 'single channel' pipelines, ensuring artificial scarcity, between then-market leaders De Beers and the bulk of the world's rough diamond producers, primarily in Africa. If so, should it should not be delegitimised?

By default, the KP's definition excludes Zimbabwe as a 'conflict' agent. This is because, according to the KP, 'conflict diamonds means rough diamonds used by rebel movements or their allies to finance conflict aimed at undermining legitimate governments'. The KP secretariat did not respond to requests for clarification about the Marange diamonds. One source close to the KP – and active within the system in previous years – was asked whether Chikane may in fact have been part of the 'gravy train', and he replied:

> It was not clear to me whether Chikane turned Farai in because he was scared by what Farai told him [i.e. for his own safety], or whether it was because he had the kind of connections suggested. Chikane is certainly well connected, very wealthy. He should never have been made KP monitor.

According to Ian Smillie, one of the world's leading conflict diamond experts and a key KP founder:

> We don't know where all the diamonds went that were approved by Abbey Chikane. Chikane was a mistake on several levels. He was closely allied with the Government of South Africa, which had demonstrated a pathological inability to be critical of Zimbabwe's horrendous human rights abuse in Marange. And he has extensive personal business interests in the Southern African diamond industry that should have disqualified him from the outset.

Smillie stated that while some in the KP perceived Chikane – a past chair of the KP – as an inspired choice as 'special monitor', he was selected only after the KP allowed Zimbabwe to reject one well-qualified candidate (on the basis of his British nationality), and after several other potential candidates claimed, 'they would not touch the job with a barge pole'. Smillie also said that had Chikane been afraid, he could have left the country, and used the information while protecting Maguwu. Alternately, 'having turned him in, he should have resigned' after witnessing the response of the Zimbabwean government. 'Disgracefully, he did neither. And equally disgracefully, the Kimberley Process allowed him to muddle on, approving diamond exports without authority and acting as though what he had done to a human rights activist was acceptable'.

Chikane examined only diamonds offered for export by Marange companies, according to Smillie, specifically whether they were 'mined, as stated, in Marange'. For Smillie, these terms of reference indicate a failure of what the KP was meant to stand for and protect against: 'It was like checking to see if Tony Soprano was using a crosswalk'. In his resignation letter, Smillie stated, 'there is a basic truth: when regulators fail to regulate, the systems they were designed to protect collapse'. To date, the volume of diamonds exploited at Marange is not known. The value of Marange's reserves are estimated to exceed US$800 billion, with a De Beers survey report estimating the yield at more than eight times higher than average diamond fields, with a ratio of more than 1000 carats per hundred tonnes (CPHT). That report, prepared by noted geologist John Ward, contrasts Marange with Rio Tinto's concession in Zimbabwe's Midland province, where the yield is only estimated at 120 CPHT. It is true, however, that the quality and size of the diamonds have been a concern. De Beers left the area in 2006, failing to exploit the fields where it had enjoyed prospecting rights since the early 1990s, and now its Forevermark retailing outlet refuses to handle diamonds from Marange. Zimbabwe minister of mines and mining development, Obert Mpofu, from Zanu-PF, claims DeBeers simply 'looted' the better stones:

> De Beers were there at Marange for 13 years and they didn't say they found diamonds in Zimbabwe. It does not take five minutes to find diamonds in Marange, When the government started asking questions, De Beers left. Their withdrawal was so sudden. All the diamonds are not accounted for. They exported not hundreds but thousands of tons of diamonds without Kimberley Process Certification Scheme approval. (*Business Day* 2011)

Given Zimbabwe's political situation, analysts in the diamond industry are hesitant to verify the country's 'vast reserves. The diamond newsletter *Antwerp Facets* recently reported that Zimbabwe's Marange reserves have recently expanded from 63,000 hectares to an estimated 120,000 (*Antwerp Facets* 2011b).

Yet despite KP certification, and Biti's banking on the diamond budget for US$600 million in 2012, Zimbabwe continues haemorrhaging diamond revenue. Maguwu's CRD interpreted as follows the March 2012 arrest for smuggling of Shmuel Kainan Klein, an employee of CAL Airlines of Israel who owns a house in the upmarket suburb of Borrowdale, Harare:

> The volume of diamonds Mr Klein was trying to smuggle could not have been obtained from artisanal miners who are now finding it hard to continue their operations in Marange. A recent visit to Marange by civil society groups and the media proved that security in Marange is water tight with hands free security cameras and high perimeter fences around all the mining concessions. Chances of anyone tampering with the security cameras in place are very slim. (Centre for Research and Development 2012)

It was reported in April that Shmuel Klein was acquitted (NewsDay, 26 April 2012).

Meanwhile, newsletters like *Antwerp Facets* celebrate the certification of Anjin, Mbada and Pure Diamonds, and KP representative Bockstael confirmed the desire to avoid 'further stalemate' (*Antwerp Facets* 2011a). Maguwu concludes:

> Even if it is reformed, the KP will still be inadequate in addressing the challenges of transparency and accountability. Given that the KP is a UN backed coalition that upholds the principle of state sovereignty, it is not capable to enforce transparency and accountability as this will be seen as interference in internal affairs of participating countries. At the same time other international schemes such as EITI and PWYP are too voluntary in nature such that they can't enforce transparency and accountability in the short term. There is need to move to a new framework that is enforceable and one that is also flexible so as to get the buy in of governments.[10]

Conclusion

How, in this context of clogged politics and a wide-open diamond pipe – which together are now draining the country of any hope for a democratic and developmental future – might progress emerge? And after a political opening, will a new risk not prove formidable: a return to the Washington Consensus?

To counter all these negative processes, according to Raftopoulos at the Bulawayo conference, a renewed 'international labour solidarity discourse is one of the best antidotes to Mugabe's rhetoric', especially the 'exemplary solidarity' shown in April 2008 when, in Durban, transport workers refused to unload three million bullets destined for Mugabe's army from the Chinese ship *An Yue Jiang*. The ship was repelled from several other ports in Southern Africa, though some sources believe the arms were finally imported via Angola, after the elections. A new surge of such solidarity will be needed if regress again trumps progress in Zimbabwe: if diamond revenues via Dubai, China, India and Israel continue to re-empower the junta; if the KP's credibility continues waning as blood-diamond monitor and if Washington cuts a deal with Harare generals; if Zanu(PF) again steals an election; or also, in the unlikely case that neoliberalism makes a comeback on the back of multilateral debt obligations repaid through more cleanly extracted Marange diamonds, while starvation, poverty and inequality worsen. Regardless of these political dynamics, however, Marange has now catapulted Zimbabwe to the status of a leading rough diamond producer, and the diamond industry will never be the same again.

Notes on contributors

Patrick Bond is director of the University of KwaZulu-Natal Centre for Civil Society and senior professor of development studies. He is the author of *Politics of climate justice* (UKZN Press 2012) and editor of *Durban's climate gamble* (Unisa Press 2011).

Khadija Sharife is a regional correspondent for *The Africa magazine*, and an investigative researcher with the University of KwaZulu-Natal Center for Civil Society (CCS), the Tax Justice Network (TJN), and the World Policy Institute (WPI).

Notes

1. Progressives in civil society writing the National People's Convention Charter in February 2008 demanded a debt audit before any multilateral or bilateral loans are serviced, and as happened similarly in Ecuador in December 2008, 'the right of the people of Zimbabwe to refuse repayment of any odious debt accrued by a dictatorial government'. This position is supported by the local Jubilee chapter, the Zimbabwe Coalition on Debt and Development.
2. Trivially, but tellingly, one of the authors – Bond – was banned from giving a talk on the world economy in early February 2012 notwithstanding that the invitation came from finance minister Tendai Biti, although the following week, the police relented and allowed the lecture.
3. The Kariba Draft constitution was authored by lawyers including Tendai Biti (MDC-T), Welshman Ncube (MDC-M) and Patrick Chinamasa (ZANU-PF), representatives of the power-sharing government in the town of Kariba. It was made available to the public in September 15 2008, signed by ZANU-PF and the two MDC factions, as part of the power-sharing agreement. The National Constitutional Assembly opposed the Kariba Draft on several different bases, including that very little was known about the process of authoring the draft in 'a clandestine meeting between the principal negotiators of Zimbabwe's three primary political parties', citing also that there was the same 'content' weakness embedded in the Constitutional Commission proposal (2000 Constitution). More crucially, it facilitates the marginalisation of opposition movements, for example, the automatic removal of parliamentarians who have been absent for 21 consecutive meetings, which could negatively impact on those forced into hiding for various reasons.
4. The quotes in the section below, drawn from the Progress conference, were typed verbatim by Bond and circulated to conference participants, and are available by writing to bondp@ukzn.ac.za.
5. Interview, February 2012.
6. Confidential documents from the trade union.
7. Ibid.
8. Ibid.
9. Ibid.
10. Interview, March 2012.

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BRIEFING

'Still on top, but ANC is left shaken': reflections on the 2011 local government elections in South Africa

Philani Moyo*

Department of Sociology, University of Fort Hare, Alice, Eastern Cape, South Africa

Introduction

The African National Congress (ANC) won the May 2011 South African local government elections with 63.65% of the total votes. Despite this victory, the ANC was left in deep political introspection because, unexpectedly, its support declined in eight out of nine provinces. This ANC loss of votes was to the Democratic Alliance's (DA) gain. Historically and predominantly white-led and supported, the DA registered growth garnering 21.97% of total votes nationwide (Independent Electoral Commission [IEC] 2011) and won Cape Town municipality with an outright majority vote. It also managed unexpected ward victories in poor black townships which have no white, mixed-race or Indian voters. This growth in DA support – beyond its traditional white and mixed-race support base – came as a surprise not just to the DA itself, but to the ANC and the broader South African political establishment. As this paper maps the 2011 municipal election results, it argues that the DA's emerging ideological movement towards the 'left-of-centre' as captured in its 'open opportunity society' policy position which claims to 'care by doing', and its exemplary service delivery record in places it governs such as the Cape Town metropolitan area (metro) and small municipalities like Midvaal (in Gauteng Province) are some of the reasons that explain its growing popularity, even among black voters. The paper however cautions that it is premature to imagine that these DA gains signal the demise of the ANC. This is because despite its contested service delivery record, endemic corruption within party and government structures, a predatory elite with an appetite for conspicuous consumption and capital accumulation at the expense of the poor, the ANC remains hugely popular on the back of its liberation credentials, social investments in public infrastructure and transformative agenda.

Results: a predictable ANC victory, but. . .

The first full local government electoral test for the ANC under Jacob Zuma's presidency has come and gone. The 57% turnout – an 8.6% increase from the 2006 turnout (Electoral Institute for the Sustainability of Democracy in Africa (EISA) 2006) – was unprecedented in democratic South Africa's municipal election history. Predictably, the ANC won with 63.65% of the total votes (IEC 2011). In distant and perennial second place was the DA with 21.97% of the total vote, followed by Inkatha Freedom Party (IFP) with 3.94%, newly formed IFP breakaway party National Freedom Party (NFP) with

*Email: pmoyo@ufh.ac.za

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2.58%, ANC breakaway party Congress of the People (COPE) with 2.33%, and the United Democratic Movement (UDM) with 0.68% of the vote (IEC 2011).

Although the margin of the ANC victory compared to second-placed DA and the other parties is huge, it is actually a decrease from the 66.3% total votes it won in 2006. This decrease in support is worrying for the ANC, given that this was the trend in eight provinces out of nine. Except in KwaZulu-Natal where it improved its share of the vote (from 2.4 million votes in 2006 to 4.2 million in 2011), the ANC lost support to other political parties – especially the DA – in all other provinces (Malefane and Ngalwa 2011). This loss of support was more noticeable in large metropolitan areas (big cities or metros). For example, in Johannesburg, its support was 58.56% which is 3.76% down from the 62.32% it garnered in 2006; while in the capital Tshwane (Pretoria) it was 55.32%, which is 1.12% lower than the 56.44% of 2006 (Basson 2011). Its growing unpopularity in metros was also witnessed in Nelson Mandela Bay Metro in the Eastern Cape Province which until the last election had been one of the ANC's traditional strong support bases. The ANC narrowly won this metro, scraping through with a 51.9% majority, while the DA which campaigned hard to wrest the city from the ANC increased its support from 27% (2006) to 40.24% (2011) (Kgosana 2011). Consequently, the ANC's seat count in this metro went down from 80 to 63, while the DA's increased from 30 to 48. Its support also shrunk by over 5% in the Free State Province and Northern Cape Province (Basson 2011). In the Western Cape, while no one – including the ANC itself – expected them to win Cape Town metro (a traditional DA stronghold), a large vote swing from 37.76% in 2006 down to 32.8% (drop of 4.96%) (Basson 2011) is perhaps one of the best illustrations of the ANC's growing unpopularity among the urban electorate.

Unexpectedly, some of the voters the ANC was losing voted DA. This is unexpected because voting trends indicate that for the first time a large number of black people voted for the DA, which until now had been seen as a party largely focused on preserving and advancing middle-class white capital and privilege. Due to this vote swing, the DA is the only party which registered growth in all provinces; its capture of 21.97% of total votes nationwide was a 7.17% increase from its 14.8% in 2006 (IEC 2011). In the capital Tshwane (Gauteng Province), its support increased by 8.03% from 30.62% (2006) to 38.65% (2011), while in Johannesburg it increased by 7.61% from 27.01% (2006) to 34.62% (2011). It further strengthened its position in its traditional stronghold – the Western Cape – growing by a massive 17.8 percentage points, increasing its share of the vote in Cape Town metro from 41.96% (2006) to 60.92% (2011) thereby winning the metro with an outright majority vote (IEC 2011).

As a sign of its growing popularity, and in a historic first for the DA and the South African political establishment, the DA won in a number of black-dominated voting districts and wards across the country. For example, it won a ward in Lady Frere in the ANC heartland of the Eastern Cape and for the first time it has councillors in Port St Johns and Matatiele. It also won predominantly black voting districts in Mpumalanga, Limpopo and North West. Its biggest political ward victory was in Frischgewaagd, North West Province. Frischgewaagd ward – without a single white voter – was won by the DA with the least visible, low-profile campaign led and run by now-councillor Dan Malo. In view of historical racial contestations in South African politics, this victory and others in predominantly black voting districts are historic and significant. As Helen Zille (DA leader) correctly observes, the Frischgewaagd victory 'was the first time the DA had ever won a ward where there is not a single white, coloured or Indian voter; just black South Africans freely making a choice for the DA' (Sapa 2011). While the politics of race and identity are still an important determinant of political choices in South Africa; this DA victory in an all-black ward (Frischgewaagd) and other predominantly black wards signals an emerging appeal for the party across the black–white racial divide and concomitantly an embryonic new voting trend. As Habib and Naidu (2006) have argued, such voting behavioural change suggests that significant sections of the electorate make rational choices during elections and decide on the basis of information available to them which party most closely represents their material and other interests. The link between racial/tribal identities and electoral behaviour is slowly being dismantled and politicians who do not recognise this will continue to make the mistake of basing their electoral campaign on crude racial assumptions about the South African electorate, resulting in failure to attract the support of a cross-section of the electorate (Habib and Naidu 2006). It appears the DA has taken heed of these changing voting patterns: hence its change in electoral campaign strategy culminating in vote gains among a cross-section of the electorate. These emerging changing voting patterns should serve as a warning to all the major political parties that the electorate can no longer be simply pigeonholed in yesteryear racial boxes when being black meant (in all probability) that you would vote ANC and being white, mixed-race or Indian meant you were DA.

Lessons in campaign strategy: how the DA set the campaign tone and won votes

One of the DA's election strategies was to pitch a positive campaign. This election strategy hinged on showcasing the DA's service delivery record in areas it governs, alongside advancing the substance of their policies and vision as alternatives to those of the ANC. The logic was to convince voters that they are a credible alternative government; not just a noisy opposition party that opposes almost everything said and done by the ANC. Its largely good governance record in the Western Cape, its well-known, established good track record of service delivery in most areas of Cape Town metro and in small municipalities such as Midvaal in Gauteng anchored this positive campaign. It used these as major campaign weapons and evidence that given a chance they can deliver social services to the people. This was captured in its lead campaign slogan 'DA: we deliver for all'. This was a catchphrase designed to convince voters that the DA delivers for all people (regardless of race) and is a party capable of achieving and also attentive to people's everyday socio-economic needs. This new approach was a far cry from the old customary DA strategy of negative campaigning which involved attacking the ruling party and 'fighting back' without offering credible alternatives. Some of my interviewees acknowledge that this positive DA campaign based on evidence of service delivery posited as the future under a DA local government system made them consider it as a serious alternative.

The DA's positive campaign was clearly targeting the ANC's traditional black support base. Its main focus was not on trying to lure die-hard ANC loyalists, but rather on winning over and keeping those black South Africans who were still to decide which party to vote for (Jonathan Moakes, DA campaign manager, *Sunday Times*, 1 May 2011). One of the strategies to achieve this was to project the DA as the party to take forward the 'struggle' for black freedom. Efficient local service delivery and development were projected as central elements of this advancement of black freedom. In various campaign forums, Helen Zille drew on liberation struggle songs which remind people of their history while arguing that the DA was leading the 'new' struggle against poverty and unemployment among the black population. Her party paraded its good service delivery record in areas it governs to augment this strategy. Even Zille's Freedom Day speech delivered at Solomon Mahlangu Freedom Square in Mamelodi – Solomon Mahlangu was an *Umkhonto weSizwe* cadre who was executed by the apartheid regime in 1979 – was designed not only to make a symbolic connection with the country's general struggle history but an all-important emotional component of it (Thamm 2011). Her '*A Luta Continua*' speech delivered on the day was also an attempt to connect with struggle history. The contents of the speech drew on symbolic accoutrements of the struggle with a reconciliatory and transformative tone emphasising that while apartheid oppressed and scarred everyone in South Africa, it was now time to consolidate South Africa's constitutional democracy, economic growth with redistribution and associated poverty reduction among previously disadvantaged predominantly black communities. Late and living ANC struggle heroes were strategically fitted into this campaign narrative. In television and radio interviews Helen Zille argued that the vision and principles of struggle heroes such as Chief Albert Luthuli, Oliver Tambo, Nelson Mandela (former ANC presidents), Walter Sisulu, and Chris Hani (former SA Communist Party leader) around issues of poverty alleviation, economic freedom and human dignity belonged to all South Africans (including the DA) not just the ANC. As a party delivering services in municipalities it governs, it was fulfilling this vision of ANC struggle heroes, restoring human dignity and self-esteem among black poor communities. This message resonated in some predominantly black communities, as witnessed in some wards in Mpumalanga, Limpopo, Eastern Cape, North West and Western Cape which voted DA. Perhaps this strategy also partly explains the increase in DA's share of black voters to $\pm 6\%$ overall (Ryan Coetzee, DA strategist, 2011).

Another significant milestone in the recent election season is that it marked a turning point for DA socio-economic ideology and direction as it attempted to secure 'left-of-centre' ideological ground (Tham 2011). Through its 'open opportunity society for all' policy which claims to 'care by doing' (Democratic Alliance 2011) – a reference to its service delivery record – it acknowledged that South Africa's apartheid history (which left feelings of resentment towards whites, emotional and psychological scars among blacks as well as widespread poverty) cannot be erased. These apartheid-created socio-economic deficits can however be alleviated through an 'open opportunity society' premised on redistributive growth, job creation, enhancing people's capabilities and choices, inclusiveness and non-racialism. Such an ideological shift by the DA was in direct competition with ANC socio-economic policy as encapsulated in the 'distribution through growth' neoliberal Growth, Employment and Redistribution (GEAR) plan (Maré 2003) and its current flagship the New Growth Path (NGP) which commits to addressing remnant material inequities and black unemployment from the colonial and apartheid past.

In contrast to a well-organised DA campaign with a clear local service delivery message, the ANC campaign was beleaguered by problems from the outset. Its initial stages of the campaign were low profile with no clear rallying service delivery message to persuade the electorate. This was a sign of complacency, probably because the party had easily and overwhelmingly won all previous local government elections since 1994. Internal turmoil was also a major problem for the ANC during the campaign period. There was disgruntlement and infighting in some of its ward, district- and provincial-level structures over the selection of candidates. In regions such as OR Tambo (which includes Mthatha) in the Eastern Cape, 54 would-be party candidates who failed to make the candidate list revolted and took the ANC to court. Although their court action was eventually dismissed, it caused fissures in the OR Tambo region with energies directed towards fighting internal factional wars instead of campaigning.

The ANC campaign only gained more visibility and momentum a few weeks before election day as it became clear that the DA was going to pose a serious challenge in some municipalities. In an effort to cover lost ground, some ANC leaders resorted to what DA MP Lindiwe Mazibuko described as 'racial nationalism' that sought to divide South Africa on racial lines in an attempt to shore up the ANC's declining support base. Mazibuko's assertion was correct because some high-ranking ANC leaders such as ANC Youth League president Julius Malema and cabinet minister Blade Nzimande were at the forefront of this negative racially divisive campaign tactic. Some of their campaign speeches were laden with racial slurs, especially against white people, as the following extracts confirm:

> Helen Zille and the DA, they are racists. They represent apartheid. There is nothing democratic about them, and voting them means you will experience exactly what we have experienced, open toilets. They have no respect for black people. They have no respect for Africans in particular. (Julius Malema, ANC Youth League president addressing supporters outside the Cape High Court on 29 April 2011)

> [The DA] is trying to project a non-racial image with that serial opportunist [Patricia De Lille] and a born-free, Model-C-school pupil [Lindiwe Mazibuko] and the boss lady. Two stooges and a madam. (Blade Nzimande addressing the Congress of South African Trade Unions [COSATU] Workers' Day celebrations, 1 May 2011, at Athlone stadium in Cape Town)

These ANC leaders invoked racial nationalism because they know that race remains a very emotive issue among the black South African electorate in view of their apartheid history. This tactic by Malema and Nzimande might have won the ANC some votes but it needs to be noted that such a strategy betrayed the ANC's founding values and principles on non-racialism, reconciliation and inclusiveness. Their resort to racial nationalism was a red herring and an indication of their party's failure to directly engage and challenge the DA's service delivery record. Instead of comparing their service delivery record with that of the DA and proposing how they might deliver better local services in the future, they chose a racial, divisive approach which is an affront to what South Africa strives for as enshrined in the Freedom Charter and the South African constitution.

The poor pace, nature and quality of the ANC's service delivery record in many municipalities is one of the reasons it found it difficult to use it as a campaign anchor. Granted, the ANC has delivered many basic socio-economic services such as low-cost housing, water, health facilities, electricity, refuse collection, sanitation facilities, road networks, education and skills training, employment and economic opportunities to the majority since 1994 (Lodge 1999, 2003) through programmes such as the Reconstruction and Development Programme (RDP) and GEAR. However, in many municipalities it governs, inefficient corrupt bureaucrats and political appointees (so-called cadre deployees) have been obstacles to efficient and effective service delivery. Buffalo City Metro in the Eastern Cape and Johannesburg Metro in Gauteng are frequent headline-grabbing examples of poor service delivery in some ANC-run municipalities. Their poor performance is linked to corruption, political interference in administration, internal political power struggles, lack of political will and weak administrative systems (Mathoho 2011). Such poor service delivery is an antithesis to the ANC's vision of a South African developmental state since one of the most important duties of a developmental state is to ensure that all citizens – particularly the poor and other vulnerable groups – have access to basic services (Mathoho 2011). The ANC admits it has failed many citizens in some municipalities. Even its national organiser and head of campaigns, Fikile Mbalula, acknowledges that ineptitude in service delivery by some of its councillors explains its declining support base in the last election:

> The problem is our councillors who failed the communities. Let us leave Helen Zille out of the picture and inspect the damage that has been done by our own councillors. If we do not have decisive leadership, we will have the same problems in the next local government elections. (*Sunday Times*, 22 May 2011)

However, it has to be emphasised that despite this loss of votes in the last election, the ANC remains very popular among the electorate. Its popularity is not just based on its credentials as South Africa's major liberation party, but also on the socio-economic redistributive and political transformation role it has played since 1994. Despite their known weaknesses, ANC government policies and programmes such as the RDP, GEAR and the Accelerated Shared Growth Initiative of South Africa (ASGISA) have been instrumental in driving state-led provision of basic needs and economic opportunities. This fiscal-draining, state-led socio-economic redistribution and provisioning continues to endear the ANC to the majority electorate. However, as this last election has shown, some voters, especially among the black majority are beginning to question whether the ANC is the best governing party for the future. The fact that some voted for the DA signals they are considering it as an alternative governing party, especially at local government level. Given these contrasting fortunes for the ANC and the DA in the last election, what lessons can both parties take into future electoral contests, and, how will these shape their political strategies and direction in anticipation of the 2014 national elections?

What next for the DA and ANC as 2014 approaches?

For the DA, rethinking and rebranding the party in an attempt to shed its historical image as a party that exists principally to defend white capital and privilege made a difference in broadening its support base. Snippets of initial ideological movement towards 'left-of-centre' as encapsulated in its 'open opportunity society' policy and the diversification of leadership structures through the infusion of capable, emerging black leaders was also central in luring black voters, more whites, mixed-race people and Indians. Although the increase in DA black voters is not indicative of a major swing, it does show the party is making inroads in previously ANC 'racial strongholds'. This is a good foundation which the DA is already building on in anticipation of national elections in 2014. The election of Lindiwe Mazibuko, a 31-year-old woman as the first black DA parliamentary leader – replacing Athol Trollip, a middle-aged white man with vast political experience and pedigree – signals the DA's future leadership and racial transformation aspirations. Mazibuko's election is instructive when seen alongside the DA's Young Leaders' Programme which scours the country for predominantly young, black emerging leaders with an interest in and excellent grasp of current affairs. Graduates of this programme such as DA youth leader Mbali Ntuli, and the 2011 Johannesburg mayoral candidate, Mmusi Maimane, are some of the 'black diamonds' the party hopes will spearhead their appeal and continued growth among black voters. Although radical detractors argue that these 'black diamonds' sometimes find it difficult to connect with township and rural youths who often detest their privileged upbringing and posh English accents, the DA strategy is to have 'black diamonds' lead its growth in black communities as the party knows it will only become accepted as a mass party when it is identified with a critical mass of black leaders. At this stage, judgement and conclusions on the success or failure of this strategy can only be hypothetical.

For the ANC, complacency, internal turmoil, factionalism and poor service delivery are some of the major factors which cost the party thousands of votes in the election. As ANC heavyweight Fikile Mbalula mentions above, the party's main problems are internal and are principally about lack of principled and decisive leadership. Inevitably, Jacob Zuma's 'collective leadership' style comes under scrutiny within that context for it is under his leadership since 2007 that the ANC began losing support, whereas his predecessors,Thabo Mbeki and Nelson Mandela, stewarded party growth. This relentless examination of his leadership is understandable because even though Zuma is an affable man and politician with decades of political experience, his ability to lead the ANC and the country has always been contested and subject to question by many among the electorate who believe he is not 'presidential material'. His low level of formal education, previous rape allegations (of which he was acquitted) and the corruption allegations, which were later withdrawn by the National Prosecuting Authority, continue to soil his integrity, compounding doubts about his ability to lead the ANC and government. Given these doubts about Zuma's leadership, serious introspection is thus required within the ANC. Party structures should begin to ask; is Zuma the best candidate to lead them in the 2014 national elections or do they need to look for another charismatic and visionary leader within the party?

Revisiting the party's leadership structures should not be confined to the presidency; low-level local government leadership revitalisation should also be a priority for the ANC. Among other corrective measures, the ANC has to revisit its cadre deployment system in local government so as to invigorate its support base and regain the confidence of the electorate. This is necessary because the appointment of inefficient party apparatchiks without relevant qualifications and experience as key municipal bureaucrats is one of the causes of poor service delivery which cost the ANC votes in the last election. To address this, the party has to ensure that only qualified and experienced personnel are appointed to these municipal positions. Although this sounds like a long shot, such an approach will not only ensure the appointment of skilled key personnel into municipalities, it will also obliterate the blurring of lines between the ANC as a party and the administrative arms of local government.

A clear developmental vision must also be articulated by the ANC in order to win back the confidence of some voters who abandoned it in the last election. It is only an inconsequential few who doubt or question the ANC's liberation history and the benefits of its reconciliatory, reconstructive and redistributive growth programmes under the RDP and GEAR. Equally, progress made by successive ANC governments in addressing the socio-economic deficit left by the colonial and apartheid regimes is noteworthy. However, if the party is to remain a relevant driver of South Africans' socio-economic development aspirations it should not be fixated with these past achievements to a point where these are used to deflect criticism of current ineptitude in service delivery. Its current socio-economic development policy flagship, the NGP, which outlines an economic growth and job creation 'wish-list' by 2020 is an indicative operational framework which provides a starting point. Cognisant of COSATU and other stakeholders' criticism of the neoliberal inclinations of the NGP, this framework is however an imaginative socio-economic policy with bold strategies that aim to create millions of jobs for South Africans. If and when these jobs are created, this will be politically expedient for the ANC towards 2014, but the tangible benefits for ordinary South Africans will last beyond the vote count.

Note on contributor

Philani Moyo is the Head of the Sociology Department at the University of Fort Hare in South Africa. He is currently researching the 'internal' politics of opposition parties in South Africa.

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BRIEFING

Malawi in crisis, 2011–12

Diana Cammack*

Overseas Development Institute, London, and Africa Power and Politics Programme

Introduction

In mid July 2011 civic activists organised nationwide demonstrations to pressure President Bingu wa Mutharika's government to address deepening economic and governance problems. Government, using district commissioners, the courts, and the national police tried to stop them, but they went ahead. Over two days the marches deteriorated into riots and looting that resulting in the death of 20 at the hands of police. During the following two months some civil-society leaders tried to organise other demonstrations but these were cancelled when the police warned them that they would be held financially responsible for any damages and that the security services had no way of handling crowds without using live ammunition. Meanwhile the United Nations (UN) spearheaded negotiations between a faction of civil society's leadership and government representatives, negotiations that focused on the 20 demands sent to the president on 20 July. After that, tensions and economic difficulties continued, culminating in sporadic public unrest, and activists' threats to halt the unproductive negotiations and to take to the streets again in March 2012. Instead, dialogue continued until the unexpected happened: President Mutharika suffered a fatal heart attack on 5 April and Joyce Banda ascended to office after two days of intrigue.

This briefing outlines the underlying causes of the mid July demonstrations and general discontent, and of government's response to public anger and to the strengthening political opposition. It explores the trends and logic rooted in Malawi's history and policy environment that are driving events. All of these must be seen within the context of national elections in mid 2014, for which political jockeying within and between the parties has already begun.

Malawi 2009–11

To maintain stability and economic growth a country needs a political settlement that sees the national elite buying into and benefiting from the way the country's political power is obtained and used and from its economic strategy (Khan 2010). After surviving a first term marked by political turmoil, in mid 2009 a political settlement was reached when Mutharika and his Democratic Progressive Party (DPP) won a landslide victory on the back of his government having delivered development since 2004.[1] The fact that the opposition offered no credible alternative – in terms of policies or leadership – ensured a huge DPP majority in parliament[2] in Mutharika's second term (Ott and Kanyongolo 2010).

In his second term Mutharika appointed a new minister of finance who was less experienced and independent than his

*Email: cammack@mweb.co.za

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successful first-term minister. He and Mutharika took control of the economy with the intention of keeping the kwacha exchange rate stable against the US dollar. This meant that by 2010 it was overvalued in real terms by 10–20% and a parallel market in foreign exchange (forex) had appeared. After the appointment of yet another new minister and a minor devaluation in late 2011, the parallel market remained vibrant and the disparity grew to 80% by early 2012 even as the IMF, which had turned off its extended credit facility (ECF), begged the government to devalue by 40% (*Weekend Nation* 2012a).[3] Meanwhile the government resorted to domestic and external borrowing to pay its bills (*The Nation* 2011a and 2012a) and foreign investment fell for the third year in a row (*The Nation* 2012b).

The result from 2009 onwards was a contraction of business, external payment arrears that saw the closing-off of lines of credit, and fewer and more expensive intermediate inputs that increased the cost of, and depressed, local production. By mid 2011 businesses no longer bothered to approach banks, which had no forex to sell. The lack of forex and credit impacted petrol dealers worst of all, and fuel shortages rebounded throughout the economy as minibuses increased fares and/or stopped running, transport costs rose, factories closed and dismissed staff, and the availability of consumer goods declined as prices climbed. Inflation reached 9.8% at the end of the year (*The Nation* 2012c) when motorists were waiting days in petrol queues and electricity outages reached six hours per day. New construction projects were halted mid stream.

Macro-level statistics told a sorry tale. Economic growth that had reached near 9% in 2008 levelled off in 2010 and slowed further in 2011. By the end of the year the Economist Intelligent Unit was predicting it to fall to 4.3% per annum (*Weekend Nation* 2012b). Balance of payments worsened even as mining revenues came on stream. Revenues from tobacco (accounting historically for about 60% of export revenues) fell from 2008 and collapsed completely in 2011. Mutharika reacted by setting minimum prices and bullying buyers, accusing companies of transfer pricing and externalising profits, and deporting tobacco bosses ('exploitative colonialists') when companies said they had a backlog of tobacco in store and refused to meet his demands. Falling tobacco sales worsened Malawi's forex position even more, and the high foreign-exchange rate reduced real local currency export prices, which hindered macroeconomic performance further. Tobacco farmers suffered, and maize farmers, who had benefited from subsidies that generated surpluses, found themselves hurt by falling prices in mid 2011. Maize prices began to rise again at the end of the year, but by then more than a third of Malawi's districts were at risk of experiencing shortages (*Business Day* 2012).

Though all classes suffered, particularly important here is the middle class. It had grown slowly from Hastings Kamuzu Banda's civil servants-cum-estate holders and Bakili Muluzi's new businessmen and women to form Mutharika's burgeoning, car-importing, house-building, luxuries-shopping urbanites. Add to that the farmers who, with the help of subsidies, had managed to rise above smallholder status by growing and exporting crops such as tobacco and cotton. At the same time a new youthful, relatively well-educated and Internet-connected group had arisen, with modern aspirations and urban lifestyles. Servicing the needs of this broader elite proved impossible for Mutharika though. As Malawian industrialists have been saying for more than a decade, the country is short of the infrastructure needed to generate and deliver water, electricity, cheap transport and communications.[4] Muluzi's 'lost decade' and chaotic economy did nothing to help this problem, and deindustrialisation was the result from the 1990s (Booth *et al.*, 2006).

From 2010 the wider middle class began suffering from the same shortages as businesses: having built a house in, say, Area 47 of Lilongwe, they are unable to keep it lighted, to have fuel enough to get to work, or sufficient forex to send their kids abroad to university. In the rural areas the slow delivery of subsidies – due to forex and transport problems – made it hard to plant in time for the rains. The bulk of the poor were hurt too, by lack of medicines and higher food prices – caused by the rise of the parallel market in forex and from the zero-deficit budget's new taxes – and by erratic public services. Taken together the population had become restive and the political settlement reached in 2009 was breaking down. If facing an election in March 2012, Mutharika and the DPP would undoubtedly have lost, assuming of course that the opposition was able to field a credible candidate and present sensible policy prescriptions.

July 2011 demonstrations and demands

The crisis was sparked in mid February 2011 when Inspector General of Police Mukhito called a public policy lecturer at Chancellor College to his office after he had taught a class on civil rights and used a Tunisian example. Accused of inciting students to demonstrate against the government, he returned to Zomba and requested and was granted a leave of absence by the university authorities. After that his co-workers 'boycotted' their 'unsafe' classrooms, demanding a guarantee of academic freedom from government interference. Typically, Mutharika accused the political scientist of 'teaching revolution', equivocated about the meaning of academic freedom, and ordered the 'striking' professors back to work. (The minister of education, the president's brother Peter Mutharika, was mute.) Thereafter there was a string of injunctions and multiple court cases, the dismissal of the four lecturers/leaders of the Academic Staff Union and a number of demonstrations by staff and students in which the police used live bullets and teargas resulting in no classes being held for ten months.

Meanwhile Mutharika had suspended the Electoral Commission for four months (December 2010 to April 2011) while the ministry of finance investigated fraud. This enabled him to further delay local council elections, overdue since 2005. When the commission was reinstated he announced there would be no local elections until 2014, which further antagonised opposition politicians and human rights campaigners. They were also incensed by new laws passed by the DPP-dominated assembly, which advanced censorship and government powers. These included an amendment to Penal Code Section 46, which gives the minister of information the right to ban media in the public interest; a change to the Police Act that permits the police to search properties without a warrant; new legislation (the Civil Procedures Act) that gives government three days to respond to an injunction filed against it; a new Local Courts Act that raised fears of a return of Banda's repressive 'traditional courts'; and legislation that changed the national flag with little public consultation.

Little success was made when non-governmental organization (NGO) leaders met the president in late February 2011 to discuss economic issues, the Chancellor College impasse and civil rights. They then tried to organise a set of public events but were refused permission by city authorities and the police. Meanwhile DPP rallies were being held to promote the president's brother, Peter Mutharika, as a 2014 presidential candidate. Meant to discourage their organising, from February 2011 death threats and attacks on several key NGO leaders sent many into hiding. The president's speech at a DPP rally in early March appeared to condone such harassment: his predecessors Banda and Muluzi, Mutharika said, 'were not going in the streets to fight those who insulted them, but it was the[ir] ruling parties which were to instil discipline. I want DPP members to ensure discipline in Malawi. I leave it in your hands' (*Maravi Post* 2011).

After eight foreign heads of mission published a statement saying they shared the concerns of Malawians about governance trends, and WikiLeaks spread donor views of national politics, the president and cabinet members called in representatives to warn them not to interfere in domestic politics. In a speech, Mutharika accused donors of breaching the Vienna Convention by supporting NGOs. Matters came to a head in April after an email from the British high commissioner to the Foreign and Commonwealth Office was leaked and published. It described the deteriorating governance situation, the condition of donor–government relationships and the threats to NGO leaders, and opined that Mutharika 'is becoming ever more autocratic and intolerant of criticism' – a phrase that must have galled because it echoed a critical COMESA report on Mutharika's behaviour that got him fired as its secretary-general more than a decade earlier. It concluded that government 'is more paranoid' due to the Arab Spring's emboldening of civil society activists. Within weeks the high commissioner was deported (Heads of Mission 2011; *Malawi Democrat* 2011a, 2011b; *Nyasa Times* 2011a; COMESA 1997).

Britain responded by reviewing the full range of issues in the bilateral relationship. The withdrawal of donor funds (contributing 13.4% of GDP in 2008), which had already started, escalated. By mid year no general budget support had been pledged for 2011–12. This seemed to suit the Malawian government's new aid policy,[5] which was made public in the finance minister's 'zero-deficit budget' speech (Government of Malawi 2011). Increased taxation and duties were expected to cover recurrent expenditure, he said, and any donor aid would go into the development budget. Prices, already rising in response to scarcity, began to climb further as new taxes took hold. Poorer peri-urban residents were particularly hit by increases in transport, paraffin, and basic-commodity prices.

NGOs planned and received permission to hold peaceful demonstrations about civil rights, donor relations and the domestic economy in the main cities on 20 July. In the days before, DPP pickup trucks loaded with youths carrying pangas, which were apparently meant to intimidate potential demonstrators, moved around Blantyre. On 20 July, people, many wearing red, tried to get into towns but found the police had set up roadblocks. When they arrived, they found to their fury that a judge had the night before banned the action in all but Blantyre, where the demonstration was allowed by police to proceed. In the end, marches were held in several towns and cities. A list of 20 demands for the president was handed to district commissioners by the organisers of the marches. The police beat several organisers in Lilongwe. Looters took advantage of the unrest and robbed and set alight stores, including a few shops run by Chinese, Burundians and Indians, while political activists destroyed DPP offices and those believed to belong to DPP financers (e.g. the Mulli brothers). When the crowds turned violent, the police shot protestors and arrested hundreds. All the while, the president was at State House in Lilongwe giving a 'public lecture' on history and politics that was broadcast nationwide on state radio. Twenty people died from wounds received in the riots, which took two days for the police and army to quell.

The 20 demands that activists handed to the district commissioners (DCs) were as follows (though this is not an exact transcription of the list, and additional comments are provided in parentheses):

1. Ensure availability of, and access to, forex.
2. Facilitate the importation of fuel without interruptions.
3. Replace top management of ESCOM and Water Board with independent experts to reverse shortages within three months.

4. The Anti-corruption Bureau (ACB) to investigate those implicated in the Malawi Housing Corporation (MHC) scandal. (Peter Mutharika and other senior officials and politicians allegedly jumped the queue and received houses at knock-down prices. In October 2011 the former manager of the MHC had been charged by the ACB, which said the politicians were innocent.)
5. The ACB to investigate all cabinet ministers and public servants about unexplained wealth accumulated while holding office, and the Declaration of Assets Bill to be 'ratified'.
6. President Mutharika to declare his assets and explain the source of funds for building his new Ndata Farm house.
7. Nullify Callista Mutharika's contract and require her to repay her salary. (She was appointed to a 'volunteer' job on maternal health and is paid a generous salary by government.)
8. Law Commission to review Penal Code (the new Section 46 allows the minister of information to ban publications) and the new Injunctions Act (delaying for three days any action on injunctions filed against government; Mutharika had signed the act into law even though there was an injunction filed against it) and to make recommendations on their constitutionality within six months.
9. Mutharika to act in good faith toward Vice-President Joyce Banda. (She was expelled from the DPP, had her motorcade withdrawn, and had been barred from official duties as she was seen as a political threat to the DPP's 2014 presidential candidate, Peter Mutharika. She started her own political party thereafter. The president filed a constitutional case to see if he could remove her from office, and in October there were rumours that she would be arrested for sedition.)
10. Government should hold local council elections within the next year.
11. The University Council should readmit the four dismissed lecturers and affirm that no spies will be allowed in lecture rooms.
12. Nullify the president's order for NGOs to pay MWK2 million prior to any demonstration. (This decree was challenged in court.)
13. Halt the inequitable and politicised use of public broadcasters (MBC and TV Malawi). (This is a complaint going back to the pre-transitional period.)
14. The executive to stop disregarding court rulings and contempt of court charges.
15. Provide essential drugs to all hospitals and clinics. (This and following demands reflect the presence of health-sector activists among the demonstration's leadership. Other sectors had similar complaints but were not directly represented.)
16. Provide capacity building for health workers.
17. Pay overdue allowances (up to three years are overdue) to nurses.
18. Raise the national minimum wage to MWK25,000/month.
19. Ensure 'decent jobs and conditions for all workers'.
20. Institute a social protection system for the welfare of the poorest.

After the disturbances, while the president made threats to 'smoke out' and arrest the organisers, and the donors called for dialogue, civil society planned a second mass demonstration – a 48-hour vigil to be held in four cities on 17–18 August. Mutharika, unhappy with the army's slow reaction in July, appointed a new, relatively junior officer to take command, giving rise to rumours of army unrest, the arrival of Zimbabwean mercenaries camped outside Lilongwe, and the possible 'fall' of Mutharika's government. The government announced the appointment of a commission of enquiry to investigate the events of 20–21 July, which began its work at the end of the year. Meanwhile the fuel crisis worsened, the university boycott continued, much-needed aid for infrastructure was halted, and first lady Callista Mutharika angered civil society and proved out of touch with the life of commoners when she counselled rural women not to worry about national economic woes.[6]

As 17 August approached, the president toured markets and offered vendors 'loans' not to get involved in further demonstrations. He cajoled vigil organisers to come and talk to him, and tried to explain to audiences that some of the problems that sparked unrest were being addressed. In Addis Ababa the Malawian embassy released a statement at the end of July that presented a skewed version of events and highlighted economic grievances without noting civil rights concerns, blamed the World Bank and IMF for poor advice, and told half-truths about the causes of shortages. In the statement, government blamed the media, opposition parties and NGOs, saying they shared a 'strong belief that governments are constituted for the sole purpose of implementing instructions from donors. This goes right against the project that Government has put in place to promote self awareness and self reliance that should sustain the concept of Malawi as a nation of achievers' (Malawi Embassy 2011). This anti-Western-interventionist sentiment mirrors Mutharika's own writings (Mutharika 2010).

The planned mid August 'vigil' was cancelled, leading to a split among NGO leaders, more especially as some decided to negotiate with the government. Previously Mutharika had been contacted by UN Secretary-General Ban Ki-moon, and shortly before 17 August his envoy arrived to talk with NGO and government representatives. A week later NGO leaders came together and compromised: dialogue with government under UN auspices would start, but a mid September vigil would also be planned. The UN resident representative warned that 'hate speech' could derail negotiations. Nonetheless, within a week Mutharika had gone out of his way to threaten activists. Speaking without notes at the Blantyre agricultural fair, he said:

> Don't mistake the Government's silence for ineptitude. All those insolent people I can arrest them if I so wish. I want you to know that. Government remains in control but I choose to be silent because I believe in democracy. But there are some who, when drunk, go yak-yak-yak; don't think I can't arrest you. I want you to know that just because somebody outside (this country) says so I cannot arrest you. I can arrest you! Let this country go on fire if you want to. [But] what I want you to know. Ladies and gentlemen, I want to tell you enough is enough! I can't stomach this insolence anymore. (*Nyasa Times* 2011b)

Not surprisingly, negotiators were 'shocked' and the UN-sponsored meetings were temporarily abandoned. A week later, the office of a hard-line NGO activist was petrol-bombed and gutted by fire. It was the first in a string of arson attacks that was sustained even while dialogue was reinstituted.

The situation on the ground continued to deteriorate. Again, the 21 September vigil was called off by activists who were worried about further bloodshed and their NGOs being 'deregistered' by government. They proposed instead a three-day stay-away from work by sympathisers. The DPP claimed victory, as few people stayed home from work a second day. People grumbled that civil society leaders had let them down by postponing the vigil a second time, at the last minute. Rumours circulated that some leaders had been bought off.

The situation became increasingly murky soon after, when a student activist was found dead at the polytechnic in Blantyre. While the police claimed that the pathologist determined his death was suicide, the pathologist soon clarified that the youth had been beaten and he had not in fact fallen from the building as the police said. Soon it emerged that the boy had promised the police and DPP officials that his student organisation would help the government stop the August vigil, but when it had not been paid by the authorities as promised, he had threatened to make its involvement known. He also knew who was on the 'hit list' and threatened to publicise the names of the arsonists then at work. That he was murdered seemed all the more likely as it came amidst the series of arson attacks on activists' homes and offices and the arrest of the journalist breaking the story (*Malawi Today* 2011b). Meanwhile, threats against journalists and civil society campaigners continued, and an attempt to hold a vigil in front of parliament by the fledgling Forum for the Defence of Democracy later in October resulted in the organisers' arrest (*Nyasa Times* 2011c).

In late February 2012, human rights lawyer (and Mutharika's former attorney general) Ralph Kasambara was arrested for assault and detained by police in spite of the court ordering his release on bail. He was detained several days after he and his bodyguards captured and turned over to the police a group of young men reportedly attempting to firebomb Kasambara's office. It has been alleged they were sent by ruling-party officials because the rights activist had insisted earlier that week that the president could be impeached for ignoring parliamentary rulings concerning the payment of striking judicial staff (*Nyasa Times* 2012b; *Face of Malawi* 2012.)

Meanwhile the government sent delegations to the USA and Europe to get the aid tap – the IMF's ECF and donors' general budget support – turned back on. Earlier, in August 2011, it had agreed to a devaluation of 10%, making the kwacha MWK165 to the dollar. By the time they returned empty-handed the country was at a near standstill due to petrol and electricity shortages. Domestic tax receipts were significantly lower than the zero-deficit budget had anticipated and borrowing had climbed dramatically. Though the delegations announced that discussions had gone well and they expected aid to start flowing shortly, no donor echoed their claims. Negotiations between government and civil society continued and two concessions were made, which resulted in Chancellor College re-opening in November as the dispute over academic freedom was settled and no staff were fired as government had earlier insisted. Second, some of the controversial laws were sent back for review to government lawyers in December.

To meet civil society's 20 demands would be to develop Malawi. It wants improvements to the social safety net, the rule of law, national infrastructure, fiscal policies, election processes, human rights protection, human capacity, livelihoods, etc. None can be easily or quickly achieved, certainly not in a matter of months (e.g. water and electricity delivery). With political will, a few (e.g., local council elections, ACB investigations) could be initiated in relatively short order. But the demands were thrown together and not prioritised. Some (e.g. Ndata Farm and the first lady's salary) were much less likely to be addressed than others. So the list was impossible to tackle sensibly. Paring them down to seven key demands in September facilitated the concessions noted above, and donors intervened and imported an emergency supply of medicines in early 2012. But the other complaints were not rectified mostly because they were exacerbated by Malawi's development constraints,[7] including its failure to upgrade its infrastructure, and because of its national political logic.

Malawi is a neopatrimonial state, though its post-independence regimes have differed in ways that are important to national development and governance (Cammack 2010, Cammack, Kelsall and Booth 2010). Two important trends for this discussion are the centralisation of power in the hands of president and the party-politicisation of economic policy and practice as well as the expression of public frustration. Driving decision making at the highest level since 2009 is what might be called ‘second-termism’, or succession politics. The logics underpinning these trends are rooted in Malawi’s past and in its contemporary policymaking environment, and are unlikely to change in the short term.

Politics and protest

The jockeying for position in the political parties during Mutharika’s second term is typically neopatrimonial: noted personalities forming their own parties, or trying to hive-off a section of an old party, with minions gathering around this ‘big man/woman’ with the hope of being carried into power in the 2014 election. Little in the way of issues separates these leaders, and all gather loyalists not by arguing policy but buying support and making promises. Recruitment and public loyalty are based on personalities, rarely platforms. In the Malawi Congress Party (MCP) we saw an attempt by younger politicians to oust the aged John Tembo, and to get the newcomer (ex-DPP) Henry Phoya to join (and perhaps lead) their movement. The United Democratic Front (UDF) was effectively split, with diehards sticking with Friday Jumbe, who still faces corruption charges, while others promoted the young lawyer Atupele Muluzi as a viable candidate in spite of his having no experience of government. (Were he anyone other than former President Bakili Muluzi’s son he would not have a chance.) Vice-President Joyce Banda, eschewed by Mutharika from day one of his second term because he feared she had presidential ambitions, took the well-worn path of starting a new People’s Party (PP) around herself. Her reliance on some old, discredited politicians undermined her viability with the elite, though the PP gained strength through her grassroots organising. In the northern region, divisions abounded as the Alliance for Democracy (AFORD) had nearly collapsed and no strong party had replaced it.

By March 2012 the DPP was running scared, not just of the masses who were angry about their declining living standards, but also of civil society leaders who were organising them, and of the political opposition. Added to the latter was a faction of the DPP MPs (called the Hope Alliance) who feared they could not win re-election if the president failed to change his policies and tactics. The ruling party’s fear was evident in various ways, from its passage of rights-abusive legislation to attempts to muzzle the media and protests, and outright attacks on civic and political leaders. Mutharika’s personal style was such that he vacillated from trying to reason with Malawians (e.g. to be patient), to criticising them (calling them ‘chickens’ for instance), and sometimes threatening them (‘burning out’ civil activists).

Mutharika indicated that even though he had sufficient DPP MPs to change the constitution to enable him to run for a third term – a claim that was not as straightforward as his party’s numbers indicated – he would not try to extend his rule (*Daily Times* 2012b). Instead, he intended his brother Peter, an American-based law professor until Bingu became president, to lead the DPP as the presidential candidate in 2014. While constancy of development policy might be good for national economic development if the DPP won, there was little else to attract voters. They found the president’s antagonising of donors and neighbouring states foolhardy. They were frustrated by the government’s lack of progress on addressing the fundamental problems causing shortages of fuel and electricity especially. They were worried that the legislation passed in 2011 and various of Mutharika’s speeches had the scent of autocracy about them. And few were enamoured by Peter Mutharika,[8] who was seen to be ineffective as a minister.

In a vibrant democracy the legislature would be the site of debate about national economic difficulties and policies to address them. But Malawi's parliament is particularly weak. This is the result of deliberate changes in the political system since it was designed in 1993–94, changes that have increased the power of the executive. Key has been the appointment of cabinets whose members are drawn from the ranks of MPs, which increases the presidency's control of parliament. Unsuccessful attempts to have the leader of the opposition in parliament voted for by all MPs instead of just opposition party members were also meant to increase the president's power over the assembly and the opposition.

Since the transition and in spite of decentralisation, the presidency has gained power at the expense of local government – with the selection of local councillors along party lines rather than by technical merit, the cancellation since 2005 of local council elections, the restructuring of councils to include MPs as voting members, and the appointment of DCs and CEOs of cities/towns by the minister of local government and the office of the president and cabinet. The way local government is run now (without councils and with technocrats and *ad hoc* local committees appointed by DCs and CEOs) makes it directly answerable to central authority. Local government has also been undermined by an informal freeze on hiring of staff. Civil servants at national and local levels also report a narrowing of the 'political space' they have to design and implement technical solutions to national problems.

The presidency gained power in national government when the constitutional provision for a senate (upper chamber) was repealed in the 1990s and when constituents were denied the opportunity to recall MPs as originally stated in the constitution. The president's ability since the mid 1990s to appoint a second vice-president confers additional powers (for political manoeuvring) as well. The presidency has retained significant power through the appointment of boards, such as that which regulates the media, and the Electoral Commission. Presidents who head their own parties also control party funds, appointments to party offices, and even the selection of parliamentary candidates. Thus the presidency dominates parties, the assembly, and local and national government. It would like to control civil society, including the media, and the judiciary if it were feasible.

In this environment where the DPP dominates parliament and where MPs are dominated by the president, there is little open debate in parliament about government policies and abuses. Opposition parties are in disarray. Thus the national assembly has been unable to play its role as a 'platform for national dialogue', which was also the case in Mutharika's first term (Chinsinga 2010, p. 127). For this reason civil society activists stepped into the breach in 2011, even though few are development specialists and had little idea when they started how to fix the economy. Theirs is a governance and human rights mission, which in Malawi is easily confused with politics.

Agreeing to negotiations in August 2011 split civil society leadership, and until Mutharika's death efforts had been underway by government and party activists to curtail the activities of its more radical wing. Individual campaigners had been approached by ruling-party-cum-government officials with offers of jobs in embassies and university scholarships, while others were picked up by police on spurious charges and questioned. The arson campaign against civic leaders' offices and homes, and telephone threats against activists and their families had an impact. So, too, had the murder of the polytechnic student who had agreed to help the authorities and then reneged and threatened to tell all. These carrots and sticks used by

DPP stalwarts, along with government's refusals to allow public demonstrations, dampened organised dissent.

Until 5 April, the situation in the country remained tense, with sporadic fighting breaking out in unlikely places. For instance, in January vendors – who as a group are suffering as the economy collapses – started stripping women in Lilongwe's old town of miniskirts and trousers, in what was presumed to be an atavistic attempt to impose Dr Banda's old dress code. More likely though, it was an effort to recreate the violent atmosphere of a fortnight earlier when running battles between the police and vendors (about whether vendors might move out of markets and sell on the pavements) led to looting of shops and theft from passers-by.[9] More understandable were fights breaking out at petrol stations as drivers tried to cut into days-long fuel queues and as motorists sought to halt jerry-can-toting young men from buying the limited supply of fuel (for black marketing – at more than double the pump price – as well as for legitimate uses like running generators). College students became violent at a bank that refused to provide them funds because it had not received their long-overdue grants from government. Judiciary employees went on strike for similar reasons. Adding to tension were the delayed and uneven rainy season, which Malawians depend on for their staple maize, and reports of maize shortages as prices began to climb. Finally, activists suggest that little progress was being made by the negotiating teams towards solving the deeply rooted and highly sensitive problems raised in the protestors' 20 demands. As a result, civic leaders set a deadline of March 2012 to see real progress or they would halt negotiations and take to the streets again.

Looking forward

In the short term, getting the country back on track with the IMF would make it easier for other donors to resume their general budget support. But for unknown reasons Mutharika was adamant that he would not revise the exchange rate (he claimed this is because he wanted to protect poor Malawians, which donors say they want to do too.) Until the forex rate is changed it seemed likely that government would have to continue to borrow to cover its wage bill, that new infrastructural activities would be minimal, and that forex shortages and price rises world continue, even as government resorted to borrowing to buy fuel.

Long-term solutions to Malawi's severe economic problems require major investment in infrastructure – e.g. an additional water pipeline for Blantyre city, overhaul of the rail line countrywide, multiple irrigation schemes, additional electricity generators and distribution systems, liquid sanitation pipelines, upgraded urban and main roads and additional rural roads, cheaper cellular telephone and internet structures, etc. Problems inhibiting foreign investment, including weak governance and rule-of-law systems, need addressing. Tobacco growing and selling may respond to the rules of supply and demand, and rebound.[10] Meanwhile, efforts to promote diversification are intermittent and slow. In many sectors good policies are written, but strategic planning, funding, staffing and implementation are inadequate. The legal and institutional frameworks underpinning reform measures are often weak too, such as the national land law and urban-planning practices. The historical constraints to growth continue to determine the nation's future even though new enterprises (e.g. minerals) are emerging. A transformative economic vision with strategic planning and implementation are required of government to create the environment needed for business and investors to flourish.

In 2009 it was thought that perhaps Mutharika might offer such a vision and that as a 'developmental neopatrimonial' leader he might be capable of implementing it (Cammack, Kelsall, and Booth 2010).

This hope died though, as Malawi's deeply rooted political logic undermined it. Attempts to ensure that the DPP governs after 2014, and more especially that Peter Mutharika is president, drove policymaking at the top. Rather than working with his vice-president, Mutharika sidelined her and generated national ill will. Rather than listening to dissenting voices, he surrounded himself with 'hand-clappers' (sycophants) intent on telling him what he wanted to hear. Rather than take advice from technocrats, he relied on politicians to establish economic policies. Rather than fighting corruption, senior politicians and the DPP benefited from it.

The politicisation of key appointments, of negotiations with critics, of spontaneous public unrest, of public service delivery, etc. was commonplace. No complaint could be raised by church leaders, civic activists, donors or analysts without their being accused – by Mutharika or his smooth spokesman, Dr Ntaba, or his vociferous minister of information, Ms Kaliati – of fronting for Joyce Banda and her People's Party. Key positions in government, such as the National Intelligence Bureau chief, were going to party officials rather than technically skilled people. It was expected that appointments to the new Malawi Electoral Commission would be run through the party-political sieve.

Such practices, along with the tendency of government to politically manipulate chiefs to support the president's decisions (e.g., to make Peter Mutharika his successor) and to favour people from the southern region, especially from the president's Lomwe tribe, when filling vacancies, generated criticism by activists, northerners, the media, analysts, and the urban elite. Those trends, in combination with those abuses that gave rise to some of civil society's 20 demands, brought to mind Dr Hastings Kamuzu Banda's thirty years of single-party, autocratic rule, which above all else Malawians do not want to revisit. Mutharika's inability to communicate with his people, to appear conciliatory, caring and understanding of their concerns, frustrated Malawians further.

Fixing the nation's economic problems was probably easier than addressing civil society's demands concerned with governance and rule of law and rights abuses. For instance, getting the Anti-corruption Bureau to investigate a sitting president and ministers was practically impossible, as was ensuring the president explained how he became a rich man on a civil servant's salary, with Ndata Farm to show for it, within the space of a dozen years.

Some civic activists were campaigning for a referendum to get Mutharika to resign in 2012 and to call fresh elections, a move that was unlikely unless huge numbers of DPP MPs defected. (Any attempt by government to halt MPs 'crossing the floor' of parliament is important to watch.) Some people's confusion about the nature of Malawi's political system – a set, five-year term for an executive president rather than a parliamentary democracy with a prime minister – complicated discussions about the early removal of Mutharika. Attempts by some opposition politicians to hijack civil society's movement – and their reported offer in July 2011 of being 'ready to take over' – made matters worse. The closeness of some civic leaders to opposition parties also compromised the movement, and made it easier for government to accuse all critics of being partisan.

There was also an attempt to get Mutharika declared mentally unfit to govern, which was being pressed by Joyce Banda's People's Party (*Nyasa Times* 2012a). This effort chimed well with young people's frustration with Malawi's gerontocracy. Many of Malawi's youth call for setting aside the older generation of leaders (like the Mutharika brothers, John Tembo, Gwanda Chakuamba) and replacing them with new young blood. There is some truth to the fact that these older men and women learned to do politics during the Banda regime. But to think that things will change only because they are not in power is naïve. The institutions and incentives that drive politics in Malawi are rooted in the nature of big-man political parties, in clientelist relations that provide benefits in return for loyalty, in the lack of alternatives in the small private sector for making big money (as may be earned by being in government), and in the logic that centralises control in the hands of the executive. To change these requires a shift in Malawi's fundamental political economy.

No one was seriously discussing the forceful removal of government though often Mutharika and associates spoke as though revolution was a real threat. People were often picked up and threatened with arrest for treason for expressing alternative views, but in fact, Malawians' passivity generally, especially in the face of the police, paramilitaries and the army (let alone a contingent of Mugabe's army on loan) is understood to be deeply engrained. The death of 20 people in mid July and police actions since, are a lesson all have taken to heart.

The unexpected happens

In the morning of 5 April 2012 Dr Mutharika had a heart attack and died. His close associates hid his demise, shuffled his body off to South Africa and said he was ill. Several tried to get the judiciary to declare Vice-President Joyce Banda ineligible for the presidency – because she belonged to a different political party – and hoped instead to put Peter Mutharika into power. Meanwhile Mrs Banda quietly worked to gain the support of donors, the army, neighbouring governments, and civil society. Only after Pretoria confirmed Mutharika's death was she sworn in.

Her first moves were to appoint a new Inspector General of police and a new head of the state media, and to invite tobacco companies' managements back to the country. Within days she gained control of the Reserve Bank and had begun negotiations with the IMF. After Mutharika's burial, she appointed an 'inclusive' cabinet of opposition party leaders, old UDF politicians, MPs from the DPP's Hope Alliance, and some representing outlying districts. Her State of the Nation address in early May indicated that she would continue with many of Mutharika's economic policies, but would float the kwacha, repeal his rights-abusive legislation, invite the British back, and appoint commissions to enquire into the death of the university activist in 2011 and into the events surrounding Mutharika's death and removal to South Africa. She began to tackle what she calls the economic 'mess' she inherited by getting fuel (from South Africa and Zambia), talking to the Mozambicans about Cahora Bassa electricity, and clamping down on corruption. A big challenge will be keeping her government inclusive as the 2014 elections approach.

Note on contributors

Diana Cammack is an historian who has written about southern African politics and development for three decades. She is a Research Associate of the Overseas Development Institute, and for the last five years has led the Local Governance and Leadership stream of the Africa Power and Politics Programme. She has lived and worked in Malawi for a dozen years.

Notes

1. Compared to the chaotic economic policies and free-for-all of the latter Muluzi years, Mutharika's first term provided macroeconomic stability, GDP growth, national food security, and better bureaucratic discipline (Cammack and Kelsall 2010).
2. Malawi has a unicameral national assembly though it is commonly referred to as parliament and its members as MPs.
3. The IMF complained about 'low levels of reserves, the damage made to credibility of the authorities by the loose macroeconomic policies and the authorities' track record in the area of the forex regime' (*Daily Times* 2012a).
4. According to the Malawi Chambers of Commerce and Industry, the top ten problems facing business are: utilities–electricity, crime–theft, exchange rate policy, corruption, cost of finance, lack of market information, utilities–

telecommunications, economic and regulatory policy uncertainty, tax administration, and effectiveness of national assembly at law making (*The Nation* 2011b).

5. Due to the volatility of donor support, ‘there is a risk that where disbursement does not occur, Government borrowing is impacted’. Thus all donor aid would be channelled through the development rather than the recurrent budget (Ministry of Finance, 2010).
6. ‘She said government is aware of the problem of forex and fuel. But she argued these items do not affect people in rural areas. She said rural masses do not have vehicles and, therefore, should not raise their voice on the forex and fuel shortages’ (*Malawi Today* 2011a).
7. Including its land-locked position, high rates of illiteracy and low rates of educational attainment, a paucity of natural resources (though exploration is now vigorous), high rates of population growth and high population densities on degraded land, a single rainy season, etc.
8. There are reports that he became an American and gave up his Malawian citizenship when living in the USA, but these claims are not proven and the US government refuses to comment.
9. The cause of these bizarre attacks, which spread to Mzuzu and Blantyre, was not known, though people speculated. An APPP researcher reported that one Mzuzu man told him that people ‘wanted to revenge the 20th July saga [deaths]. “The whole situation is not about harassing women but trying to provoke the situation and revenge to police officers. Can’t you see that the police are not arresting people, if they dare do that, you will see stones” he said’. In Lilongwe he reported one woman saying ‘“this is because of unemployment. If these people were employed or financially supported, they would not find time to do such stupid acts”. I heard another man outside the bus saying, “*Abambo ako mu trouser naweso mu trouser, zimezo ayi*” which means “your father is putting on a pair of trousers and you are doing the same and that should be stopped”‘. Pers. Comm., Moir Walita Mkandawire to Diana Cammack, 20 January 2012. Women organised and were allowed on 20 January to march against men publicly undressing women who wear trousers and miniskirts, and minor scuffles were reported.
10. This is suggested by Nico Assets Manager Ltd *Annual economic report*, 2011 (*Weekend Nation* 2012c).

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A bourgeois reform with social justice? The contradictions of the Minerals Development Bill and black economic empowerment in the South African platinum mining industry

Gavin Capps*

Department of Sociology, University of Cape Town, Cape Town, South Africa

Since assuming power in 1994, the African National Congress has pursued an ambitious policy of 'modernising' the minerals and mining sector in line with its overarching goal of developing an internationally competitive, non-racial and socially stabilised South African capitalism. This is a materialist analysis of the measures and evolution of that policy in the critically contested period between the release of the Minerals Development Bill (MDB) (December 2000) and its promulgation as the Minerals and Petroleum Resources Development Act (October 2002). Despite its apparent radicalism, the bill's core proposal to nationalise mineral rights is a variant of what Marx termed a 'Ricardian reform', here designed to accelerate capital accumulation by eliminating the barrier of private minerals ownership. Yet, the MDB also married this classically bourgeois reform with a nationalist commitment to racially transform the structure of mine ownership, thus embodying key contradictions of South Africa's democratic transition in the era of neoliberalism. The struggle over the final form and benefits of the new minerals dispensation would be centred on the platinum industry, where the established (white) producers had the most to lose from the legal abolition of the old mineral property system in favour of the nationalisation and strategic redistribution of the resource base.

Keywords: African National Congress; black economic empowerment; mineral rights; nationalisation; platinum industry; resources policy; Ricardian reform

[Une réforme bourgeoise avec une justice sociale ? Les contradictions du Projet de loi de Développement des Minéraux et l'Emancipation Economique des Noirs dans l'industrie minière du platine d'Afrique du Sud]. Depuis son arrivée au pouvoir en 1994, l'ANC a poursuivi une politique ambitieuse de la ≪ modernisation ≫ du secteur des minerais et des mines en accord avec son objectif global de développer un capitalisme propre à l'Afrique du sud, compétitif au niveau international, non racialement ségrégationniste et socialement fiable. Il s'agit d'une analyse matérialiste des mesures et de l'évolution de cette politique dans la période gravement contestée entre la sortie du Projet de Loi sur le Développement des Minéraux (MDB décembre 2000) et sa promulgation en tant que loi du Développement des Ressources Pétrolières et Minérales (octobre 2002). Malgré son radicalisme apparent, la proposition de base du projet de loi visant à nationaliser les droits miniers est une variante de ce que Marx appelait une ≪ réforme ricardienne ≫, ici conçue pour accélérer l'accumulation du capital en éliminant la barrière de la propriété privée des minéraux. Cependant le MDB a également épousé cette réforme bourgeoise classique avec un engagement nationaliste de transformer radicalement la structure de la propriété minière, incarnant ainsi les

*Email: gavin.capps@talk21.com

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contradictions clés de la transition démocratique en Afrique du Sud à l'ère du néolibéralisme. La lutte pour la forme finale et les avantages de la nouvelle dispensation sur les minéraux seraient centrés sur l'industrie du platine, où les producteurs (blancs) établis avaient le plus à perdre de l'abolition légale du système de propriété minérale ancienne en faveur de la nationalisation et de la redistribution stratégiques de la base de ressources.

Mots-clés : l'ANC ; l'émancipation économique des Noirs ; les droits miniers ; la nationalisation ; l'industrie du platine ; la politique des ressources ; la réforme ricardienne

> The abolition of landed property in the Ricardian sense, that is, its conversion into state property so that rent is paid to the state instead of to the landlord, is the ideal, the heart's desire, which springs from the deepest, innermost essence of capital. (Marx 1863/1972, p. 472)

The fundamental rationale and principle of ANC's post-apartheid minerals policy was set out in its Reconstruction and Development Programme (RDP) on the eve of the great democratic election of 1994:

> South Africa is one of the richest countries in terms of minerals. Up to now, however, this enormous wealth has only been used for the benefit of the tiny white minority. The minerals in the ground belong to all South Africans, including future generations. Moreover, the current system of mineral rights prevents the optimal development of mining and the appropriate use of urban land. We must seek the return of private mineral rights to the democratic government in line with the rest of the world. (African National Congress 1994, p. 99)

At first sight, this statement appeared to echo the 1955 Freedom Charter's radical commitment that 'the mineral wealth beneath the soil, the banks and monopoly industry shall be transferred to the ownership of the people as a whole'. However, parallel statements by the ANC leadership made it clear that the nationalisation of monopoly or any other form of capital was now strictly off the political agenda (Gumede 2005, pp. 67–71, Marais 2001, p. 122, McKinley 1997, pp. 121–122). Rather, the state's influence within the mining industry would be 'confined to orderly regulation and the encouragement of equal opportunities for all citizens in mineral development' (Makwinzha *et al.* 2002, p. 1). Changes in the structure of minerals ownership were, therefore, a limited but necessary reform for the construction of a vibrant, competitive and 'investor friendly' national mining sector (ibid.).

Over the course of the next six years, the ANC's basic minerals policy was both expanded and refined, finding initial legislative form in the Mineral Development Bill (MDB), which was released for public consultation in December 2000.[1] By this time, the scope of the minerals reform had been widened to encompass distinct social, as well as economic, policy goals. The most significant of these social goals was the transformation of the racial structure of mine ownership, to be achieved primarily through the imposition of black shareholding quotas in established and new mining operations. This in turn would signal a shift to a more assertive phase in the ANC's broader black economic empowerment (BEE) strategy, as a number of commentators have noted (Dansereau 2005, Freund 2007, Hamann *et al.* 2008, Iheduru 2008, Southall 2004, 2007, 2008). Nevertheless, the MDB above all remained a reform of mineral property relations designed to accelerate capital accumulation in the mining industry by eliminating the barriers to investment and competitive entry posed by the private ownership and control of mineral rights, not least by the mining houses themselves. It is the central contention of this article that the MDB may thus be conceived within the rubric of historical materialism as a species of what Marx termed a 'Ricardian reform', after David Ricardo, the great classical economist who theoretically armed the rising industrial bourgeoisie in its historic struggle with agrarian landlordism (Rubin 1989, part 4).

In an earlier contribution to this journal (Capps 2012), I initiated an analysis of the platinum mining industry, which has rapidly grown from humble beginnings to become the single largest component of the contemporary South African mining economy. There I argued that the essential continuity of the old, apartheid-era mineral property system had enabled the established (white) platinum producers to reproduce their historic control over the national platinum endowment, which accounts for 88% of the world's total reserves, in the context of an historically unprecedented surge in global platinum demand from the mid 1990s on. As the fastest growing component of the post-apartheid mining sector with the greatest potential for racial transformation, the platinum industry would thus, I concluded, be cast as the primary site of struggle over the ANC's new minerals legislation. In this article, I continue the 'platinum story' by focusing on the course and outcomes of that struggle, which is in turn set within the broader context of the evolution and contradictions of the ANC's minerals policy in its conception as a Ricardian reform.

The analysis is developed in four steps. Section one seeks to make sense of the Ricardian concept and its analytical relevance to the MDB by considering the place of resource nationalisation in Marx's theory of landed property. The second shows how the measures of the MDB were at the same time shaped by the political imperatives of racial transformation and historic redress, and thus how in attempting to marry a classically bourgeois reform with a nationalist commitment to social justice the bill was a product of South Africa's transition in the era of neoliberalism. The third section considers how the established platinum producers would react to the ANC's proposed mineral reform by presenting their particular interest in the defence of the prevailing mineral property system as the interest of white corporate capital as a whole. Finally, the article investigates how the political and economic contradictions of the MDB would manifest in the struggle between the ANC and this 'platinum interest' over the final form and benefits of the new minerals dispensation, as eventually defined by the Mineral and Petroleum Resources Development Act (No. 28 of 2002) and its adjunct legislation.

A Ricardian reform

We begin, then, with the place of resource nationalisation in Marx's theory of landed property and hence the relevance of the Ricardian concept to the analysis of the MDB.

In his economic writings, Marx identifies modern (as opposed to feudal) landed property as a social relation that plays a contradictory role in the transition to capitalism. Capital both creates the modern form of landed property through the separation of the (previously fused) functions of agrarian production and landownership – thus establishing the class basis for a new collectivity of landlords defined by their possession of (bourgeois) property rights alone – and relies on this private property in land to achieve and maintain the separation of the immediate producers from the soil ('proletarianisation') on an extending scale. Yet, once a 'free' wage-labour force has been established, the negative aspect of modern landed property comes to the fore. Capital's access to landed resources for the purpose of accumulation is now mediated and conditioned by the 'alien force' of a landed class that stands outside the process of production (Marx 1974, p. 762). Moreover, the monopoly power that accrues to this class through the possession of land title enables it to extract a tribute from capital – that is, appropriate a portion of surplus value (surplus profit) in the form of ground rent – in return for the right to use that land as a condition or means of production (Harvey 1999, p. 73). Whilst modern landed property is an indispensible condition of capitalist development as a monopoly against labour on the land, it thus also comes to present a barrier to land-based accumulation as a monopoly against capital.

Confronted by a social relation that has become 'superfluous and harmful' to the capitalist mode of production, the bourgeoisie endeavours to overcome the obstacle of landed property in two ways (Marx 1974, p. 622). The first is for individual capitalists to buy-up the rights to the landed resources they seek to exploit, and thus end the separation between landed property and production by becoming landowners themselves – a move Marx terms the '*de facto* abolition of landed property' (Marx 1974, p. 751, Neocosmos 1986, p. 31). The second, which is less common but of prime interest here, is for capital as a whole 'to dissolve landed property as private property and transfer it to the state' (Marx 1973, p. 279). For Marx, then, the legal abolition of private landed property 'in the Ricardian sense' – that is, in favour of public ownership by the capitalist state – is a thoroughly bourgeois measure. Not only does the nationalisation of landed resources leave capitalist production relations untouched, but it serves to accelerate accumulation in the land-based industries by eliminating the barrier of private landownership (Lenin 1972, ch. 3). Nevertheless, argues Neocosmos (1986, pp. 30–32), such a reform can also entail two kinds of contradiction from the perspective of the bourgeoisie.

By definition, land nationalisation aims to abolish a class of private landlords by abolishing their ability to realise ground rent. Yet, says Neocosmos, the legal dissolution of landlordism does not necessarily spell the end of the rent relation itself. Even where land is the legal property of the state (as opposed to private individuals), landed property still remains separated from capital: it is merely the jural form and social location of ownership that has changed. Consequently the state may fulfil the 'class function' of modern landed property and realise a part or the whole of the rent that would otherwise have accrued to an independent landlord class. Marx (1973, p. 279) termed this 'socialised' form of ground rent 'universal state rent' or, simply, a 'state tax'. While land nationalisation may assist capital by modifying the social conditions of access to natural resources then, it can also displace the contradiction of rent on to a new plane.

Land nationalisation is subject to a second contradiction from the perspective of capital. Like the bourgeoisie, the working class may also adopt a distributional perspective and push for the abolition of private landed property, but here identifying ground rent as a drain on the wage rather than profit. Labour pressures for the nationalisation of *landed* property, however, carry the danger of 'spilling over' into demands for the nationalisation of *productive* property. Capital is therefore caught in the dilemma of deciding where the greater threat lies: a powerful class of landlords or a powerful working class? Moreover, adds Neocosmos (1986, pp. 31–32), where 'capital is itself a landowner, any attempt to nationalise the land would be striking at the heart of capitalist relations themselves. Such a measure', he continues, 'could be revolutionary, for it would now be attacking private property itself, and it goes without saying that the *a priori* support of industrial capital to such a policy cannot be expected' (see also Marx 1969, pp. 44–45).

As the arbiter and enforcer of capital's general interest, the bourgeois state is caught at the centre of these contradictions. It may well be the case that a programme of land nationalisation will benefit capital as a whole. But, as with any state policy, it is likely to confront the particularistic interests of individual sectors or firms who may benefit from the prevailing system of land relations. The political effect is that some segments of capital may ally with landed interests in opposition to land nationalisation, whilst others may ally with the working class to push for state ownership.

While Marx's analysis was primarily concerned with the role of modern landed property in agriculture, it is mining that has most often witnessed the nationalisation of natural resources to facilitate accumulation. By the late twentieth century, the vast majority of mining and oil producing countries had vested mineral rights in the state (Department of Minerals and Energy 1998, p. 12, Nore and Turner 1980, World Bank 1992, p. 23). Yet, as Fine (1982, 1985, 1990, 1992) has shown in his comparative study of minerals nationalisation in the European coal industry, the timing, mechanisms and dynamics of this Ricardian reform are critically dependent on a range of conjunctural factors. These include the historically given structure of landed property that capital confronts; the accumulation trajectory of the mining industry in question; and the wider political and ideological context within which the policy is formulated and enforced. With these points in mind, we now turn to consider how the conjuncture of South Africa's political transition would shape the actual measures of the MDB.

Contradictory measures

It has already been noted that the ANC's minerals policy was intended as more than just an 'economic' reform – the MDB also included distinct social policy goals. Both the economic and social measures of the MDB were in turn conditioned by the dominant political and ideological contradictions of South Africa's 'negotiated transition' from apartheid (1990–94). For present purposes, these may be considered to be of two closely related orders.

The first contradiction was between the ANC's popular mandate for radical social transformation, and its growing commitment to a neoliberal macroeconomic policy framework. The ANC was, of course, propelled to power by a militant, mass national liberation movement with the black working class at its core (Callinicos 1992, 1996). Yet, apartheid was overthrown at the precise moment of the Soviet bloc's collapse and neoliberalism's global triumph (Harvey 2005). Robbed of its principal Cold War ally and with its ideological compass spinning, the ANC leadership was corralled into the neoliberal camp with remarkable ease by a well-orchestrated intervention by the IMF and the World Bank, working in concert with the big battalions of domestic capital (Bond 2000, Gumede 2005, ch. 4, Marais 2001, McKinley 1997, ch. 5, and Padayachee 1994). In the very course of the transition, the liberation elite would thus internalise the globally hegemonic notion that there could be no alternative to the market in the new dispensation and that any project of social change would, therefore, have to work with its grain. The result, as Bernstein (1997, p. 19) notes, was 'that the means once used to construct a (whites only) welfare capitalism – those of state driven accumulation, distribution and regulation – [would now be] denied to those most oppressed by apartheid', while white corporate capital would be afforded a central role in the bid to modernise and transform South Africa (Marais 2001, p. 275).

The second contradiction that would shape the terms of the MDB arose from the negotiated transfer of power itself. From the onset of constitutional negotiations in December 1991, the National Party government sought guarantees that the interests of white capital would be protected in the coming dispensation (Murray 1994, pp. 180–206). The key demand was for a Bill of Rights that enshrined the sanctity of private property. This idea was by no means new. From the mid 1980s on, the liberal wing of big business had urged the apartheid state to reach a political accommodation with the forces of national liberation through a constitutional settlement that explicitly protected private property from future nationalisation or redistribution (Callinicos 1988, p. 162). To the dismay of many supporters, the ANC's negotiators conceded the basic premise of a 'property clause', choosing instead to agree those discrete areas that might be exempted (McKinley 1997, pp. 90–93, Murray 1994, pp. 180–206). The resulting 'historic compromise', which became section 25 of the final constitution (Act 108 of 1996), underlined the 'nation's commitment to land reform, and to reforms to bring about equitable access to all of South Africa's resources' (25[4a]). However, the wider wording was such that the actual status and legality of the state-led redistribution of landed resources, particularly without compensation, would be constrained and open to challenge. Any future attempt to radically transform property relations would, therefore, be caught between the state's constitutional commitments to promote 'historic redress' and 'equality' on the one hand, and to protect private property rights on the other (Levin and Weiner 1997, p. 21, Ntsebeza 2007).

How, then, did these contradictions combine to shape the ANC's new minerals policy? Although the reform of mineral property relations had been on the policy agenda since 1994, legislative development did not begin in earnest until the ANC's second term of government under Thabo Mbeki (1999–2004). Variously dubbed the 'business-friendly president' (Gumede 2002, p. 201) and the 'African Tony Blair' (Chothia and Jacobs 2002, p. 154), Mbeki had been the main mover behind the Mandela administration's early macroeconomic policy shift from the relatively statist Reconstruction and Development Programme (RDP) to the emphatically pro-market Growth, Employment and Redistribution (GEAR) strategy (Bond 2001, 2002, Gumede 2005, Jacobs and Calland 2002). The leitmotif of the Mbeki-ite vision for a 'new' South Africa was the rapid formation of a black capitalist class, which would be at once 'productive' (i.e. developmental) and 'patriotic' (i.e. socio-racially transformative) (Southall 2004). However, the first attempts at fostering this African 'national bourgeoisie' through 'market-friendly' black economic empowerment (BEE) measures had ended in dismal failure when the Johannesburg Stock Exchange (JSE) crashed in 1997, taking most of the new black business ventures with it (Southall 2004, Bond 2000, pp. 39–46, Marais 2002, Gumede 2002). Under Mbeki's stewardship, the second ANC government thus begun to adopt a more assertive BEE policy stance in which the state was allotted an increasingly interventionist role. Here the formulation of the new minerals policy would prove decisive.

One of the most striking features of the first wave of pro-market BEE measures was their inability to penetrate the minerals and energy core. According to Harvey, writing in early 2000:

> The initial flurry of politically driven black empowerment deals which very quickly captured about 10% of shares on the JSE has dropped to about 1% at the end of 1999, down about R20-billion just over a year ago to a mere R5-billion.... It is interesting to note that the sectors in which black empowerment deals have been struck: telecommunications, media, entertainment and financial services. In the most important productive sectors there has been no significant penetration of black capital and it is very unlikely that there will be any. (Harvey in *Mail and Guardian*, 11 February 2000)

Yet, the highly concentrated structure of the minerals and energy sector had continued to play its historically determining role in the post-apartheid political economy, not least as whole swathes of domestic manufacturing industry were swept aside by the newly deregulated gales of global competition. As much by default as by design, the ANC would thus come to view its long-standing commitment to transform the mining industry as both vanguard and testing ground of more effective BEE measures, which, if successful, could be generalised to other 'productive sectors'.

The strategically central and politically sensitive task of finalising the new minerals policy fell to the incoming minister of minerals and energy, Phumzile Mlambo-Ngcuka. A member of Mbeki's 'inner circle' (Gumede 2005, p. 12), Mlambo-Ngcuka was in many respects the perfect choice for overseeing the marriage of the ANC's transformation project with a classically bourgeois economic reform.[2] As a result of her department's intensified drafting efforts, the BEE content of the minerals policy was beefed up, refined and released for public consultation in the initial legislative form of the Mineral Development Bill (MDB) in December 2000. The three main measures of the MDB may be summarised as follows with brief reference to the stated rationales, mechanisms and internal tensions of each.

'State custodianship'

The MDB's primary economic goal was to kick-start a new wave of investment-led growth in the national mining industry through the strategic nationalisation and redistribution of mineral property rights. The case for this quintessentially Ricardian measure was made in terms of the equity and efficiency arguments that flowed from the neoliberal agenda for post-apartheid South Africa (Bernstein 1996, p. 30). The incoming government had inherited an extremely complex, fragmented and racialised structure of mineral property, which comprised a bewildering range of private, semi-private, and public ownership and use rights (Capps 2012, Cawood and Minnitt 1998, pp. 372–373). The architects of the MDB argued that all of these 'old order' rights should be abolished in favour of a standardised and universal 'new order' mining right, which would be centrally administered by the state and subject to a singular public royalty. Any companies deemed not to have made efficient use of their 'old order' rights would see them alienated to those that could – the so-called 'use it or lose it' principle. The new property regime would thus reduce transaction costs by rationalising capital's access to mineral resources, eliminate uncertainties and disparities in royalty rents, and facilitate equitable access to, and hence the optimal exploitation of, any previously unutilised rights.

Although the MDB's architects could easily demonstrate that their economic proposals were in line with the World Bank's (1992) Strategy for African Mining and international 'best practice', its Ricardian principle nevertheless confronted the contradictions of the 'negotiated transition' in a very immediate way. As just seen, the protections of property enshrined in the constitution raised the possibility of mandatory compensation for the nationalisation of all forms of private landed property, minerals included. In order to circumvent potentially crippling compensation claims, the MDB's drafters juggled with its wording (*Business Day*, 4 January 2001). Instead of saying that all mineral *rights* would now be owned by the state, the MDB spoke of the state custodianship of mineral *resources* which would belong to 'all South Africans'. Likewise, any 'old order' rights could be exchanged for 'new order' rights, rather than face automatic expropriation. As such, there would be no legally recognised 'deprivation of property'. Nevertheless, the scene was set for the mining houses to contest the constitutionality of 'expropriation without compensation', and hence the Ricardian core of the MDB, whatever the legal language or bourgeois rationales deployed.

'Black economic empowerment'

The MDB made the case for its primary social goal in terms of the need to 'expand opportunities for Historically Disadvantaged South Africans to enter the minerals and mining industry'. Continued white control of the sector was thus portrayed as an affront to received notions of equal opportunity, and a direct challenge to the constitutional commitment to 'historic redress'. This, in turn, placed a mandatory duty on the state to actively intervene in the mining industry in order to promote new forms of black ownership and economic control. The principal instrument for doing so would be the criteria by which the 'new order' rights were to be centrally (re-)allocated and/or exchanged for 'old order' rights. In addition to demonstrating the optimal exploitation of these rights, the mining companies would also have to reach clear BEE criteria to be determined and adjudicated by the state. Security of tenure would thus be guaranteed, but only in so far as established mining companies complied with the government's aim of deracialising the industry and creating new opportunities for black ownership and profit-sharing during a specified 'transitional period'.

A workable BEE strategy in mining was not only of concern to the ruling party. Sections of white monopoly capital had long held the view that the formation of a black 'middle class' was essential for stabilising South African capitalism (Davies *et al.* 1988, pp. 213–215, 325–329, Southall 2004, p. 315). The realities of the new political order further induced white monopoly capital to accept that some degree of economic deracialisation was both desirable and necessary. At one level, the formation of a new black business class would, as Fine and Rustomjee (1998, p. 699) put it, 'serve as a buffer against more extensive assaults on the structure of ownership and the modus operandi of corporate capital'. At another level, the rapid economic elevation of leading lights in the former liberation movement would enable white capital to extend its influence over the new government and its policy decisions (Southall 2007, pp. 70–71). Yet, the major corporations still wanted it both ways. While BEE was certainly 'good for business' in principle, this was only if it was pursued at a 'realistic' pace and under their control. This was all the more important given the ANC's statist past and the 'populist' (i.e. redistributive) pressures to which it was now subject. The 'legitimate' degree of 'empowerment intervention' entailed within the MDB would thus present a second, major terrain of struggle with white mining capital and big business more generally.

'The developmental royalty'

In addition to its social goal of promoting black capital, the MDB also included the more welfarist objective of stimulating the 'local and rural economic development and social upliftment of communities affected by mining'. Here, the bill's drafters could draw attention to mining capital's historic neglect, if not destruction, of both the traditional 'labour sending' areas, and those 'rural communities' forced to 'host' mining activities. Two specific sets of measures were devised to 'uplift' the rural poor. First, the new, universal royalty now received by the state would be ring-fenced for redistribution to the labour reserve and mining areas for the explicit purpose of 'rural development'. Second, in order to qualify for 'new order' rights, all established mining companies would also have to submit a 'social plan' that included measures to 'empower' local 'communities' through corporate social investment, small enterprise promotion and, later, equity stakes (Hamann 2003).

The 'developmental royalty' and 'community empowerment' measures (my terms) were at the cutting edge of the neoliberal vision of a new South African capitalism in which every social category would hold a 'stake'. Rather than redistributing wealth to the 'rural poor' through generalised, progressive taxation, the company concerned would thus now be beholden to contribute to those it directly affected. By definition, the scale of this redistribution – whether by corporate social investment or royalty or share allocation – would critically depend on that company's declared profits. Social welfare would thus become an essentially private matter, a 'contract' between the 'stakeholding' rural community and the mining corporation that relieved the social burden from capital as a whole. Nevertheless, while big business in general may have had some sympathy with these proposals, the magnitude of the new state royalty would become a key point of contest with mining capital, as would the notion of 'ring-fencing' this public revenue for targeted redistribution.

To summarise: it has thus far been argued that the ANC's post-apartheid minerals policy represented a remarkable attempt to reconcile the nationalist demand for social justice with a classically bourgeois economic reform. The measures of the MDB would consequently incorporate and combine two distinct – and irreducible – levels of contradiction: first, the economic contradictions arising from the sectional interests of competing capitals, which, whilst historically contingent on both the extractive industry in question and the wider balance of class forces, are nevertheless *general* to all Ricardian reforms; and, second, the political and ideological contradictions inherent in the ANC's transformation agenda in the era of neoliberalism. Before moving on to consider how these contradictions would manifest in the struggle over the final form of the new minerals legislation, it is first necessary to establish why the platinum industry would be its primary target and central locus of white corporate opposition.

The 'platinum interest'

While the MDB aimed to 'modernise' the mining sector as a whole, it is clear that the platinum industry occupied a special place in the ANC's transformation strategy. As I have argued in a previous contribution to this journal, this was due to the conjunction of three factors (Capps 2012). First, the advent of the new dispensation coincided with an unprecedented boom in global platinum demand, heralding a new and frenetic phase of productive expansion in the national industry. With the historically premier gold industry locked in steep decline, platinum would thus not only emerge as the most dynamic component of the post-apartheid mining economy, but, thanks to its vast untapped reserves, by far the largest in the world, the one with the greatest growth potential. Second, however, the apartheid-era mineral property system had enabled the major platinum producers to establish a near-monopoly over these reserves, through a combination of favourable mineral-lease deals with the former Bophuthatswana and Lebowa regimes – the Bantustans where the major reserves were then geopolitically located – and also by the direct acquisition of private mineral rights. This in turn constituted the cornerstone of an industry-wide strategy of regulating the rate of global supply in order to manage, or at least ride out, platinum's extreme price fluctuations (the consequence of the historically limited and highly cyclical nature of world platinum demand), while erecting a powerful barrier to competitive entry. Finally, the major producers were able to secure the reproduction of these strategic mineral property relations during the political transition and thereby enter the new dispensation in the unique position of exclusively controlling South Africa's vast, unutilised and increasingly valuable platinum endowment. From the perspective of those local and foreign investors aiming to break into this sunrise industry, the barrier of private landed property would thus in effect be presented by the platinum mining houses themselves.

By the time of the MDB's release in late 2000, it was apparent that the platinum subsector had become its primary target. As Minister Mlambo-Ngcuka would herself put it: 'platinum is the single most important commodity with highest black economic impact. If we compromise on platinum it does not make sense to have the bill' (cited in *Business Day*, 21 June 2002). Yet, if the platinum industry had become the first prize of the ANC's policy of racially transforming the mining sector alongside and through its productive expansion, the Ricardian measure at the centre of the MDB would represent nothing less than a direct assault on the core interests of the established (white) platinum producers. Indeed, from the moment that the prospect of minerals reform had come on the agenda, the platinum corporations had made it known that any such policy would be strongly resisted. Writing in 1992, one platinum analyst set out what was stake from the producers' point of view and, in so doing, gave notice of the industry's position:

> As South Africa moves towards a new constitution, the debate over dormant mineral rights is increasing in intensity. It has been put forward by more left-wing elements that pressure should be applied to the holders of dormant rights to exploit the minerals, thus creating wealth and, perhaps more importantly, employment. Whilst we are not in disagreement with the objectives of such a scheme, if it was implemented, it could have a devastating effect on the long-term profitability of the platinum mining industry. The principal reason behind the success of platinum mining to date has been the control of supply to the market. If Rustplats [Rustenburg Platinum Holdings, later Anglo Platinum] had developed all the platinum mineral deposits at its disposal over the last decade, it is highly feasible that all platinum mines would now be marginal producers and paying virtually no tax to the government. We would far rather see a healthy South African platinum mining industry than an industry in perpetual crisis. (Authors and title unknown, extract in the National Union of Mineworkers 'Impala Platinum Mines Factsheet', n.d.)

The platinum producers' position was, as this statement suggests, rooted in their private control of the resource base and the unique place of this in the industry's accumulation strategy. Indeed, this was a position that would be restated at various points in the ensuing 'minerals contest'. For example, a *Business Day* article 'Minerals Bill may effect supply trends', cited a report by the analyst Ross Norman of Bulliondesk in August 2002, which, *inter alia*, argued that the legislation could lead to the overproduction of platinum group metals (PGMs) within a decade thus eroding the 'cohesion in a delicately balanced market' (*Business Day*, 30 August 2002). This was also the view of Vermaak (1995, p. 200), the standard authority on the South African platinum industry. Yet, the political conditions of the 'new' South Africa and the type of measures proposed by the MDB would enable the platinum industry to present its specific interest in the continuity of the apartheid mineral property system as the general interest of white monopoly capital as a whole.

It has already been noted that Ricardian reforms are deeply contradictory from the perspective of the bourgeoisie. The general fear that the nationalisation of landed property may spread to productive property is intensified where major capitals are themselves 'owner occupiers'. A mineral property reform that would, in reality, only affect the major platinum producers, could therefore be presented as the beginning of an assault on the principle of private property itself. Moreover, the 'empowerment strategy' at the heart of the MDB rested on new forms of state intervention that seemingly departed from the ANC's macroeconomic policy stance. This could readily be taken as evidence that the government had started to buckle under 'populist' pressures and that the retreat from neoliberalism had begun. Land invasions and endemic 'corruption' in neighbouring Zimbabwe provided 'proof' of what lay ahead if the ANC's impending slide into 'patrimonalism' were not quickly arrested. The 'platinum interest' thus utilised its position in the South African Chamber of Mines (COM) to organise monopoly capital and forge a loose alliance with sections of international mine and finance capital, such as the Foreign Investor's Mining Association (FIMA). Mobilising its substantial resources and institutional power, the COM coordinated a vigorous campaign against the MDB that ranged from 'forming' public opinion to numerous bilateral meetings with the ANC, predicated on the ultimate sanctions of investment strikes and capital flight.[3]

Yet the forces pushing for minerals and mining reform were considerably wider than the new government alone. By the time that the MDB was released, an informal yet relatively cohesive 'empowerment alliance' (my term) had emerged incorporating the organisations of the ANC, its formal partners in the labour movement – the Congress of South African Trade Unions (COSATU) and the South African Communist Party (SACP) – and a new wave of aspirant black mining entrepreneurs.[4] While there were important differences of emphasis between these parties over the aims and means of BEE in a new minerals dispensation, to some extent reflecting their different class bases and interests, all were nevertheless unified around the project of racially transforming the mining industry. The effect was to give the pro-MDB camp a strongly nationalist character and thus confront monopoly capital with a 'popular front' claiming to represent the black majority. Combined with the moral weight of 'historic redress', this would enable the state to adopt a position of non-negotiation on the fundamental principles of the MDB. The forces organised around the 'platinum interest' would thus be forced to engage on the substance of its measures rather than the policy itself. The ensuring struggle over the final form and benefits of the new minerals legislation would be waged over four distinct terrains, with each exposing the differences, as well as the potential unities, between the contending parties.

The struggle for the new minerals dispensation

The Ricardian principle

First were the questions of 'state custodianship' of mineral resources and 'security of tenure'. Here we may note a deep historical irony. The ANC's intention to convert private mineral rights to the property of the state effectively reversed South Africa's history of racialised dispossession in which black mineral property was first seized by the apartheid government, with no compensation, and then redistributed to mining capital as private rights. The new policy of resource nationalisation would thus give white monopoly capital a taste of what it had been like to be black.

Unable to confront the principle of 'state custodianship' head on, the 'platinum interest' opted to make the policy unworkable by challenging the constitutionality of 'expropriating' its private minerals ownership and lease rights 'without compensation'. Were this tactic successful, the state would not be able to afford the massive payouts entailed in their abolition. The defence of the apartheid minerals monopoly thus turned on three legal issues. First, whether the constitution's commitments to 'equality' and 'redress' outweighed its property clause; second, whether mineral rights were indeed a form of constitutionally protected property; and finally whether the difference between the 'expropriation' and 'deprivation' of mineral rights, as the MDB phrased it, was anything but semantic (*Business Day*, 12 March 2001). Accordingly, the COM launched its campaign by threatening to take the MDB to the Constitutional Court if its 'concerns' were not addressed.

At the same time, however, the 'platinum interest' feared that the 'legal' interpretation of these issues would ultimately be a political decision and therefore a course of action entailing considerable risks. Using the Constitutional Court as a bargaining counter, the COM constructed a second line of defence around the 'economics' of security of tenure. Unlike the question of private mineral property, secure mining rights were of concern to capital as a whole. The mining houses argued that their existing prospecting and mining rights should be *automatically* converted to 'new order' rights, and that these licences should be lifelong and free of 'ministerial discretion'. To do otherwise would 'seriously destabilise the industry' and scare off the very investment that the bill sought to attract (*Business Day*, 12 March 2001). In effect, the COM aimed to reproduce the fully private status of mining rights that had been enshrined in the 1991 Minerals Act (Capps 2012), and so dodge the impending threat of the 'use it or lose it' principle. Powerful foreign investors likewise communicated their unease over the 'limited' status, and hence security, of the new mining rights.

Faced with growing criticism from local and international capital, the ANC made a number of tactical concessions while emphasising that public custodianship and administrative licensing were international norms (*Mail and Guardian*, 30 March 2001). Following a high-level meeting between the ANC and the COM in June 2001, and on the eve of an Mbeki-led delegation to meet London investors, Minister Mlambo-Ngcuka announced that the MDB would be withdrawn for redrafting in light of the industry's concerns (*Business Day*, 11 June 2001).[5] By this point, however, the COM appeared to have toned down its (constitutional) objection to minerals nationalisation. The reason was not just to be found in the political strength and economic rationale of the ANC's case, but also in the way that the Ricardian principle exposed fundamental differences between the platinum mining capitals themselves.

Although all the established platinum producers had benefitted from the mineral lease agreements struck in the apartheid era, it was the industry leader, Anglo Platinum, which had in addition been able to hoard the lion's share of private mineral rights. As such, it was Anglo Platinum itself which presented the greatest barrier to competitive entry and productive expansion on the South African platinum belt. While the *de jure* nationalisation of mineral resources may have made the other platinum producers nervous, they, along with the aspirant empowerment entrepreneurs therefore had little to lose and, potentially, much to gain from the *redistribution* of rights promised by the new minerals dispensation.[6] By tactically conceding on the question of security of tenure, the ANC thus succeeded in driving a wedge between the particularistic interests of the world's number one producer and its local and global competitors. This, as will shortly be seen, left Anglo Platinum with no option but to engage the Department Of Minerals And Energy over the future of the other rights it effectively controlled through numerous mineral lease agreements likewise acquired during the apartheid era.

The mining charter

If mineral property reform divided the producers between those with and without private rights, the second major area of BEE would split all forms of mining capital, established and aspiring, along clear racial lines. As with 'state custodianship', the COM could not publicly oppose the principle of 'black empowerment'. Instead it vigorously attacked the 'objectivity' of the criteria by which the new mining rights would be awarded or withdrawn. Here the vague wording of the MDB worked against the ANC. The 'discretionary powers' of the minister rested on ill-defined, and hence 'unpredictable', allocative criteria of 'decisions in the public interest'. This left the state open to the (familiar) charge of insufficient 'transparency' and hence potential 'abuse' (i.e. corruption) by 'unscrupulous government officials' (*Sunday Times*, 8 April 2001). Conceding the need to clarify the BEE criteria for the sake of 'transparency', the ANC agreed to negotiate a 'Broad Based Socio-economic Empowerment Charter' as an adjunct to the main legislation. The terms of this Empowerment Charter thus became the terrain of struggle over the extent and pace of state-led BEE.

In July 2002, an internal DME draft of the Empowerment Charter was 'leaked' and rapidly circulated around the 'investment community'. The draft Charter proposed boosting 'empowerment ownership' in all mining ventures, new and established, to 51% within a decade. Moreover, in line with black capital's push for the new joint business model, this 'ownership' would be measured in equity stakes alone. The international financier's response was both instant and dramatic. 'Screaming nationalisation', billions of rand were wiped off South Africa's mining stocks as capital flew out of the Johannesburg Stock Exchange (*Business Day*, 30 July 2002, *Business Day*, 6 December 2002). Shaken and disciplined, the ANC quickly set about producing a revised and more 'investor friendly' Empowerment Charter under a new task team and in close negotiation with the COM.

The final draft of the Empowerment Charter was approved in October 2002. This stated that 15% of the SA mining sector should be empowerment controlled in five years and 26% within ten years of the MPRDA coming into effect. Moreover, the new participation percentages need no longer be measured in equity stakes alone: affirmative procurement (from small black businesses), employment equity, training, beneficiation and worker saving plans would become part of the equation. The credits to be awarded for each measure would be fungible and set out in a 'scorecard' designed to allow mining companies maximum leeway to negotiate their 'charter requirements' (*Business Day*, 6 December 2002, *Business Day*, 17 January 2003). Crucially, then, the state retreated from its singular commitment to creating a new layer of black mining investors through prescribed joint ventures, while incorporating measures that aimed to promote local level 'corporate social responsibility' in line with the 'community empowerment' aspect of the MDB (Hamann 2003, p. 8).

The LMT farms

The third point of struggle was far more localised, but also the most intensive. This would involve the ANC government using its existing powers to override the mineral-lease deals struck during the apartheid era, while demonstrating its commitment to force black entry into the mining industry through administrative intervention.

As has been noted, the predominant feature of the post-apartheid platinum sector was its phenomenal growth in response to soaring platinum prices from the mid 1990s on. However, the rush to expand platinum production through new mine developments was also driven by the imperative of pre-empting the 'use it or lose it' principle in the new minerals legislation (*Business Day*, 21 February 2001). By the same token, the major producer's actively sought new 'empowerment partners', poured money into an industry 'empowerment fund' and upped the rate of local corporate social investment in the hope that, by demonstrating their 'voluntary' commitment to the social goals of the MDB, they would win the moral 'high ground' and, with it, the argument that the industry was perfectly capable of 'transforming' itself. But there was a catch with this strategy of pre-emptive compliance. Pending the promulgation of the new minerals legislation, no new platinum project or venture could proceed without a mining licence granted by the national Department Of Minerals And Energy (DME) in terms of the 1991 Minerals Act. This gave the state considerable leverage to shape the terms of the proposed projects and deals and, through them, the future minerals dispensation.

The critical point of contest would be between the DME and Anglo Platinum over the future of a large number of mineralised farms in Limpopo. Under apartheid, these had fallen within the borders of the Lebowa Bantustan, and Anglo Platinum had gained the exclusive rights through a series of highly favourable mineral-lease deals with the Lebowa Mineral Trust (LMT) – a quasi-public body in which all state-owned mineral rights had been vested. Like all the Bantustans, Lebowa had been absorbed into the unitary post-apartheid state, but the LMT had remained intact pending its abolition at a later date. In the interim, it was bought under the administrative control of the minister of minerals and energy, who now exercised the authority to grant the prescribed mining authorisations in relation to the LMT's extant mineral-lease agreements. Anglo Platinum would thus have to deal directly with the DME if and when it decided to operationalise these options, which, like its private mineral rights, had not only been largely sterilised, but effectively blocked potential competitors from gaining entry to this sizeable portion of the national platinum endowment.

On the eve of the public release of the MDB in December 2000, and after protracted negotiation, Anglo Platinum and the DME reached an agreement on the granting of new mining licences to a number of the LMT farms (*Business Day*, 19 December 2002). The agreement specified that Anglo Platinum could push ahead with new projects on the twin conditions that its rights over similar properties were 'released' for reallocation to black empowerment companies, and that the new projects themselves involved a black empowerment partner. A major beneficiary of this latter condition was Patrice Motsepe's Africa Rainbow Minerals (ARM). In August 2001, ARM formed a 50–50 joint venture with Anglo Platinum in what became known as the 'Modikwa' (formally 'Maandagshoek') project, which, at R1.35 billion, was South Africa's biggest 'empowerment' equity deal to date. However, while the public image of the December agreements was one of mutual accommodation, the course of BEE did not run so smooth when Anglo Platinum attempted to broker a similar deal in June 2002.

As platinum demand continued to rise, Anglo Platinum applied for six new mining licences to develop further LMT farms in March 2001. Dubbed the 'Twickenham' metals project, the proposed investment of R2.7 billion aimed to consolidate Anglo Platinum's hold on the Eastern Bushveld by expanding its (four) existing operations and sinking new mines on two adjacent properties. The DME, however, refused to grant the licences unless Anglo Platinum 'released' more mineral rights and entered into further empowerment ventures. With the minerals legislation at the parliamentary hearings stage, the mining houses opted to make a final stand.

In June 2002, Anglo Platinum filed a court application against the DME's Limpopo representative, accusing him of 'unreasonable delay' (*Business Day*, 21 June 2002). Anglo Platinum also announced that if the MDB were enacted in its current form, the group's entire expansion portfolio of R20 billion would be in jeopardy. In a coordinated attack, the diamond monopoly De Beers likewise queried the future of its R10 billion investment programme. For its part, the COM threatened to take the MDB to the impending G8 summit as an abrogation of international agreements that 'undermined [Mbeki's] New African Partnership for Development (NEPAD) by creating an environment unfavourable to development and sound governance' (*Business Day*, 21 June 2002). Faced with the 'blackmail' of an investment strike and a very public slur on the president's pet project, the ANC went on the offensive. Minister Mlambo-Ngcuka stated that 'if the rights demanded by Angloplat were granted under the existing law, the object of the bill to transform the industry and open up access to other players would be totally undermined' (*Mail and Guardian*, 26 June 2002). As talks reopened with Anglo Platinum, the bill was pushed through the national assembly forcing, analysts claimed, the company to backtrack and drop the case (*Business Day*, 3 July 2002). By August an 'empowerment deal' had been sealed that involved Anglo Platinum setting aside pieces of land for new mines and committing to 50–50 joint ventures with two black mining consortiums (*Mining Weekly*, 13 December 2002). As a buoyant Mlambo-Ngcuka would put it in August 2002: 'the successful conclusion to the negotiations has implemented the new minerals legislation before it has even come into force' (*Business Day*, 8 August 2002). Three months later, the Minerals and Petroleum Resource Act had been gazetted with its core principles intact and would come into force on 1 May 2004.

The 'developmental royalty'

Yet the struggle over the new minerals legislation did not end there. For, whatever its previous divisions and splits, the final issue of the new state royalty would unite all forms of mining capital – aspirant or established, black or white – against the government itself. As was noted above, the central contradiction of the Ricardian reform is that state landed property does not of itself eliminate rent, but rather modifies its form and final destination. In the South African case, the fragmentation and weakness of mineral property had seen mining capital benefit considerably from low or absent royalty demands in respect to the vast tracts of mineralised land owned and/or controlled by the apartheid and Bantustan states (Capps 2012). By proposing a standardised and universally enforced royalty, the MDB thus confronted *all* categories of mine owner and investor with the appropriation of a portion of their profits as a 'state tax'. The ANC argued that the 'resource rents' generated by mining were 'excess profits' whose redistribution to central government would not negatively impact on accumulation· Nevertheless, the proposed level of the state royalty became the final site of struggle in the contest over the new minerals legislation.

The Ministry of Finance (MF) was charged with the task of drafting the new royalty legislation as an adjunct to the main MPRDA. Released for 'public consultation' in March 2003, the Mineral and Petroleum Royalty Bill (MPRB) proposed a sliding scale of royalty rates, depending on the mineral classification, levied on gross sales (Republic of South Africa [RSA] 2003). While the accompanying press release claimed that the prescribed royalties – 3% on gold, 4% on platinum and 8% on diamonds, calculated as a percentage of sales – were 'internationally competitive' (Ministry of Finance 2003, pp. 1–2), the industry reacted sharply. According to market analysts, if the proposed regime were applied to sales in 2001–2, mines would have paid R4.2 billion in tax, with platinum producers standing to lose between 9–12% of profit (*Business Day*, 24 March 2003). Shares in several big mining companies immediately fell on the MPRB's release, while the COM, foreign investors and the black industrial lobby group, the South African Mining Development Association (SAMDA), united in their opposition to the new royalty as a 'punitive tax' (*Mining Weekly*, 28 March 2003, *Business Day*, 23 April 2003, *Business Day*, 17 July 2003).[7] The effect was to force the MF back to the drafting table.

Two years later, a new version of the MPRB was released for comment. This now incorporated the COM's preference for a single royalty formula based on profitable earnings, rather than on gross sales (Cawood 2010, Dansereau 2005, p. 57, RCA 2008, p. 13). Yet, there were still industry objections and, in May 2008, a final version of the bill appeared with two further amendments. First, a distinction was drawn between refined and unrefined minerals, with the latter pegged at a marginally higher rate and ceilings set on both. Second, the tax base was altered to 'earnings before interest and taxation', which would allow for 100% capital expensing in the same manner as income tax (RCA 2008, p. 13, Ministry of Finance 2008, pp. 1–2). Gazetted in August 2008 as the Minerals and Petroleum Royalty Act (No. 28 of 2008) and due to come into effect from 1 March 2010, this aspect of the new minerals legislation thus represented a significant retreat on the part of the state thanks to united industry opposition in which the common concerns of both black and white mining interests trumped their earlier divisions. The result was that the new state royalty was predicted to yield only R2 billion in its first full year of operation (KIO 2010, p. i), less than half the estimated public income of the original formulation.

Moreover, the MF made it clear that this revenue would no longer be 'ring-fenced' for targeted expenditure among mine-hosting and labour supplying rural 'communities', as per the original vision of the MDB (Ministry of Finance 2008:3). Rather, those 'communities' already in receipt of royalty from mining operations in their areas, would be able to retain this income on the condition that they met a number of criteria set out in Schedule II of the MPRDA. But even then, mining companies and such 'communities' would also be 'encouraged, where deemed appropriate, to convert the interests of communities into equity' (Ministry of Finance 2008, p. 3). Thus, the notion of a marginally redistributive 'developmental royalty' was effectively terminated in favour of more privatised forms of 'community shareholding' that would radically reduce the range of the social categories potentially benefitting from the new minerals dispensation to those that were not only directly affected by mining operations, but were able to negotiate complex equity deals with corporate capital. In the final analysis, the logic of the bourgeois reform had now trumped the original intent of social justice.

Conclusion

This article has set out to develop a materialist analysis of the ANC's post-apartheid minerals policy. Its focus has been on the main measures of the MDB and their contestation in the passage to the MPRDA and its adjunct legislation. Three arguments have been advanced. First, despite its apparent radicalism, the MDB's core proposal to nationalise mineral rights should be conceived as a variant of what Marx terms a 'Ricardian reform'. As such, it was an essentially bourgeois measure designed to accelerate accumulation in the national mining industry by eliminating the barriers to investment posed by private minerals ownership. Second, however, the MDB also aimed to transform the racial structure of mine ownership along with other social goals. In attempting to marry a classical bourgeois reform with a nationalist commitment to social justice, the MDB must also be understood as a product of South Africa's political transition in the era of neoliberalism. Finally, the platinum industry was the primary target of the MDB. This was not only due to the fact that platinum had emerged as the fastest growing component of the national mining sector with the greatest concentration of unutilised mineral rights, but also that these rights were exclusively controlled by the established (white) platinum producers – the essential element of an industry-wide accumulation strategy. The ensuing struggle over the final form and benefits of the new minerals dispensation would thus be centred on the platinum mining industry. Fought out across a number of different terrains, this contest would eventuate in legislation which kept the core principles of the MDB intact while making key concessions, above all on the extent and pace of BEE and the magnitude and purpose of the new state royalty. Inevitably, however, the implementation and effects of this legislation would prove no less contested and contradictory. It is hoped that the analytical approach suggested by this article will contribute to the investigation of the subsequent trends and tensions.

Note on contributor

Gavin Capps is a postdoctoral research fellow in the National Research Foundation Research Chair in Land Reform and Democracy in South Africa at the Centre for African Studies, University of Cape Town. His current research is on the new processes of rural social differentiation and struggle that are being set in motion by the expansion of platinum mining activity in the former homeland areas of the North West and Limpopo Provinces, South Africa.

Notes

1. The twists and turns of the post-apartheid minerals policy development process from the publication of the RDP in February 1994 to the release of the Mineral and Mining Policy white paper in December 1998 are traced by Cawood and Minnitt (1998, pp. 374–375). See also Dansereau (2005, pp. 55–56).

2. Indeed, Mlambo-Ngcuka had already made her name as a neoliberal outrider in the Mandela administration, most notably when, in her then role as minister of trade and industry, she infamously declared that 'black business men [sic] should not be shy to say that they wanted to become "filthy rich"' (Adam *et al.* 2001, p. 201). She would later go on to become Mbeki's vice-president.
3. With respect to 'public opinion', *The Star* would reveal in June 2001 that:

> The Chamber of Mines has designed a sophisticated strategy, which includes the manipulation of statements by President Thabo Mbeki, in order to oppose the Mineral Development Bill. . .. A document with minutes of the Chamber, in possession of *The Star*, states: 'The strategy should have a single, central theme: that the bill will have the unintended effect of undermining President Mbeki's objectives to grow the economy and to "create a better life for all". All the arguments should thus be prefaced by a statement of support for the bill's objectives.' (*The Star*, 10 May 2001)

4. The latter included political heavyweights like Tokyo Sexwale (Mvelaphanda Holdings), Mzi Khumalo (African Mining Group) and Cyril Ramaphosa (Millennium Consolidated Investments), as well as Patrice Motsepe, the founder and CEO of African Rainbow Minerals (ARM) and his sister Bridget – the wife of then minister of public enterprises, Jeff Radebe, who established Mmakau Mining in 2000 and the industrial lobby group, South African Mining Development Association (SAMDA), the following year.
5. In the final version, released some 10 months later, the duration of mining rights was extended from 25 to 30 years and the 'transitional period' for converting rights from five to seven years.
6. Indeed, as Anglo Platinum's main domestic rival, Impala, noted in its 2002 annual report: 'the requirements of the Bill will not be as onerous to Implats as to other producers who hold large tracts of unutilised mineral rights' (p. 17). The CEO of the 'junior' Canadian platinum firm, Southern Era, was even more pointed when he stated in March 2001: 'I have to view with some suspicion the motives of the big South African mining companies in opposing certain parts of the Bill. My interest is in seeing as much ground freed up as possible' (Chris Jennings, cited *Mail and Guardian*, 9 March 2001).
7. As well as contesting the proposed rate, the COM also argued that corporate social investment in local 'communities', as per the Empowerment Charter, should be offset against royalty payments. Representing the interest of black aspirant mining capital, Bridget Radebe, the president of SAMDA claimed that the MPRB could lead to 'downscaling, retrenchments and loss of skills' in the 'junior' mining sector (*Business Day*, 17 July 2003).

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